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**CLIENT TERMS OF BUSINESS**

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**FOR THE INTRODUCTION OF PERMANENT OR  
CONTRACT STAFF (TO BE DIRECTLY EMPLOYED  
BY THE CLIENT)**

January 2010

## 1. DEFINITIONS

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

“Assignment” means the period during which the Contractor is supplied by NP 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 Limited Company introduced to the Client by NP and engaged by the Client to carry out an Assignment (and save where otherwise indicated, includes any officer, employee or representative thereof).

“Engagement” means the engagement, employment or use of the Contractor’s services or the services of any officer, employee or representative of the Contractor, directly by the Client or any third party or through any other employment business on a permanent or 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 NP to supply a Contractor or (ii) the passing to the Client of information which identifies a Contractor; and which leads to an Engagement.

“Employment Agency/Employment Business” means when NP is introducing Applicants to the Client for permanent or fixed term positions it is acting as an Employment Agency and when supplying Contractors to render services to a Client it is acting as an Employment Business as defined in the Employment Agencies Act 1973.

“NP” means Networking People (UK) Limited of 350 Euston Road, Regents Place, London NW1 3AX

“Remuneration” includes fees, guaranteed and/or anticipated bonus and commission earnings, allowances, inducement payments, and all other payments taxable, (and, where applicable, non-taxable) payable to or receivable by the Contractor for services rendered to or on behalf of the Client.

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

1.3. The headings contained in these Terms of Business are for convenience only and do not affect their interpretation.

## 2. THE CONTRACT

2.1. These Terms constitute the contract between NP and the Client and are deemed to be accepted by the Client by virtue of an Introduction to, or the Engagement of an Applicant or the passing of any information about the Applicant to any third party following an Introduction.

2.2. These terms contain the entire agreement between the parties and unless otherwise agreed in writing by a Director of NP, these Terms of Business prevail over any other terms of business or purchase conditions put forward by the Client.

2.3 No variation or alteration to these Terms shall be valid unless the details of such variation are agreed between NP and the Client and are set out in writing and a copy of the varied terms is given to the Client stating the date on or after which such varied terms shall apply.

### 3. NOTIFICATION AND FEES

3.1. The Client agrees:

- a) To notify NP immediately of any offer of an Engagement which it makes to the Applicant;
- b) To notify NP immediately that its offer of an Engagement to the Applicant has been accepted and to provide details of the Remuneration to NP; and
- c) To pay NP's fee within 14 days of the date of invoice.

3.2 The fee for a search and selection assignment shall be calculated as 33% of the first year's remuneration payable in the following instalments:

3.2.1 One third (33.3%) of the fee upon acceptance of Client's instructions, payable within [14] days of invoice;

3.2.2 One third (33.3%) of the fee upon delivery by the Company of a short-list of Applicants, payable within [14] days of invoice; and

3.2.3 The final third (33.3%) upon the Applicant's acceptance of the offer of Engagement payable within [14] days of invoice.

3.2.4 Where the precise Remuneration is not known in advance, the Remuneration will be estimated for the purposes of the first two instalments of the fee. The final instalment of the fee will be based on the actual Remuneration and any necessary adjustments will be made and no entitlement to refunds of any paid instalments arises, where the Client decides not to proceed with the search or appointment of the Applicant.

3.3 NP reserves the right to charge interest on invoiced amounts unpaid for more than 14 days at the rate of 8% from the due date until the date of payment.

3.4 The contingency fee payable to NP by the Client for an Introduction resulting in an Engagement (for all introductions except those using NP's executive search and selection service detailed in clause 3.2 above) is calculated in accordance with the Fee Structure detailed below on the Remuneration applicable during the first 12 months of the Engagement. VAT will be charged on the fee if applicable.

Scale of First Year's Remuneration	% Fee
£0-£24,999	20%
£25,000-£39,999	25%
£40,000 plus	30%

3.4.1 One half (50%) of the fee will be invoiced upon the Applicant's acceptance of the offer of Engagement payable within 14 days of invoice.

3.4.2 One half (50%) of the fee will be invoiced upon the Applicant's start date of the Engagement with the Client payable within 14 days of invoice.

3.5 In the event that the Engagement is for a fixed term of less than 12 months, the fee in clause 3.4 will apply pro-rata. If the Engagement is extended beyond the initial fixed term or if the Client re-engages the Applicant within 6 calendar months from the date of termination of the first Engagement the Client shall be liable to pay a further fee based on the additional Remuneration applicable for the period of Engagement following the initial fixed term up to the termination of the second or subsequent Engagement.

3.6 If the Client subsequently engages or re-engages the Applicant within the period of 6 calendar months from the date of termination of the Engagement or withdrawal of the offer, a full fee calculated in accordance with clause 3.4 above becomes payable.

#### 4. REFUNDS

4.1. In order to qualify for the following refund, the Client must pay NP's fee within 14 days of the date of invoice and must notify NP in writing of the termination of the Engagement within 7 days of its termination.

