

## **Recruitment Purchase Conditions**

### **Version 2024/08 (IRE)**

These Conditions apply to the Invoice Purchase Facilities provided by Sonovate Limited. They form part of the Agreement made with You. These Conditions may be changed by notice sent to You.

#### **Assignment of Debts**

1. The Agreement will apply to all Debts except Excluded Debts.
2. On the Commencement Date, You assign to Us with full title guarantee each Commencement Debt and every Debt that comes into existence after the Commencement Date until the Agreement is terminated (provided that the Purchase Limit has not been exceeded, for which purpose Debts are considered to be purchased in the order in which they come into existence), in each case together with their Related Rights.
3. Title to Commencement Debts and their Related Rights will be assigned and transferred to Us on the Commencement Date. Title to all other Debts and their Related Rights will be assigned and transferred to Us without further formality automatically on the Purchase Date of each such Debt.
4. If any Debt or its Related Rights is not or cannot be assigned or transferred to Us by the Agreement, You will hold all of Your rights, title, benefit and interest in the Debt and its Related Rights on trust for Us from the Commencement Date (in case of any Commencement Debts) or from the Purchase Date (in case of any Debt that comes into existence after the Commencement Date).
5. We are not obliged to reassign any Debt to You.
6. It is the intention of the parties to this Agreement that the sale of the Debts and their Related Rights shall be treated as a purchase by Us and a sale by You of such Debts and Related Rights, which sales are absolute and irrevocable and provide Us with the full benefits of ownership of such Debts and Related Rights such that You have no continuing interest in the Debts or the Related Rights. The sale of Debts and Related Rights pursuant to this Agreement is, subject to the other terms of this Agreement, made without recourse.

#### **Extract**

7. If We have provided Extract software to You, You have a non-transferable licence to use Extract subject to Our right to suspend or withdraw the use of Extract at any time, without notice.
8. If You have installed Extract software and the Extract software is functioning properly:
  - 8.1 Debts and Dilutions must be Notified to Us using Extract and You will not be required to Notify Debts and Dilutions by any other method unless We tell You to use another means; and
  - 8.2 each transfer of Accounting Data comprising Debts or Dilutions not Notified previously will constitute a Notification by You of the new Debts or Dilutions.

9. On the Commencement Date, Extract will be used to Notify to Us details of all Commencement Debts. Thereafter, Extract will be used to Notify each Debt to Us immediately after its creation.
10. If a Client becomes entitled to a Dilution in respect of any Debt, You will immediately enter details on Your accounts system and Extract will Notify Us that a credit note for the relevant Dilution amount has been submitted for approval. With respect to any Debt subject to any such Dilution, We will have the right to either (a) reject or withhold the Dilution or (b) authorise the Dilution and either set-off the amount of such Dilution against amounts We owe to You as set out in Condition 39 or, if there are insufficient amounts against which such Dilution can be applied, You shall pay to Us the amount of such Dilution on demand. You shall not send any credit note in respect of a Debt to a Client without Our consent.
11. Following each transfer of Accounting Data, details of the Accounting Data received will be available on Sonovate's Portal. Unless You advise Us of any errors, the Accounting Data will be treated as correct and compliant with the representations given by You in the Agreement.
12. You warrant and represent that all Accounting Data transferred to Us using Extract is accurate, correct and current and the details of all Debts comply with all the representations set out in Condition 48.
13. You undertake:
  - 13.1 to download the Extract software when We request that You do so;
  - 13.2 not to amend any information relating to a Debt that has been Notified, save that if a Client is entitled to any Dilution, the Invoice Value may be changed by the issue of a credit note or other adjustment in accordance with Condition 10;
  - 13.3 not to make any alterations to or modifications of the whole or part of the Extract software nor permit any part of the Extract software to be combined with or incorporated into any other programme;
  - 13.4 not to copy, disassemble, de-compile, reverse-engineer or create derivative works based on the whole or any part of the Extract software except to the extent that such activities cannot be prohibited because they are essential for the purpose of achieving interoperability;
  - 13.5 to give Us not less than 8 weeks' notice of any change to Your accounting or operating systems, including any variation to the version of or upgrade to these systems;
  - 13.6 to tell Us immediately if there are any technical or operational difficulties which affect the operation of Extract or of any Accounting Data which is incorrect or the transmission of information which should not have been transferred; and
  - 13.7 to Notify all Outstanding Debts which have not been Notified previously by uploading invoices and/or Time Sheets evidencing the relevant Debts to Sonovate's Portal at least every seven days in the event that Extract is not being used or is not operating.
14. If You cease using Extract without Our prior written consent, We reserve the right to review and vary any of the terms on which We provide the Invoice Purchase Facilities to You.
15. We may terminate Your use of Extract at any time.
16. We will not be liable to You or any Connected Person for any loss arising as a result of the installation of the Extract software on Your accounts system.

### **Uploading documents**

17. Following each transfer of Accounting Data, You will upload to Sonovate's Portal:
  - 17.1 Time Sheets signed by the relevant Client for each Notified Debt that relates to a Temporary Recruitment Contract;
  - 17.2 a copy of the relevant Recruitment Contract or RPO Agreement (as applicable) relating to each Notified Debt;
  - 17.3 a copy of the invoice evidencing each Notified Debt (when available); and
  - 17.4 a certificate in a form stipulated by Us that identifies each Debt as relating to a Temporary Recruitment Contract or as a Permanent Debt.

