



## AGREEMENT WITH THE LIMITED COMPANY CONTRACTOR (TERMS OF ENGAGEMENT) OPT OUT VERSION

(Where the Contractor is not under the supervision, direction or control of the client and has opted out of the 2003 Conduct Regulations)

(These Terms are for use where the Consultancy will not be under the direction, supervision or control of the client i.e. the arrangement meets the Inland Revenue tests of self-employment and the limited company contractor has opted out\* of the protection of the Conduct Regulations 2003<sup>1</sup>)

Date:

### NAMES OF PARTIES

(1) ("Consultancy") of

CONSULTANCY ADDRESS

(2) Paramount Recruitment Ltd ("the Employment Business") of

LONSDALE HOUSE,  
52 BLUCHER STREET,  
BIRMINGHAM  
B1 1QU

### RECITALS

- (A) The Consultancy carries on the business of the provision of consultancy services relating to all aspects of services specified in the attached schedule. ("the Consultancy Services")
- (B) The Employment Business has requested the Consultancy and the Consultancy has agreed with the Employment Business, to provide the Consultancy Services on the terms and subject to the conditions of this agreement ("Agreement").

**IT IS AGREED** as follows:

### 1. INTERPRETATION AND DEFINITIONS

1.1. Unless the context otherwise requires, references to the singular include the plural.

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<sup>1</sup> Conduct of Employment Agencies and Employment Businesses Regulations 2003



- 1.2. The headings contained in the Agreement are for convenience only and do not affect their interpretation.
- 1.3. **"Assignment"** means the services, which the Consultancy is engaged by the Employment Business to render 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 requiring the services of the Consultancy and identified in the attached schedule

## 2. CONSULTANCY

- 2.1. The Consultancy's obligation to provide the Consultancy Services shall be performed by such member or members of the Consultancy's employees, officers or representatives ("Staff") as the Consultancy may consider appropriate, subject to the agreement of the Client. The Consultancy shall be entitled to assign or sub-contract the performance of the Consultancy Services provided that the Employment Business and the Client are reasonably satisfied that the assignee or sub-contractor has the required skills, qualifications, resources and personnel to provide the Consultancy Services to the required standard and that the terms of any such assignment or sub-contract contain the same obligations imposed by this agreement and further that any person to whom the performance of the Consultancy Services has been assigned or sub-contracted has opted out of the Conduct Regulations 2003.
- 2.2. The schedule attached to this Agreement shall specify the Client, the fee payable by the Employment Business and such expenses as may be agreed, any notice period and any other relevant information.
- 2.3. Save as otherwise stated in this Agreement, the Consultancy shall be entitled to supply its services to any third party during the term of this Agreement provided that this in no way compromises or is to the detriment of the supply of its services to the Client.

## 3. THE CONTRACT

- 3.1. This Agreement constitutes the contract between the Employment Business and the Consultancy and governs the Assignment undertaken by the Consultancy with the Client.
- 3.2. No variation or alteration of these terms shall be valid unless approved by the Employment Business and the Consultancy in writing.

## 4. UNDERTAKING OF THE CONSULTANCY

- 4.1. The Consultancy warrants to the Employment Business that by entering into and performing its obligations under this Agreement it will not thereby be in breach of any obligation which it owes to any third party.
- 4.2. The Consultancy warrants that its Staff have the necessary skills and qualifications to perform the Consultancy Services and that it will only supply staff to perform the Consultancy Services who have opted out of the Conduct Regulations 2003.



## 5. OBLIGATIONS OF THE CONSULTANCY

- 5.1. The Consultancy agrees on its own part and on behalf of its Staff as follows:
- 5.1.1. Not to engage in any conduct detrimental to the interests of the Employment Business or the Client which includes any conduct tending to bring the Employment Business or the Client into disrepute or which results in the loss of custom or business.
  - 5.1.2. To comply with any statutory or other reasonable rules or obligations including but not limited to those relating to health and safety during the Assignment to the extent that they are reasonably applicable to them while performing the services and to take all reasonable steps to safeguard its own safety, the safety of its Staff and the safety of any other person who may be affected by its actions on the Assignment.
  - 5.1.3. To furnish the Client and/or the Employment Business with any progress reports as may be requested from time to time.
  - 5.1.4. Not to sub-contract or assign to any third party any of the Consultancy Services which it is required to perform under the Assignment except in accordance with clause 2.1.
  - 5.1.5. To notify the Employment Business forthwith in writing if it should become insolvent, dissolved or subject to a winding up petition.
  - 5.1.6. To provide at its own cost, subject to any agreement to the contrary specified in the Schedule attached as to any facilities which may be made available by the Client, all such necessary equipment as is reasonable for the adequate performance by the Staff of the Consultancy Services.
- 5.2. If the Consultancy is unable for any reason to perform the Consultancy Services during the course of an Assignment the Consultancy should inform the Employment Business by no later than 10.00am on the first day of incapacity.
- 5.3. The Consultancy shall have reasonable autonomy in relation to determining the method of performance of the Consultancy Services but in doing so it shall co-operate with the Client and comply with all reasonable and lawful instructions within the scope of the Assignment made by the Client.
- 5.4. Nothing in this Agreement shall render any member of the Consultancy's Staff an employee of either the Employment Business or the Client. The Consultancy shall ensure that none of its Staff holds him or her self out as an employee of either the Employment Business or the Client.
- 5.5. The Consultancy shall bear the cost of any training which its Staff may require in order to perform the Consultancy Services.