4.2. If the Engagement terminates before the expiry of 10 weeks from the commencement of the Engagement (except where the Applicant is made redundant) a refund of 1/10th will be allowed against NP's fee for each complete week of the initial 10 week period not worked by the Applicant. The Client shall be liable to pay NP a minimum fee of £850 plus VAT as applicable to cover administration costs.

4.3. In circumstances where clause 3.6 applies the full fee stated in clause 3.4 is payable and there shall be no entitlement to a refund.

#### 5. CANCELLATION FEE

5.1. If, after an offer of Engagement has been made to the Applicant, the Client decides for any reason to withdraw it, the Client shall be liable to pay NP a minimum fee of £850 plus VAT as applicable to cover administration costs.

#### 6. INTRODUCTIONS

6.1. Introductions of Applicants are confidential. The disclosure by the Client to a third party of any details regarding an Applicant introduced by NP which results in an Engagement with that third party within 6 months of the Introduction renders the Client liable to payment of NP's fee as set out in clause 3.4 with no entitlement to any refund.

6.2. An introduction fee calculated in accordance with clause 3.4 will be charged in relation to any Applicant engaged as a consequence of or resulting from an introduction by or through NP, whether direct or indirect, within 6 months from the date of NP's Introduction.

6.3. Where the amount of the actual Remuneration is not known NP will charge a fee calculated in accordance with clause 3.4 on the minimum level of remuneration applicable for the position in which the Applicant has been engaged with regard to any information supplied to NP by the Client and/or comparable positions in the market generally for such positions.

## 7. SUITABILITY AND REFERENCES

7.1. NP endeavours to ensure the suitability of any Applicant engaged by the Client by obtaining confirmation of the Applicant's identity; that the Applicant has the experience, training, qualifications and any authorisation which the Client considers necessary or which may be required by law or by any professional body; and that the Applicant is willing to work in the position which the Client seeks to fill.

7.2. At the same time as proposing an Applicant to the Client NP shall inform the Client of such matters in clause 7.1 as they have obtained confirmation of. 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 Applicant is being proposed for a position which is the same as one in which the Applicant has worked within the previous five business days and such information has already been given to the Client.

7.3. NP endeavours to take all such steps as are reasonably practicable to ensure that the Client and Applicant are aware of any requirements imposed by law or any professional body to enable the Applicant to work in the position which the Client seeks to fill.

7.4. NP endeavours to take all such steps as are reasonably practicable to ensure that it would not be detrimental to the interests of either the Client or the Applicant for the Applicant to work in the position which the Client seeks to fill.

7.5. Notwithstanding clauses 7.1, 7.2, 7.3 and 7.4 above the Client shall satisfy itself as to the suitability of the Applicant and the Client shall take up any references provided by the Applicant to it or NP before engaging such Applicant. The Client is responsible for obtaining work permits and/or such other permission to work as may be required, for the arrangement of medical examinations and/or investigations into the medical history of any Applicant, and satisfying any medical and other requirements, qualifications or permission required by law of the country in which the Applicant is engaged to work.

7.6. To enable NP to comply with its obligations under clauses 7.1, 7.2, 7.3 and 7.4 above the Client undertakes to provide to NP details of the position which the Client seeks to fill, including the type of work that the Applicant would be required to do; the location and hours of work; the experience, training, qualifications and any authorisation which the Client considers necessary or which are required by law or any professional body for the Applicant to possess in order to work in the position; and any risks to health or safety known to the Client and what steps the Client has taken to prevent or control such risks. In addition the Client shall provide details of the date the Client requires the Applicant to commence, the duration or likely duration of the work; the minimum rate of remuneration, expenses and any other benefits that would be offered; the intervals of payment of remuneration and the length of notice that the Applicant would be entitled to give and receive to terminate the employment with the Client.

## 8. SPECIAL SITUATIONS

8.1 Where the Applicant is required by law, or any professional body to have any qualifications or authorisations to work in the position which the Client seeks to fill; or the work involves 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, NP will take all reasonably practicable steps to obtain and offer to provide copies of any relevant qualifications or authorisations of the Applicant, two references from persons not related to the Applicant who have agreed that the references they provide may be disclosed to the Client and has taken all reasonably practicable steps to confirm that the Applicant is suitable for the position. If NP is unable to do any of the above it shall inform the Client of the steps it has taken to obtain this information in any event.

## 9. LIABILITY

9.1 NP shall not be liable under any circumstances for any loss, expense, damage, delay, costs or compensation (whether direct, indirect or consequential) which may be suffered or incurred by the Client arising from or in any way connected with NP seeking an Applicant for the Client or from the Introduction to or Engagement of any Applicant by the Client or from the failure of NP to introduce any Applicant. For the avoidance of doubt, NP does not exclude liability for death or personal injury arising from its own negligence.

## 10. LAW

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

\_\_\_\_\_ Signed for and on behalf of the Client

\_\_\_\_\_ Dated