#### **Purchase Limits and Credit Protected Limits**

18. You may request a Purchase Limit and a Credit Protected Limit for a Client using Sonovate's Portal. Your application for a Purchase Limit and a Credit Protected Limit should not exceed the maximum amount that is anticipated to be payable by the Client under the relevant Recruitment Contract or RPO Agreement (as applicable). We may establish a Purchase Limit and a Credit Protected Limit for a Client that are for different amounts. A Debt in excess of a Purchase Limit is not eligible for purchase.
19. If We notify You of an indicative Credit Protected Limit, the Credit Protected Limit will be confirmed by Us through Sonovate's Portal.
20. We may set, reduce, decline or withdraw a Purchase Limit or a Credit Protected Limit or apply conditions to the establishment or continuation of a Purchase Limit or a Credit Protected Limit, in each case in respect of future Debts, at any time. A reduction or withdrawal of a Purchase Limit or a Credit Protected Limit will take effect 28 Business Days after the date We notify You through Sonovate's Portal unless a different effective date is specified in Our notice of reduction or withdrawal.
21. We will notify You through Sonovate's Portal if We are not willing to accept the Credit Risk in relation to any future Debts due by an Approved Client.
22. The Purchase Limit and the Credit Protected Limit in respect of an Approved Client will be withdrawn automatically (without limitation) in respect of future purchases of Debts if any Approved Debt due by the Approved Client has not been paid in full within 60 days of its Due Date or the Approved Client is or becomes Insolvent.
23. If We withdraw a Credit Protected Limit, all future Debts of the relevant Client will be Unapproved Debts.
24. We will accept the Credit Risk for all Approved Debts, excluding the Unprotected Amount of such Approved Debts. We will not accept the Credit Risk for any Debt which is an Unapproved Debt or for the Unprotected Amount of an Approved Debt.

#### **Purchase Price**

25. The Purchase Price of an Approved Debt will be available to be paid to You within 1 Business Day of the transfer of Accounting Data relating to the Approved Debt (subject to Your compliance with Condition 17, including You providing satisfactory evidence that the Approved Client has approved the Candidate's Time Sheet(s) (in the case of a Temporary Recruitment Contract) or You providing satisfactory evidence that the Approved Client has approved the amount due in respect of the Permanent Debt (in the case of a Permanent Recruitment Contract)).

26. Subject to Condition 27, the Purchase Price of an Unapproved Debt will be available to be paid to You within 5 Business Days of clearance of the Remittance tendered by the Client in or towards the discharge of the Debt.
  27. At Our discretion, We may agree to pay the Purchase Price of an Unapproved Debt prior to the date specified in Condition 26 above at any time following the issuance of the invoice and/or Time Sheet evidencing the Debt, provided that the Purchase Price of such Unapproved Debt is within the relevant Purchase Limit prior to payment by the Client.
  28. You may request Us to pay the relevant available amount due in respect of the Purchase Price of Approved and Unapproved Debts using Sonovate's Portal not more than once every day. Upon receipt of Your request, subject to Your compliance with the Agreement and Our rights under the Agreement, We will pay the full amount due to You and, at Your direction, to one or more Candidates, within 1 Business Day of receiving Your request. No interest will be payable to You on any amounts which We may owe You under the Agreement.
  29. You may request Us to pay all or part of the Purchase Price in respect of an Approved Debt to a Candidate in payment on Your behalf of the Candidate's Fees due to such Candidate for the performance of the Candidate's Services under a Temporary Recruitment Contract at the rate entered by You into Sonovate's Portal, provided that You have uploaded to Sonovate's Portal full details of the Candidate's name and bank account. You represent and warrant to us in respect of any payment to a Candidate under this Condition 29 that:
    - 29.1 the relevant Client has approved the Time Sheet(s) submitted by the Candidate; and
    - 29.2 the Candidate submitting Time Sheet(s) has complied with the terms of the relevant Candidate Contract.
- We will not be obliged to take any action to recover any payment made by Us to a Candidate on Your behalf which subsequently becomes repayable to You.
30. If in respect of any Debt We have paid to You an amount in excess of the Purchase Price of such Debt or we have paid to You any amount in error, the amount overpaid or paid in error must be repaid immediately and We may deduct such amount from other sums due to You.
  31. The Purchase Price (including all payments to Candidates) will be paid to You in the currency in which the Debt is invoiced and/or specified on the relevant Time Sheet.
  32. We are not responsible for any PAYE, Income or Corporation Tax or National Insurance Contributions or any other taxes due by Your Candidates in respect of the Candidates' Fees or the performance of the Candidate's Services and We will not provide nor be responsible for any tax advice.

### **Fees and charges**

33. You will pay the fees and charges detailed in the Proposal.
34. The Purchase Fee will be deducted from each payment of the Purchase Price.
35. The Purchase Fee will be payable by You even if the Client does not make full payment of the Debt.
36. If there is any change in Bank of England base rate, We may in our sole discretion, increase or decrease the Purchase Fee (as appropriate) by up to 0.1% for every 0.25% change in the base rate (save that there will be no change if base rate reduces below 0.5%).

37. We shall be entitled to renegotiate the Purchase Fee with You if You agree with any Client to extend Your Standard Payment Terms.
38. You will pay interest at the rate of 4% above Bank of England base rate from time to time on all Liabilities due to Us from the date on which the Liability becomes due until the Liability has been discharged in full.

#### **Set-off**

39. We may set off against the Purchase Price of any Debt or any other amount We may owe to You:
  - 39.1 all fees and charges due under the Agreement;
  - 39.2 any Dilutions; and
  - 39.3 all Liabilities.

