

NANNYMATTERS & THE PAY TEAM SERVICE SUMMARY AND TERMS OF ENGAGEMENT

SERVICE SUMMARY

What we will do on an on-going basis:

- Arrange HM Revenue & Customs registration
- Produce 12 or 52 packs of clear, detailed payslips and reports on pre-agreed dates
- Calculate gross pay and deductions in accordance with your instructions and legislative requirements
- Calculate and process statutory payments such as SSP and SMP
- Submit payslip information to HMRC on or before each payday. We'll do this automatically each week or month, according to the payroll information we hold at the time.
- Produce unlimited new starter and leaver calculations
- Produce statutory forms such as P45s, P60s
- Advise you what to pay HMRC, and when to pay it
- Maintain records for a minimum of 6 years
- Liaise with HMRC on your behalf
- Provide one-to-one advice and expertise on all aspects of your payroll
- If required, for an additional fee, set up and administer a NEST pension scheme

What you need to do on an on-going basis:

- Let us know (by phone or email) about any staff changes as soon as they happen
- Let us know about any payslip changes by the pre-agreed date
- Tell us who and what you want to pay before you pay anyone
- Pay the net pay per the payslips we send
- Send us any HMRC communications
- Pay the HMRC bills we send by the due date
- Hand out the P60 at year end

TERMS OF ENGAGEMENT

1 DEFINITIONS

1.1 In these Conditions:

“Annual Subscription” means the annual fee payable;

“Annual Subscription Period” means twelve months from the first week or first month in which your Employee is due to be paid;

“Confidential Information” shall include all business and trade secrets, methods of doing business, customer lists, tariffs and pricing information and other confidential information and material disclosed by or obtained from the other party in connection with these Terms;

“Deadline Date” means the pre-agreed date on a weekly or monthly basis by which you must have provided us with payroll information;

“Force Majeure” means in relation to either party any circumstances beyond the reasonable control of that party (including without limitation any strike, lock-out or other form of industrial action);

“Employee” means your employee or employees;

“NannyMatters Contract of Employment” means the template employment contract provided by us to you;

“Payroll Changes” means the changes which may affect the payroll which includes but is not limited to items such as sick leave, extra hours worked and staff changes;

“Renewal Fees” means the fee payable at the Renewal Point;

“Renewal Point” means the date twelve months from when the Annual Subscription Period commenced;

“Services” means the provision of payroll services;

“us”, “our”, “we” means Macfarlane Hull Ltd t/a NannyMatters and The Pay Team of 40a Rodney Road, Backwell, Bristol, BS48 3HW;

“you” and “your” means the person named on the registration for whom we have agreed to provide the Services in accordance with these Terms of Engagement.

1.2 The headings in these Terms of Engagement are for convenience only and shall not affect their interpretation.

1.3 A reference in these Terms of Engagement to a provision of a statute shall be construed as a reference to that provision as amended, re-enacted or extended at the relevant time.

1.4 A reference to any body is:

1.4.1 if it is replaced by another organisation, deemed to refer to that organisation; and

1.4.2 if that body ceases to exist, deemed to refer to the organisation which most nearly or substantially serves the same purposes as that body.

1.5 Words in the singular shall include the plural and vice versa, references to any gender shall include the others and references to legal persons shall include natural persons and vice versa.

2 THE SERVICE

2.1 We shall use all reasonable endeavours to provide the Services to you in accordance with the Service Summary.

2.2 The Services shall be provided in a fair and professional manner, and we shall exercise reasonable skill and care in the provision thereof.

2.3 You shall not during the continuance of these Terms appoint any other person, firm or company to carry out the Services.

2.4 We shall use all reasonable endeavours to provide the Services within any agreed timescales. However, these timescales are estimates only and whilst all reasonable steps will be taken to ensure compliance with such dates and times we shall not be liable for any delay or any loss suffered as a result of such delay in the provision of the Services howsoever caused.