## 6. INVOICING

- 6.1. Upon completion of the Assignment or as may be agreed and specified in the Schedule attached at the end of each week of the Assignment the Consultancy shall deliver to the Employment Business its invoice for the amount due from the Employment Business to the Consultancy giving a detailed breakdown showing the work performed. The invoice must be received by the Employment Business by no later than 12.00 on *Friday* following the week to which it relates. The Consultancy's invoice should bear the Consultancy's name, company registration number, VAT number and should state any VAT due on the invoice.
- 6.2. The Consultancy shall obtain the signature of an authorised representative of the Client as verification of execution of the Assignment.
- 6.3. The Employment Business shall not be obliged to pay any fees to the Consultancy unless an invoice has been properly submitted by the Consultancy in accordance with sub-clause 6.1 of this Agreement and until the Client has verified the execution of the Assignment.

## 7. FEES

- 7.1. Subject to the receipt of the Consultancy's invoice in accordance with clause 6 above, the Consultancy will receive payment from the Employment Business for the Assignment in accordance with the fee specified in the Schedule attached, plus VAT where appropriate.
- 7.2. The Consultancy shall be responsible for any PAYE Income Tax and National Insurance Contributions and any other taxes and deductions payable in respect of its Staff for the Assignment.
- 7.3. All payments will be made to the Consultancy.
- 7.4. If the Consultancy shall be unable for any reason to provide the Consultancy Services to the Employment Business no fee shall be payable by the Employment Business during any period that the Consultancy Services are not provided.

## 8. OBLIGATIONS OF THE EMPLOYMENT BUSINESS

- 8.1. Throughout the term of this Agreement the Employment Business shall pay the Consultancy the agreed fee in accordance with clause 7.1 above
- 8.2. The Employment Business shall furnish the Consultancy with sufficient information about the Assignment in order for the Consultancy to arrange for the Consultancy Services to be carried out.
- 8.3. The Employment Business will advise the Consultancy of any health & safety information or advice which it receives from the Client which may affect the Consultancy's Staff during the Assignment.



## 9. TERM OF THE AGREEMENT

- 9.1. This Agreement shall commence on 01/06/2009 and shall continue until completion of the Consultancy Services to the reasonable satisfaction of the Client at which time this Agreement shall expire automatically unless previously terminated by the Employment Business or the Consultancy giving the other party the period of notice specified in the schedule attached.
- 9.2. Notwithstanding sub-clause 9.1 of this Agreement, the Employment Business may without notice and without liability instruct the Consultancy to cease work on the Assignment at any time, where:
- 9.2.1. the Consultancy has committed any serious or persistent breach of any of its obligations under this Agreement;
  - 9.2.2. the Client reasonably believes that the Consultancy has not observed any condition of confidentiality applicable to the Consultancy from time to time; or
  - 9.2.3. for any reason the Consultancy proves unsatisfactory to the Client.
  - 9.2.4. the Consultancy becomes insolvent, dissolved or subject to a winding up petition.
  - 9.2.5. any member of the Consultancy's staff is guilty of any fraud, dishonesty or serious misconduct
  - 9.2.6. the Consultancy is unable to perform the Consultancy Services for over two days.
- 9.3. Failure by the Consultancy to give notice of termination as required in the Schedule attached shall constitute a breach of contract and shall entitle the Employment Business to claim damages from the Consultancy for any resulting loss suffered by the Employment Business.
- 9.4. The Consultancy acknowledges that the continuation of the Assignment is subject to and conditioned by the continuation of the contract entered into between the Employment Business and the Client. In the event that the contract between the Employment Business and the Client is terminated for any reason the Assignment shall cease with immediate effect without liability to the Consultancy.

### 1.1

## 10. ACKNOWLEDGMENT

- 10.1. The Consultancy acknowledges that all copyright, trademarks, patents and other intellectual property rights deriving from services carried out by the Consultancy and its Staff and any third party to whom the Contract is assigned or sub-contracted for the Client during the Assignment shall belong to the Client. Accordingly the Consultancy shall (and shall procure that any relevant member of its Staff shall) execute all such documents and do all such acts as the Employment Business shall from time to time require in order to give effect to its rights pursuant to this clause.