#### **Collection of Debts**

40. You are not entitled to collect Debts following their assignment to Us (except at our request).
41. You will, if requested by Us and at our cost, assist Us in the collection of Debts and provide to Us all relevant evidence that We may require (including the oral evidence of Candidates and other witnesses).
42. We may contact both the Candidate and the Client to verify the terms of a Recruitment Contract. We may contact the RPO to verify the terms of an RPO Agreement.
43. We will not notify Clients of the assignment of Debts unless a Termination Event occurs or We decide that it is necessary or desirable to disclose, perfect or enforce Our ownership of a Debt and until notice of assignment of any Debt is communicated to a Client, You authorise Us to collect Debts in Your name.
44. We will open a Remittance Account for each currency in which Debts are denominated. The Remittance Account will be in Your name but We will have sole control of and mandate over each Remittance Account. When we open a Remittance Account, we act as an Agent for an Electronic Money Institution (EMI) that is authorised by the Financial Conduct Authority under the Electronic Money Regulations 2011 – see [sonovate.com/payrnet-terms/](http://sonovate.com/payrnet-terms/) for full terms.
45. Details of the relevant Remittance Account must be printed on all Your invoices. You must ensure that Clients pay all Remittances to Us or to the relevant Remittance Account.
46. Unless a Client allocates a Remittance received by Us against a specified Outstanding Debt, We shall be entitled to allocate the Remittance against any Outstanding Debt due by the Client.

#### **Remittances received by You and Trusts**

47. If You receive a Remittance tendered in payment of a Debt:
  - 47.1 You must deliver the original Remittance to Us or pay it into the relevant Remittance Account; and
  - 47.2 You will hold the Remittance on trust for Us and keep it separate from Your own monies.

#### **Warranties and representations**

48. On the date of this Agreement and on each Purchase Date, You warrant and represent to Us with respect to the Debts sold to Us on such Purchase Date (the "**Purchased Debts**") that:
- 48.1 You are duly organised, validly existing and in good standing under the laws of Your jurisdiction of incorporation, formation or organisation, and have not changed Your jurisdiction of incorporation, formation or organisation from that shown in the Agreement;
- 48.2 You are duly qualified to do business and hold all power and governmental authorisations and approvals required to carry on Your business in each jurisdiction in which Your business is conducted;
- 48.3 You are in compliance with all laws relating to the conduct of Your business;
- 48.4 You are not subject to any action, suits or proceedings pending, or to the best of Your knowledge threatened, against You or any of Your affiliates, in or before any court, arbitrator or other body, that could reasonably be expected to have a material adverse effect on this Agreement and the purchase transactions contemplated hereby, or on Your financial position;
- 48.5 You are not in default with respect to this Agreement or under any other contract, or the order of any court, arbitrator or governmental body;
- 48.6 You are not Insolvent or subject to any Insolvency Proceeding;
- 48.7 the terms of each Temporary Recruitment Contract:
- 48.7.1 provide for payment of the Candidate's Services by reference to the hours worked by the Candidate;
- 48.7.2 do not require You or the Candidate to complete the performance of any obligations (other than the performance of the Candidate's Services) before payment for the Candidate's Services becomes due; and
- 48.7.3 stipulate that the Client will make payment for the Candidate's Services at the rate(s) agreed in the Temporary Recruitment Contract by reference to the Time Sheets verified by the Client;
- 48.8 each Permanent Recruitment Contract:
- 48.8.1 specifies the amount of the Introduction Fee;
- 48.8.2 details clearly the terms on which any rebate or other Dilution may become payable to the Client;
- 48.9 each Recruitment Contract and each RPO Agreement:
- 48.9.1 does not prohibit or require consent for the assignment of any Debt arising under it;
- 48.9.2 does not contain any provision which would materially impact on Our ability to collect payment of the full amount of any Debt; and
- 48.9.3 contains provisions that are generally accepted in standard contracts of UK recruitment agencies;
- 48.10 all information provided by You with respect to each Client, Candidate, Candidate Contract, Recruitment Contract and RPO Agreement, as applicable, relating to the Purchased Debts sold to Us on such Purchase Date are accurate and complete in all respects;

- 48.11 each Time Sheet relating to the Purchased Debts sold to Us on such Purchase Date and submitted by You as evidence of the performance of a Candidate's Services (a) is accurate and complete in all respects and (b) has been approved by the relevant Client;
- 48.12 each invoice evidencing a Purchased Debt:
  - 48.12.1 accurately reflects the terms of the relevant Recruitment Contract and the Time Sheet(s) approved by the Client;
  - 48.12.2 evidences undisputed and enforceable Debts due by the relevant Client; and
  - 48.12.3 will be paid without retention, set-off, deduction or counterclaim;
- 48.13 each Purchased Debt:
  - 48.13.1 is owned by You;
  - 48.13.2 is not subject to any Security;
  - 48.13.3 is payable under a Recruitment Contract or RPO Agreement governed by English Law;
  - 48.13.4 is not an Excluded Debt;
  - 48.13.5 is assignable without restriction;
  - 48.13.6 has a Due Date which has not yet occurred; and
  - 48.13.7 constitutes, under all applicable laws, an entire receivable and not merely part of a receivable.
- 48.14 in respect of each Purchased Debt, either (x) You have Notified us that such Purchased Debt should be treated as an Unapproved Debt or (y) such Purchased Debt is not:
  - 48.14.1 subject to any asserted litigation, dispute, offset, holdback, counterclaim or other defence;
  - 48.14.2 subject to any deduction for settlement discount, rebate or retention, withholding tax, tax due under the Construction Industry Scheme or other tax associated with the employment of Candidates or any other lawful deduction;
  - 48.14.3 due by a Client for whom no Credit Protected Limit is established or for whom the Credit Protected Limit has been withdrawn; or
  - 48.14.4 unpaid (a) because at any relevant time, You did not have any necessary licences or the performance of the Recruitment Contract or the RPO Agreement (as applicable) was a breach of any applicable law or regulation; or (b) as a result of a Force Majeure Event;
- 48.15 in respect of each Purchased Debt where the Client is a PWP-RPO:
  - 48.15.1 there has been no breach of the PWP Agreement;
  - 48.15.2 the PWP Agreement is not subject to any asserted litigation, dispute, offset, holdback, counterclaim or other defence or a Force Majeure Event; and
  - 48.15.3 the Underlying Client is not Insolvent or subject to any Insolvency Proceeding; and

- 48.16 you have disclosed and will disclose to Us every fact which may influence Us to enter into or continue the Agreement or purchase a Debt.