2.5 Any changes or additions to the Services or these Terms must be agreed in writing by us.

2.6 We may correct any typographical or other errors or omissions in the Service Summary relating to the provision of the Services without any liability to you.

2.7 We may at the time without notifying you make any changes to the Services which are necessary to comply with any statutory requirements, or which do not materially affect the nature or quality of the Services.

2.8 If you should request us to provide any additional services then we may, at our sole discretion, do so. However we shall not do so until and unless the exact nature of the additional services is agreed in writing. Any additional services so provided will form part of the Annual Subscription and are subject to these Terms. We may at our discretion charge for these additional services separately to the Annual Subscription and in accordance with Clause 3 below.

2.9 We act as a payroll provider on your behalf. We are not part of any employment arrangement between you and the Employee. We are therefore not responsible for fulfilling any statutory obligation or making any payment that may be due as a consequence of the employment arrangement. We will not be liable for any loss suffered as a result of any employment terms and conditions you have entered into with the Employee or any terms and conditions contained in the NannyMatters Contract of Employment.

2.10 We are registered under the Anti Money Laundering Regulations 2007, and as such we are required to verify the identity of our clients. You will provide all information requested by us to facilitate the required identity check.

2.11 We operate calendar weekly and calendar monthly pay periods and will not generally be able to run other non-standard pay frequencies. An employee's pay frequency can only be changed at fixed points during the tax year. In order to do so you must provide us with three months' notice in writing.

2.12 The Services will be provided for the Annual Subscription Period but could be for a lesser period subject to our agreement. The Annual Subscription covers one Employee or any number of single Employees employed consecutively during the Annual Subscription Period unless by separate agreement. If backdated payroll processing is to be carried out, the Annual Subscription Period will run from the beginning of the backdated period.

2.13 We provide weekly or monthly payslips to you. You shall in accordance with your legal obligations ensure those payslips are distributed to the Employee. We shall not be liable for any loss arising from your failure to comply with this obligation.

2.14 We will make changes to the payroll as and when requested by you without additional charge save for when the requested change is as a result of your delay in providing payroll information to us by the Deadline Date. We will not normally be able to recalculate pay runs once they have been submitted to HMRC.

3 FEES

3.1 Subject to any special terms agreed, you shall pay our Annual Subscription and any additional sums which are agreed between us for the provision of the Services.

3.2 We may vary our Annual Subscription from time to time. Any increase in the Annual Subscription will commence at the Renewal Point.

3.3 Our Annual Subscription and any additional sums payable shall be paid by you by the date upon which the Employee commences employment. The Renewal Fee and any additional sums payable shall be paid by you by the 1st of the month during which the Renewal Point falls. Any other sums owing shall be paid within 14 days of the date on the invoice sent to you. Time for payment shall be of the essence. Our fees are inclusive of VAT.

3.4 If payment is not made by the due date, we shall be entitled without limiting any other rights we may have, to:

3.4.1 terminate these Terms immediately; and

3.4.2 charge interest on the outstanding amount (both before and after any judgment) on a daily basis at the rate of 8 per cent above the base rate from time to time of Barclays Bank plc from the due date until the outstanding amount is paid in full.

3.5 We reserve the right to charge additional fees in the following circumstances:

3.5.1 where your personal circumstances lead to a significant amount of additional work, for example, dealing with erroneous information or where there is a delay in receipt of information;

3.5.2 an additional Employee is brought onto the payroll for whatever reason;

3.5.3 where the Deadline Date is missed by you;

3.5.4 where any other deadline for the provision of information is missed by you;

3.5.5 where you require an additional payslip run;

3.5.6 where HMRC have made an error resulting in additional work being undertaken on your behalf.

4 WARRANTIES AND LIABILITY

4.1 We shall not be liable to you for any loss, damage, cost, expenses or other claims for compensation arising from:

4.1.1 any information that is incomplete, incorrect, inaccurate, illegible, out of sequence or in the wrong form, or which arises from its late arrival or nonarrival, or any other fault of yours; and

4.1.2 in respect of any loss arising from failure to follow our instructions (whether oral or in writing);.

