



TERMS OF BUSINESS FOR PERMANENT AND FIXED TERM CONTRACT ASSIGNMENTS

1. DEFINITIONS

1.1 In these Terms of Business the following definitions apply:

“**Applicant**” means the person introduced by the Company to the Client for an Engagement including any members of the Company’s own staff;

“**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 Applicant is introduced;

“**Company**” means Blue Enterprises Ltd

“**Engagement**” means the engagement, employment or use of the Applicant by the Client on a permanent or temporary basis, whether under a contract of service or for services; under an agency, license, franchise or partnership agreement; or any other engagement;

“**Introduction**” means the Client’s interview of an Applicant in person or by telephone, following the Client’s instruction to the Company to search for an Applicant; or the passing to the Client of a curriculum vitae or other information which identifies the Applicant and which leads to an Engagement of that Applicant by the Client;

“**Remuneration**” includes base salary, guaranteed and/or anticipated bonus and commission earnings, allowances, pension, inducement payments, the benefit of a company car and all other payments and taxable (and, where applicable, non-taxable) emoluments payable to or receivable by the Applicant for services rendered to or on behalf of the Client. Where a company car is provided by the Client, a notional amount of £ 5,000 will be added to the salary in order to calculate the Company’s fee. Pension will be charged at £2,000 if no figures are provided.

1.2 Unless the context requires otherwise, references to the singular include the plural and references to the masculine include the feminine and vice versa.

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

2. THE CONTRACT

2.1 These Terms of Business are deemed to be accepted by the Client by virtue of an Introduction to, or the Engagement of an Applicant.

2.2 Unless otherwise agreed in writing by a director of the Company, these Terms of Business shall prevail over any other terms of business or purchase conditions put forward by the Client.

2.3 No variation or alteration of these Terms of Business shall be valid unless approved in writing by a director of the Company.

3. NOTIFICATION AND FEES

3.1 The Client agrees:

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

3.2 No fee is incurred by the Client until the Applicant commences the Engagement when the Company will render an invoice to the Client for its fees, except in the instance of retained searches as explained in the addendum.

3.3 The Company reserves the right to charge interest on invoiced amounts unpaid for more than 14 days at the rate of 4% per annum above the base rate from time to time of Barclays Bank from the due date until the date of actual payment.

3.4 The fee payable to the Company by the Client for an Introduction resulting in an Engagement is the amount equal to 20% of applicable Remuneration for applicants with total compensation under £ 24,999 per annum or 25% of applicable Remuneration for packages from £25,000 - £34,999 or 30% for packages over £35,000 per annum. The fee is calculated based on expected Remuneration for the first 12 months of the Engagement. VAT will be charged on the full fee.

3.4a Standard disbursements shall be charged at 10% of the invoice value. Disbursements include postage, telephone calls, photocopying, expenses and other costs necessary in the completion of a successful assignment.

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, the Client shall be liable to pay a further fee as per clause 3.4 pro rata. If the Client re-engages the Applicant within 12 months of the termination of the contract, a fee based on the annualised remuneration will become applicable in accordance with the scale in clause 3.4.

3.6 All introductions, whether permanent or fixed term will be subject to a minimum fee of £2,500 (plus VAT).

4. REPLACEMENT AND REFUND POLICY

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

4.2 As standard procedure, the Company will attempt to replace a candidate and in certain circumstances offer a refund in accordance with the scale of rebate for permanent fees as outlined below.

4.3 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 the Company a minimum fee of 15% of the annual Remuneration/as indicated on the Scale of Rebate.

4.4 Should the Client or any subsidiary or associated company of the Client subsequently re-engage the Applicant within the period of 12 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, with no entitlement to the refund.

5. INTRODUCTIONS

5.1 Introductions of Applicants are confidential. The disclosure by the Client to a third party of any details regarding an Applicant introduced by the Company which results in an Engagement with that third party within 6 months of the Introduction renders the Client liable to payment of the Company's fee at 40% of total remuneration with no entitlement to any refund.