### Undertakings

49. You undertake that You will:

49.1 not grant Security to any person or enter into any agreement for the purchase or financing of Your book debts without Our prior written consent;

49.2 not compromise or settle any Debt without Our prior written consent;

49.3 issue and send to the relevant Client an invoice evidencing a Debt and will enter details of the invoice on Your accounts system within seven days of completion of each Recruitment Contract or RPO Agreement (as applicable) or, if the Recruitment Contract or RPO Agreement provides for periodic or stage payments, of each stage of such Recruitment Contract or RPO Agreement;

49.4 notify Us immediately of any cancelled or variation made to any Recruitment Contract or RPO Agreement or change to Your Standard Payment Terms and will not make any material changes to any Recruitment Contract, RPO Agreement or Your Standard Payment Terms without Our consent;

49.5 promptly pay to a Client any rebate or refund due to the Client in connection with a Permanent Debt and, if requested by Us, procure the written agreement of the Client to pay any Debt without deduction or set-off in respect of such rebate or refund;

49.6 if requested by Us, take any action and sign any documents necessary or desirable to confirm, perfect, protect or more fully evidence Our ownership of (or any of our or our assigns' interest in) the Debts;

49.7 tell Us immediately if You are or become aware of:

49.7.1 a commercial dispute with a Client;

49.7.2 a Client requesting an extension of the Due Date;

49.7.3 a change in a Client's creditworthiness or a Client becoming subject to any Insolvency Proceedings;

49.7.4 a Client being entitled to make any deduction from a Debt;

49.7.5 Your being indebted to a Client;

49.7.6 the occurrence of any Termination Event; or

49.7.7 any change in the management or control of Your business.

49.8 if requested by Us, provide to Us and file in Sonovate's Portal:

49.8.1 evidence of the formation and performance of a Recruitment Contract or RPO Agreement (as applicable); and

49.8.2 copies of licences and insurance policies necessary for You to carry on business as a recruitment agency.



- 49.9 allow Us and/or a representative of Ours access to Your business premises to inspect and take copies of any documents relating to Recruitment Contracts, RPO Agreements, Debts, all books, accounting information and HMRC remittances and statements subject to Our providing not less than 7 Business Days' written notice of the exercise of Our rights under this Condition 49.9;
- 49.10 be responsible for the acts and omissions of Candidates and each Candidate's performance of and compliance with the terms of the relevant Recruitment Contract or RPO Agreement (as applicable), unless liability of the performance is excluded within the Recruitment Contract or RPO Agreement;
- 49.11 fully perform and comply with all of Your obligations under the Recruitment Contract or RPO Agreement (as applicable) related to each Debt;
- 49.12 remain liable for all Candidates' Fees payable by You to Candidates following their performance of a Temporary Recruitment Contract;
- 49.13 ensure that You comply with the Data Protection Act 1998 and the GDPR (each as amended or replaced), or equivalent legislation in any other relevant country, when transferring information to Us;
- 49.14 be solely responsible for the content of any information (including any data relating to any Client or Candidate) provided to Us, including through Sonovate's Portal;
- 49.15 comply with any reasonable procedures relating to the performance of the Agreement requested by Us;
- 49.16 comply with all applicable laws and regulations (including relevant tax obligations) and maintain all licences necessary for You to carry on business as a recruitment agency in each country in which a Client uses the Candidate's Services;
- 49.17 maintain necessary, appropriate and adequate insurance cover for Your business, including (without limitation) suitable public liability, employers' liability and professional indemnity policies;
- 49.18 carry out appropriate pre-employment checks and only engage or introduce Candidates who have a legal right to work in the country where the Candidate's Services are to be performed or the Candidate is to be employed pursuant to a Permanent Recruitment Contract;
- 49.19 comply with the Employment Permits Acts 2003 to 2014, and any other relevant Irish legislation or equivalent legislation in the relevant jurisdiction as well as any regulations relating to the employment of foreign workers;
- 49.20 take all reasonably practicable steps to ensure that the Candidate is suitable to perform the Candidate's Services or to work in the position for which the Candidate has been introduced;
- 49.21 comply with all relevant provisions of the Protection of Employees (Temporary Agency Work) Act 2012 (as amended);
- 49.22 tell Us immediately if there is an actual or likely commercial dispute relating to a Debt, including (without limitation) if:
  - 49.22.1 a Candidate is unable or unsuitable to perform the Candidate's Services, the Client expresses dissatisfaction with the performance of the Candidate's Services or refuses to sign a Candidate's Time Sheet;

- 49.22.2 a Candidate is unable or unsuitable to work in the position for which the Candidate has been introduced or a Client expresses dissatisfaction with the Candidate's performance of his employment contract;
- 49.23 for every Candidate that is to be paid by Us, ensure that the terms of each Candidate Contract stipulate that the Candidate will:
  - 49.23.1 accept payments of the Candidate's Fees made by Us on Your behalf in discharge of sums due by You under each Candidate Contract; and
  - 49.23.2 acknowledge that We are not responsible for any PAYE, Income or Corporation Tax or Pay Related Social Insurance or any other taxes payable by a Candidate or in connection with a Candidate Contract; and
- 49.24 for so long as we have not obtained legal title to the Debts, You will lend Your name to, and take such other steps as may reasonably be required by Us (at our expense) in relation to, any legal proceedings in respect of the Debts and the Related Rights.