4.2 Except in respect of death or personal injury caused by our negligence, or as expressly provided in these Terms, we shall not be liable to you by reason of any representation (unless fraudulent), or any implied warranty, condition or other term, or any duty at common law, or under the express terms of these Terms, for any loss, damages, costs, expenses or other claims (whether caused by our negligence, or that of our servants, agents or otherwise) including, but not limited to, claims against you from third parties even if such loss was reasonably foreseeable or we had been advised of the possibility of your incurring the loss, which arose out of or in connection with the provision of the Services (including any delay in the providing or failure to provide the Services) or their use by you.

4.3 We shall not be liable to you for any loss, damages, fines, costs, additional tax, national insurance contributions or interest which become payable whereby:

4.3.1 you have failed to meet any HMRC payment deadline;

4.3.2 HMRC have made an error by incorrectly allocating payment or indeed any other error on their part;

4.3.3 an increase in your costs has occurred due to your entering into a net pay agreement with the Employee;

4.3.4 you have switched from a net pay agreement to a gross pay agreement with your Employee;

4.3.5 prior to entering into the Annual Subscription with us you have delayed payment to HMRC or delayed submission of information to HMRC.

4.4 If a dispute should arise between you and your Employee, we will assist you where possible. However, payroll data held in relation to the Employee cannot be withheld since the Employee has a right of access under data protection legislation. Where your instructions would breach this obligation or any other legal obligation to which we must comply, we reserve the right to refuse to carry out your instructions.

4.5 In the event of a payslip error giving rise to an overpayment or underpayment of wages, we will not be liable for any losses arising from the period after the first full month payslip displaying the incorrect calculation. You are responsible for paying the correct amount to the Employee and must check that the payslips produced by us correctly reflect your intention.

4.6 We will take reasonable care and skill when advising you, but will not be held responsible for the consequences of any advice given by us or omitted in error which does not form part of the Services.

4.7 Where there is a delay in the provision of the payslip pack to you due to a situation out of our control such as the postal service failing or email system not working we will not be liable for any late payment penalties or other expenses incurred as a result. It is your responsibility to ensure the Employee is paid on time. You must inform us immediately in the event the payslip pack is not received.

4.8 We will liaise with you upon the termination of the Employee, to determine whether or not the PAYE scheme should be closed. We will close the scheme if requested to do so, by notifying HMRC. We will not be liable for any penalties issued by HMRC if HMRC does not act on the instruction, but we will continue to assist you until the matter is resolved.

4.9 We will make every effort to assist you in understanding your obligations in relation to the PAYE system. However we will not be liable for any losses damages, fines, costs, additional tax, national insurance contributions or interest which become payable arising out of your failure to notify us of an issue regarding PAYE or your misunderstanding of how the PAYE system applies to you.

5 FORCE MAJEURE

5.1 If either party is affected by Force Majeure it shall forthwith notify the other party of the nature and extent thereof.

5.2 We shall not be deemed to be in breach of these Terms or otherwise be liable to you by reason of any delay in performance or non-performance of any of our obligations under these Terms to the extent that such delay or non-performance is due to any Force Majeure of which it we have notified you and the time for performance of that obligation shall be extended accordingly.

5.3 If the Force Majeure in question prevails for a continuous period in excess of six months the parties shall enter into bona fide discussions with a view to alleviating its effects or to agreeing upon such alternative arrangements as may be fair and reasonable, including, if appropriate, termination hereof.

6 YOUR PRIVACY AND PERSONAL INFORMATION

6.1 Your privacy and personal information are important to us. Any personal information that you provide to us will be dealt with in line with our **Privacy Policy**, which explains what personal information we collect from you, how and why we collect, store, use and share such information, your rights in relation to your personal information and how to contact us and supervisory authorities if you have a query or complaint about the use of your personal information.