5.2 An introduction fee calculated at 30% of total remuneration will be charged in relation to any Applicant engaged as a consequence of or resulting from an introduction by or through the Company, whether direct or indirect, within 12 months from the date of the Company's introduction. The Company reserves the right to charge interest on the overdue amounts at the rate of 4% per annum above the base rate from Barclays Bank from the original start date of the applicant until the date of payment.

5.3 In the event that any employee of the Company with whom the Client has had personal dealings accepts an Engagement with the Client within 12 months of leaving the Company's service, the Client shall be liable to pay an introduction fee to the Company of GBP 50,000.

6. SUITABILITY

6.1 The Company endeavours to ensure the suitability of any Applicant introduced to the Client. Notwithstanding this the Client shall satisfy itself as to the suitability of the Applicant and shall take up any references if required. The Client shall be responsible for obtaining work and other permits if required, for the arrangement of medical examinations and/or investigations into the medical history of any Applicant, and satisfying any medical and other requirements or qualifications required by law of the country in which the Applicant is engaged to work.

7. LIABILITY

7.1 The Company 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 the Company seeking a Applicant for the Client or from the Introduction to or Engagement of any Applicant by the Client or from the failure of the Company to introduce any Applicant. For the avoidance of doubt, the Company does not exclude liability for death or personal injury arising from its own negligence.

8. LAW

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

SCALE OF REBATE FOR PERMANENT FEES

- Where the Applicant leaves within the first 12 weeks of the engagement, the Company will endeavour to replace the candidate at no extra cost. The only time any charge will be made is if Client decides to undertake advertising for the role and in this case only the advertising costs would be paid by the Client.
- The Company will endeavour to replace only if the Client engages with the Company on an exclusive basis for a period of four weeks. If an alternative candidate is introduced or discovered by the client within this timeframe, the Client must either pass their details to the Company to put on the replacement shortlist or accept that the Company could not continue to offer the replacement service. After the four week period, the replacement policy will lapse unless an extension is agreed at the Company's discretion.
- During the first 4 weeks of the Engagement, a partial refund of the introduction fee shall be paid to the Client in accordance with the scale set out below should the replacement not be sourced by the Company. The refund will be paid if the Client has interviewed relevant candidates for a replacement within the four week period outlined and on an exclusive basis.

Week in which the Applicant leaves	% of introduction fee refunded
1	90%
2	80%
3	60%
4	40%

Where the candidate leaves during the 5th-12th week of the engagement, the Company shall endeavour to replace the Candidate as outlined above.

- In any circumstances, no refund will be due for any replacement made.
- An administration fee of £200 will be charged in all cases. There will be no refund where the Applicant leaves during or after the 5th week of the Engagement.

- A minimum Fee of 15% of the Remuneration will be payable immediately in the event of the Client cancelling the Engagement after an offer of an Engagement has been made to the Applicant.
- There is no rebate on temporary or fixed term contracts.
- If a temporary or fixed term contract worker was taken on a permanent basis by the client and a fee was paid in accordance to our terms of business, no rebate is applicable.
- As per clause 4.2, no rebate will be given in the event of redundancy and the full fee will stand.

ADDENDUM FOR RETAINED SEARCHES

1 The following provisions are subject to the Company's Terms of Business for the Introduction of Permanent and Fixed Term Contract Staff and use the same definitions.

2. The fee payable to the Company by the Client for an Introduction resulting in an Engagement is the amount equal to 30% of the Remuneration applicable during the first 12 months of the Engagement.

3. In the case of retained searches, 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.

4. The fee shall be payable in the following instalments:

4.1 33% of the fee upon acceptance of Client's instructions, payable before the commencement of work;

4.2 33% of the fee upon delivery by the Company of a short-list of candidates, payable within 7 days of invoice; and

4.3 34% upon the Applicant's acceptance of the offer payable within 7 days of invoice

5. Clause 4.3 of the Company's Terms of Business shall not apply to retained searches 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.

6. If the client sources a candidate direct during the retained process the final stage of the retainer becomes payable immediately, this will amount to an additional 34% of the total remuneration.