### **Indemnity**

- 50. If, in respect of a Debt, such Debt has not been paid in full upon the earlier of (a) the date on which the related Purchase Limit is withdrawn and (b) 60 days after its Due Date, You agree to indemnify us on demand in an amount equal to the lesser of (i) such Debt's Outstanding amount and (ii) its Unprotected Amount.
- 51. Where You have indemnified us for any amounts in respect of a Debt under this Agreement, We may (but are not required to) reassign a Debt to You after the Outstanding amount has been paid in full.
- 52. You agree to indemnify Us from and against any and all damages, losses, claims, liabilities, costs and expenses, including attorneys' fees and disbursements awarded against or incurred by Us, in each case arising out of, relating to, on resulting from the following:
  - 52.1 any Dilutions;
  - 52.2 any representation or warranty made or deemed made by You under this Agreement or any other information or report delivered by or on Your behalf, which shall have been false or incorrect when made or deemed made;
  - 52.3 a bona fide commercial dispute with respect to any Debt;
  - 52.4 Your failure to comply with any applicable laws with respect to this Agreement, any Recruitment Contracts, any RPO Agreements or any Debts, as applicable;
  - 52.5 Your failure to perform Your duties, covenants or other obligations in accordance with the provisions of this Agreement;
  - 52.6 any investigation, litigation or proceeding related to or arising from Your acts or omissions in connection with this Agreement or the sale of Debts to Us;
  - 52.7 any action or omission taken by You in breach of this Agreement that reduces or impairs Our rights with respect to any Debt or the ability to collect the Outstanding balance of such Debt;
  - 52.8 any infringement by You of any intellectual property rights owned by Us including (without limitation) patents, trademarks, registered designs, domain names, computer software and programs, websites and instruction manuals; and

- 52.9 any costs of collecting Debts (including the cost of Our employing any third party to collect Debts and all legal costs and expenses on a full indemnity basis) incurred as a result of any of the circumstances specified in paragraphs 52.1 to 52.8 above.

### **Costs and Expenses**

53. You will pay to Us on demand:
- 53.1 all bank charges incurred by Us in the negotiation or collection of Remittances (including Remittances in a foreign currency);
- 53.2 the relevant Payment Fee and all bank charges incurred by Us in relation to making payments to You or a Candidate by CHAPS;
- 53.3 the relevant Permanent Debt Collection Fee if You ask Us to collect payment of any invoice evidencing an Unapproved Permanent Debt;
- 53.4 any and all present or future stamp or documentary taxes or transfer taxes, charges or similar levies arising in connection with the transfer of the Debts and the Related Rights to Us pursuant to this Agreement; and
- 53.5 all costs and expenses incurred by Us in connection with:
- 53.5.1 any amendment of this Agreement requested by You; and
- 53.5.2 enforcing Our rights under the Agreement following a breach of Your representations, warranties or covenants under this Agreement or the enforcement of any Security granted in respect of the performance of Your obligations under this Agreement as a result of such breach.

### **Period of the Agreement**

54. The Agreement begins on the Commencement Date and continues until terminated by either party giving written notice of not less than 90 days ending on a Sunday.
55. You may immediately terminate the Agreement if:
- 55.1 We commit a material breach of the Agreement which is not remedied within 14 days of You delivering notice to Us of the breach; or
- 55.2 We become Insolvent.

### **Termination Events**

56. We may immediately terminate the Agreement on or following:
- 56.1 a breach by You of this Agreement which is not remedied within 14 days of Us delivering notice to You of the breach;
- 56.2 Your becoming Insolvent;
- 56.3 the termination of a guarantee of Your Liabilities or the termination of a waiver, consent or priority arrangement provided to Us in relation to any Security;
- 56.4 the revocation of Your licence to carry on business as a recruitment agency or the cancellation of any public liability, employers' liability or professional indemnity policy covering Your business;

- 56.5 the commission by You of any offence of money laundering or any transaction giving Us grounds to suspect that You are engaged in money laundering;
- 56.6 the disqualification of any of Your directors from acting as a director;
- 56.7 if You cease using or prevent Us from using Extract without Our prior written agreement; and
- 56.8 any other circumstances which cause Us to believe that Your obligations or Liabilities to Us will not be met.

#### **Consequences of a Termination Event and termination**

- 57. On or following the occurrence of a Termination Event, We may, in our sole discretion:
  - 57.1 immediately stop purchasing Debts from You and/or require additional Security or other arrangements in relation to the purchase of any future Debts;
  - 57.2 terminate the Agreement immediately by notice to You and demand immediate payment of all Liabilities; or
  - 57.3 (without terminating the Agreement) demand immediate payment of all Liabilities; and
  - 57.4 notify each Client of the assignment to Us of all Outstanding Debts.
- 58. The termination of the Agreement will not affect Our rights arising under the Agreement in respect of any Debts which were created before the date of termination and any rights, claims, indemnities or other protections in Our favour in respect of such Debts shall continue to have full force and effect.

#### **Limitation of liability**

- 59. We will not be liable to You for any loss (including indirect or consequential loss and loss of profit) arising as a result of:
  - 59.1 any unforeseeable event or cause beyond Our control; or
  - 59.2 recommendations made by Us in relation to the terms of Your Recruitment Contracts or RPO Agreements.
- 60. We do not exclude liability for death or personal injury caused by Our negligence.
- 61. Any claim against Us under the Agreement must be commenced within 2 years of the event which gave rise to the claim and will be limited to the aggregate of Purchase Fees paid by You in the 12 months preceding the event giving rise to the claim.

#### **Variations of the Agreement**

- 62. We may change any term of the Agreement by giving You not less than 30 days' notice, provided that no such change shall increase the amount You are required to indemnify Us in accordance with Condition 50 in respect of a Debt purchased by Us prior to the date such change comes into effect.