6.2 Our Privacy Policy is available at www.nannymatters.co.uk/privacy-policy.aspx

7 TERMINATION

7.1 Subject to Clause 7.3 below, we may terminate these Terms at any time by giving to you not less than three month's written notice and refunding the remaining portion of the Annual Subscription.

7.2 You may terminate these Terms immediately at any time by providing written notice. When notice of termination is provided before your Annual Subscription Period has expired you will not be entitled to an Annual Subscription refund.

7.3 We shall be entitled to immediately terminate these Terms by giving to you written notice if:

7.3.1 you commit any continuing or material breach of any of the provisions of the Terms and, in the case of such a breach which is capable of remedy, fails to remedy the same within 30 days after receipt of a written notice giving full particulars of the breach and requiring it to be remedied;

7.3.2 an encumbrancer takes possession or a receiver is appointed over any of your property or assets;

7.3.3 you make a voluntary arrangement with your creditors or become subject to an administration order;

7.3.4 you go into bankruptcy.

7.4 For the purpose of clause 7.1 a breach shall be considered capable of remedy if the party in breach can comply with the provision in question in all respects other than as to the time of performance (provided that time of the performance is not of the essence).

8 GENERAL

8.1 These Terms constitute the entire agreement between us, they supersede any previous agreement, arrangement or understanding and may not be varied except in writing between us. All other terms, express or implied by statute or otherwise, are excluded to the fullest extent permitted by law.

8.2 In entering into these Terms each party acknowledges that it does not rely on any representation, warranty, collateral contract or other assurance of any person (whether a party to these Terms or not) that is not set out in these Terms or the documents referred to in it. Each party waives all rights and remedies which, but for this clause, might otherwise be available to it in respect of any such representation, warranty, collateral contract or other assurance. The only remedy available to any party in this respect is for breach of contract under these Terms (or the relevant document). Nothing in these Terms shall, however, limit or exclude any liability for fraud.

8.3 We may assign, sub-contract, sub-licence or otherwise transfer these Terms or any part of it to any third party at our absolute discretion. You may not assign, sub-licence, sub-contract or otherwise transfer these Terms or any of your rights or obligations under it to any third party.

8.4 Any notice, invoice or other document which may be given by either party under these Terms shall be deemed to have been duly given if left at or sent by post to the other party's registered office or any other address notified in writing in accordance with this Clause 8.4 as an address to which notices, invoices and other documents may be sent. Any such communication shall be deemed to have been made to the other party 3 days from the date of posting. Notices delivered by hand will be deemed received when so delivered.

8.5 Any failure or delay by us in exercising any of our rights under these Terms shall not be deemed to be a waiver of that right, and no waiver by us of any breach of these Terms by you shall be considered as a waiver of any subsequent breach of the same or any other provision. No waiver in connection with these Terms shall, in any event, be effective unless it is in writing, is signed by or on our behalf and is communicated to you.

8.6 The parties intend each provision of these Terms to be severable and distinct from the others. If any provision of these Terms is held by any court or other competent authority to be illegal, invalid or unenforceable in whole or in part, the legality, validity and enforceability of the other provisions of these Terms and the remainder of the provision in question shall not be affected.

8.7 The rights and remedies of the parties in connection with these Terms are cumulative and, except as expressly stated in these Terms, are not exclusive of any other rights or remedies provided by law or equity or otherwise. Except as expressly stated in these Terms (or at law or in equity in the case of rights and remedies provided by law or equity) any right or remedy may be exercised (wholly or partially) from time to time.

8.8 A person who is not a party to these Terms shall have no rights under the Contract (Rights of Third Parties) Act 1999 to enforce any term of these Terms.

8.9 In the event and to the extent of any conflict between these Terms and any other documentation, then these Terms will take precedence.

8.10 No variation of these Terms shall be effective unless it is in writing and is signed by us.

8.11 English law shall apply to these Terms, and the parties agree to submit to the exclusive jurisdiction of the English courts.