## 11. CONFIDENTIALITY

- 11.1. In order to protect the confidentiality and trade secrets of any Client and without prejudice to every other duty to keep secret all information given to it or gained in confidence the Consultancy agrees on its own part and on behalf of its Staff as follows:



- 11.1.1. Not at any time whether during or after the Assignment (unless expressly so authorised by the Client or the Employment Business as a necessary part of the performance of its duties) to disclose to any person or to make use of any of the trade secrets or confidential information of the Client;
- 11.1.2. To deliver up to the Client or the Employment Business (as directed) at the end of the Assignment all documents and other materials belonging to the Client (and all copies) which are in its possession including documents and other materials created by it or the Staff during the course of the Assignment;
- 11.1.3. Not at any time to make any copy, abstract, summary or précis of the whole or any part of any document or other material belonging to the Client except when required to do so in the course of its duties under the Assignment in which event any such item shall belong to the Client or the Employment Business as appropriate.

## 12. RESTRICTION\*

- 12.1. The Consultancy shall not for a period of six months following the termination of the Assignment supply its services directly, or through any other person, firm or company, to any Client for whom it has carried out the Assignment at any time during the previous six months (save in the case of supply through an employment business or recruitment consultancy with whom the Consultancy was also registered at the date of commencement of the Assignment).

## 13. COMPUTER EQUIPMENT WARRANTY

- 13.1. The Consultancy shall ensure that any computer equipment and associated software which it provides to its Staff for the purpose of providing the Consultancy Services contains anti-virus protection with the latest released upgrade from time to time and will be year 2000 compliant.

## 14. RELATIONSHIP BETWEEN EMPLOYMENT BUSINESS AND CONSULTANCY

- 14.1. The Consultancy acknowledges to the Employment Business that its services are supplied to the Employment Business as an independent contractor and that accordingly the responsibility of complying with all statutory and legal requirements relating to the staff of the Consultancy (including the payment of taxation) shall fall upon and be discharged wholly and exclusively by the Consultancy. In the event that any person should seek to establish any liability or obligation upon the Employment Business on the grounds that the staff are an employee of the Employment Business, the Consultancy shall upon demand indemnify the Employment Business and keep it indemnified in respect of any such liability or obligation and any related costs expenses or other losses which the Employment Business shall incur.

## 15. NOTICES

- 15.1. All notices which are required to be given hereunder shall be in writing and shall be sent to the registered office from time to time of the party upon whom the notice is to be served. Any such notice may be delivered personally or by first class prepaid post or facsimile transmission and shall be deemed to have been served if by hand when delivered, if by first class post 48 hours and if by facsimile transmission when dispatched.



## 16. LIABILITY

- 16.1. The Consultancy shall be liable for any loss, damage or injury to any party resulting from the negligent acts or omissions of its Staff or from the acts of omission of any assignee or sub-contractor to whom the Consultancy assigns or sub-contracts the performance of the Consultancy Services during an Assignment.
- 16.2. The Consultancy shall ensure the provision of adequate Employer's Liability Insurance, Public Liability Insurance and any other suitable policies of insurance such as Professional Indemnity insurance in respect of the Consultancy and its Staff during an Assignment and shall make a copy of the policy available to the Employment Business upon request.
- 16.3. The Consultancy shall be liable for any defects arising in relation to the Consultancy Services and shall rectify at its own cost such defects as may be capable of remedy within a reasonable period from notification of such defects by either the Employment Business or the Client.

## 17. GOVERNING LAW AND JURISDICTION

- 17.1. This Agreement shall be construed in accordance with the laws of England & Wales and all disputes, claims or proceedings between the parties relating to the validity, construction or performance of this Agreement shall be subject to the exclusive jurisdiction of the Courts of England & Wales

## 18. ILLEGALITY

- 18.1. If any provision or term of this Agreement shall become or be declared illegal, invalid or unenforceable for any reason whatsoever including, but without limitation, by reason of the provisions of any legislation or other provisions having the force of law or by reason of any decision of any Court or other body or authority having jurisdiction over the parties of this Agreement such terms or provisions shall be divisible from this Agreement and shall be deemed to be deleted from this Agreement provided always that if any such deletion substantially affects or alters the commercial basis of this Agreement the parties shall negotiate in good faith to amend the modify the provisions and terms of this Agreement as necessary or desirable in the circumstances.

## 19. DISCLAIMER

- 19.1. The Employment Business makes no representation nor does it accept any responsibility for ensuring that the terms of this contract are an accurate reflection of the relationship between the Client and the Consultancy. Furthermore the Employment Business accepts no liability to indemnify the Consultancy for any losses, expenses or liabilities incurred by the Consultancy whether by reason of tax or other statutory or contractual liability or any such liability to any third party arising from the Assignment.

**SIGNED by** .....

For and on behalf of the Consultancy .....

**SIGNED by** .....

For and on behalf of  
the Employment Business .....