#### **Disclosure of information**

- 63. You authorise Us to disclose any information about the Agreement to the following parties (together, "**Permitted Disclosees**"):

- 63.1 to Candidates and Clients in the performance of this Agreement;
- 63.2 to Our and Your professional advisors;
- 63.3 to Our successors or assigns;
- 63.4 to Our funders and their professional advisors and Our successors' and assigns' funders and their professional advisors;
- 63.5 to any third parties retained by Us or by Our successors and assigns to provide services in relation to the Debts and this Agreement;
- 63.6 to any person as may be necessary to enforce Our rights or perform Our obligations (or the rights and obligations of Our successors or assigns) in respect of the Debts or under this Agreement; or
- 63.7 to any person as may be required by law or regulation.

#### **Novation and assignment**

- 64. You must not assign or delegate Your rights and/or obligations under the Agreement without Our prior written consent.
- 65. We may allow another person to take over any of Our rights and/or obligations under the Agreement (including the assignment of Our rights under the Agreement and/or the transfer of any or all of Our obligations under the Agreement to any person) without any notice or requiring any consent from You.

#### **Sonovate's Portal**

- 66. In consideration of Your agreeing to abide by the terms of this licence and the Agreement, We grant to You a non-exclusive and non-transferable licence to use Sonovate's Portal for the duration of the Agreement (subject to Condition 70). Sonovate's Portal and all its content (including Software) and intellectual property rights belong to Us or Our suppliers and You have no rights in or to Sonovate's Portal, other than the right to use Sonovate's Portal in accordance with the terms of this licence.
- 67. You will use Sonovate's Portal for the purposes of the Agreement in accordance with the procedures We notify to You from time to time.
- 68. You will keep confidential all user identification and passwords and prevent access to Sonovate's Portal by unauthorised persons.
- 69. You will ensure that Sonovate's Portal is only used by persons authorised by You.
- 70. We may suspend Your use of Sonovate's Portal without notice on or following the occurrence of a Termination Event. The licence will terminate automatically on termination of the Agreement.
- 71. You may not:
  - 71.1 copy the Software, except where such copying is incidental to the normal use of the Software or where it is necessary for the purpose of back-up or operational security;
  - 71.2 without Our written consent, make alterations to or modifications of the whole or part of the Software;

- 71.3 disassemble, de-compile, reverse-engineer or create derivative works based on the whole or any part of the Software except to the extent that such activities cannot be prohibited because they are essential for the purpose of achieving interoperability;
- 71.4 use the Software for Your own internal data processing or for any commercial or production purposes;
- 71.5 remove or modify any Software markings or any notice of Our proprietary rights;
- 71.6 make the Software available in any manner to any third party;
- 71.7 use the Software to provide third party training;
- 71.8 assign this Licence to give or transfer the Software or an interest in them to another individual or entity; or
- 71.9 disclose results of any Software benchmark tests without Our prior consent.
- 72. We do not warrant that:
  - 72.1 Your use of Sonovate's Portal will be uninterrupted;
  - 72.2 information on the Sonovate's Portal will be accurate, correct and up to date;
  - 72.3 Sonovate's Portal will be free from viruses, hacking or other security intrusion.

#### **Data Protection**

- 73. You acknowledge and agree that We are the Controller in relation to the Personal Data that is the subject of the Agreement. You warrant that You have a lawful basis to disclose such Personal Data to Us, have obtained all necessary consents, where appropriate, and have provided appropriate transparency information to Candidates and Clients in accordance with Data Protection Law.
- 74. You acknowledge that We may retain other parties to provide services to Us, such as data hosting services, and our successors and assigns may also employ third parties to provide services in relation to the Debts and their rights and obligations under the Agreement. These parties (as Permitted Disclosees) may be given access to data You have provided to Us (including data about Clients and Candidates) in order to perform their services but they will be prohibited from using such data for any other purpose.
- 75. You may extract and delete data We hold on Sonovate's Portal at any time and upon termination of the Agreement, We will delete all data, including any cached or back-up copies, except in each case if its retention is required by law or is necessary or desirable to enable Us to enforce any rights or comply with any obligations in respect of the Debts or under the Agreement. You agree that We are not obliged to hold, export or return any data following the termination of the Agreement and We have no liability to You for deleting data pursuant to the Agreement.

#### **Confidentiality**

- 76. Neither You nor We shall during or after termination of this Agreement, without the prior written consent of the other party, use or disclose to any other persons any Confidential Information of the other party except to Permitted Disclosees.
- 77. Each of Us shall on demand and on termination of this Agreement surrender to the other party all materials relating to such Confidential Information in its possession except if its retention

is required by law or necessary or desirable in connection with Our exercise of any rights or compliance with any obligations in respect of the Debts under the Agreement.

### **Miscellaneous**

78. Any statement or accounting record sent by Us to You or made available through Sonovate's Portal shall be treated as correct and binding on You except for manifest errors or errors in law or any error notified by You to Us within 14 days of the date of the document.
79. A certificate signed by a director of Ours as to the cause, existence and amount of any Liabilities is conclusive except in the case of a manifest error or on any question of law.
80. We may rely on any signature, act or communication sent by a person purporting to be authorised to act on Your behalf even if that person lacked the relevant authority.
81. A person who is not a party to this Agreement shall not have any rights under or in connection with it by virtue of the Contracts (Rights of Third Parties) Act 1999.
82. A reference to the Agreement refers to the Agreement as it may from time to time be varied, novated, assigned or replaced from time to time.
83. A reference to We, Us or Our includes Our successors or assigns (but only to the extent that any rights and/or obligations under this Agreement have been assigned or transferred to such persons).
84. The singular includes the plural and vice versa.
85. You agree that You will co-operate fully to do all such further acts and things and execute any further documents that may be necessary or desirable to give full effect to the transactions contemplated by this Agreement.

### **Notices**

86. We may deliver any notice or communication to You in person, by post or email or through Sonovate's Portal at:
  - 86.1 Your contact details last known to Us; or
  - 86.2 Your registered office.
87. A notice or communication by Us will be deemed given:
  - 87.1 if delivered in person, at the time of delivery;
  - 87.2 if by post, on the day after posting;
  - 87.3 if by email or through Sonovate's Portal, at the time of sending.
88. You must serve any notice on Us in writing to Our address on the Proposal or via email to your Relationship Manager at Sonovate. Service will be effective when the notice is received by Us.

### **Law**

89. The Agreement is governed by English law and the English courts have exclusive jurisdiction to determine any dispute or claim relating to the Agreement or its formation (including non-contractual disputes or claims).

## Complaints

90. If You consider that We have treated You unfairly, please submit Your complaint in writing to Us at Our address on the Proposal.

## Debts governed by Swiss Law:

91. In respect of any Debt governed by Swiss law, You herewith agree to assign (Verpflichtungsgeschäft) and hereby assign and transfer (Verfügungsgeschäft) with effect as of the date hereof, all Debt governed by Swiss law (including, for the avoidance of doubt, any Debt governed by Swiss law that comes into existence after Commencement Date until the Agreement is terminated, subject to the terms of this Agreement) to Us by way of general assignment and transfer (Globalzession) pursuant to article 164 et seq. of the Swiss Code of Obligations (CO) and We hereby accept such general assignment and transfer (Globalzession).
92. In respect of any Debt governed by Swiss law, We are entitled to notify any Client of the sale, transfer and assignment of any such Debt governed by Swiss law without Your participation at any time if, in Our reasonable discretion, such notification is necessary or advisable to protect the sale, transfer and assignment any Debt governed by Swiss law or to pursue the rights conferred on Us under this Agreement.
93. The assignment and transfer (Zession) of any Debt governed by Swiss law shall be governed by, and construed in accordance with, the substantive laws of Switzerland.

## Definitions

<b>Accounting Data:</b>	Details of all information held on Your accounts system relating to Your purchase, sales and general ledgers.
<b>Approved Client:</b>	A Client for whom We have established a Credit Protected Limit.
<b>Approved Debt:</b>	An undisputed Debt (i) due by an Approved Client, (ii) in respect of which all warranties and undertakings made by You in this Agreement have been complied with and (iii) the Outstanding amount of which does not, together with the Outstanding amounts of all other Debts owed by the relevant Approved Client, exceed the Credit Protected Limit set for that Approved Client.
<b>Business Day:</b>	A day (other than a Saturday or Sunday) on which banks are open for business in London or Dublin.
<b>Candidate:</b>	A person introduced by (i) You to a Client or (ii) an RPO to an Underlying Client (including an officer or employee of the Candidate if the Candidate is a company or LLP) to either (i) undertake Candidate's Services for the Client or the Underlying Client (as applicable) or (ii) to work for the Client or the Underlying Client (as applicable) on a permanent basis.



<b>Candidate Contract:</b>	A contract between a Candidate and You containing the terms on which the Candidate will provide Candidate's Services to a Client.
<b>Candidate's Fees:</b>	The fees payable by You to a Candidate under a Candidate Contract for the provision of Candidate's Services to a Client.
<b>Candidate's Services:</b>	The services performed by the Candidate as a temporary worker under a Temporary Recruitment Contract.
<b>Client:</b>	The party who has incurred a Debt due under a Recruitment Contract or an RPO Agreement (as applicable).
<b>Commencement Date:</b>	The date on which We purchase the Commencement Debt.
<b>Commencement Debt:</b>	A Debt Outstanding on the Commencement Date.
<b>Confidential Information:</b>	Any information that relates to Your or Our business that is identified as confidential or is confidential by its nature including (without limitation) the names of Candidates and Clients, pricing policies, trade secrets and know-how.
<b>Connected Person:</b>	In relation to (i) <i>an individual</i> , the individual's husband, wife, civil partner, child, step-child, brother, sister, uncle, aunt, nephew, niece, former husband or wife, relative of the individual's husband or wife, any body corporate of which the individual is a director or member and any employee or partner of that individual or that body corporate; (ii) <i>a body corporate (including an LLP)</i> , any body corporate of which that body is a director or member, any body corporate in the same group as that body, any employee or partner of that body or of any body corporate in the same group; and (iii) <i>a partnership</i> , any body corporate of which the partnership is a director, any employee or partner in the partnership and any person who is a Connected Person to a partner in the partnership.
<b>Controller:</b>	Controller has the meaning given to that term in the GDPR.
<b>Credit Protected Limit:</b>	The maximum aggregate Invoice Value of Approved Debts due by an Approved Client at any time for which We will accept the Credit Risk.
<b>Credit Risk:</b>	The risk of non-payment by an Approved Client of an Approved Debt which is within the Credit Protected Limit for that Approved Client.
<b>Data Protection Law:</b>	Any data protection laws applicable to processing of Personal Data, without limitation, in particular the GDPR, the Data Protection Acts 1988 to 2018 and all privacy, security, and data protection laws of applicable to You or Us pursuant to this Agreement.
<b>Debt:</b>	Any monetary obligation (including tax) of (i) a Client due under a Recruitment Contract or (ii) an RPO due under an

RPO Agreement, in each case, together with its Related Rights.

<b>Dilutions:</b>	Any reduction to the Invoice Value or amount Outstanding of a Debt as a result of (i) any defective, rejected, or returned goods or services or any failure by You prior to the Purchase Date of such Debt to deliver any goods or provide any services or otherwise to perform under any related Recruitment Contract or RPO Agreement; or (ii) any rebate, discount, credit, refund, non-cash payment, chargeback, allowance, or billing or other adjustment by You or any set-off or offset by the relevant Client, or any specific counterclaim, dispute, or defence, except any of the foregoing (A) resulting from the lack of creditworthiness of the relevant obligor, (B) that arises from the acts or omissions of Us or any of Our assignees, (C) that arises from an insolvency or similar proceeding in respect of the relevant obligor, or (D) that arises from changes in law that occur after the Purchase Date of such Debt.
<b>Due Date:</b>	The date on which a Debt becomes payable in accordance with Your Standard Payment Terms.
<b>Excluded Debt:</b>	Any Debt (i) due by a Client who is a Sanctions Target; (ii) due by a Connected Person to You or a Client over whom You have direct or indirect control or in whom You have a direct or indirect interest; or (iii) other Debts specified by Us.
<b>Export Debt:</b>	A Debt due by a Client incorporated or trading outside Ireland.
<b>Extract:</b>	The software by which Accounting Data is transferred to Us from Your accounts system.
<b>Force Majeure Event:</b>	An event beyond the reasonable control of the person affected, including strike, lock-out, labour dispute, act of God, acts of declared or undeclared war, public disorder, rebellion, riot, malicious damage, accident, breakdown of plant or machinery, computer software, hardware or system failure in respect of a third party provider, fire, flood and/or storm, and other circumstances affecting the supply of goods and services.
<b>GDPR:</b>	The General Data Protection Regulation (EU) 2016/679 and Regulation (EU) 2016/679 as it forms part of UK domestic law by virtue of The European Union (Withdrawal) Act 2018, in each case as amended, varied or substituted from time to time.
<b>Insolvency Proceedings:</b>	In relation to any person (i) the exercise of any distress, execution, injunction, sequestration, attachment or other legal process against assets; (ii) any proposal or convening of a meeting with a view to a composition, assignment or arrangement with or the granting of a trust deed for creditors; (iii) the convening of a meeting for the purpose of

considering or passing of any resolution for winding-up or administration; (iv) the service of a notice of intention to appoint or the appointment of an administrator or a receiver; (v) the service of a statutory demand; (vi) the presentation of a petition for the administration, winding-up or bankruptcy; (vii) the making of an order for winding-up or administration or the appointment of a provisional liquidator or judicial factor; or (viii) the taking of steps towards or the coming into force of a statutory moratorium.

<b>Insolvent:</b>		In relation to any person (i) the inability to pay debts as they fall due; (ii) ceasing to trade; or (iii) if there are any Insolvency Proceedings.
<b>Introduction Fee:</b>		The fee payable by a Client to You under a Permanent Recruitment Contract for the introduction of a Candidate .
<b>Invoice Purchase Facilities:</b>		The invoice purchase facilities provided by Us to You, as set out in the Proposal.
<b>Ireland:</b>		The Republic of Ireland (and for the avoidance of doubt Ireland excludes Northern Ireland)
<b>Invoice Value:</b>		The amount of a Debt (including tax) invoiced to a Client or specified in an approved Time Sheet.
<b>Liabilities:</b>		Any sum (present, contingent or future) payable by You to Us whether or not under the Agreement.
<b>LLP:</b>		A Limited Liability Partnership incorporated and registered under the Limited Liability Partnerships Act 2000.
<b>Non-Credit Amount:</b>	<b>Protected</b>	In respect of an Approved Debt, the sum of (i) the amount of such Approved Debt which represents VAT and (ii) the amount of such Approved Debt which is in excess of the Credit Protected Limit.
<b>Notification:</b>		The method by which You tell Us of the creation of Debts and advise Us of the issue of credit notes and the existence of other Dilutions and " <b>Notify</b> " and " <b>Notified</b> " will be construed accordingly.
<b>Outstanding:</b>		The amount of a Debt which is unpaid.
<b>Permanent Percentage:</b>	<b>Purchase</b>	The percentage of the Invoice Value of an Approved Debt resulting from a Permanent Recruitment Contract that We will use to calculate the Purchase Price.
<b>Permanent Debt:</b>		A Debt due in respect of the Introduction Fee for the introduction of a Candidate to a Client which results in the employment of the Candidate by the Client on a permanent basis.
<b>Permanent Contract:</b>	<b>Recruitment</b>	A contract between (i) You and a Client pursuant to which a Candidate is introduced by You to a Client or (ii) an RPO and an Underlying Client pursuant to which a Candidate is

introduced by the RPO to an Underlying Client and, in each case, the introduction results in the employment of the Candidate by the Client or the Underlying Client (as applicable) on a permanent basis.

<b>Personal Data:</b>	Personal data has the meaning given to that term in the GDPR.
<b>Proposal:</b>	The proposal in respect of the Invoice Purchase Facilities provided by Us to You.
<b>Public Client:</b>	Any state, government department, local authority, institution or organisation which cannot be declared Insolvent.
<b>Purchase Date:</b>	In respect of a Debt, the date on which You Notify us that such Debt has been created.
<b>Purchase Fee:</b>	The charge for Our purchasing each Debt from You at a discount.
<b>Purchase Limit:</b>	A monetary limit set by Us to determine the maximum value of Purchase Price We will pay in respect of the Outstanding Debts due by a Client.
<b>Purchase Price:</b>	In respect of (a) an Approved Debt or an Unapproved Debt which we have agreed to purchase in accordance with Condition 27 is equivalent to the Invoice Value of the Debt (including tax) multiplied by either the Temporary Purchase Percentage or the Permanent Purchase Percentage, depending on whether the Debt relates to a Temporary Recruitment Contract or a Permanent Recruitment Contract, respectively and (b) any other Unapproved Debt is equivalent to the amount received by Us from the Client in discharge of the Unapproved Debt.
<b>PWP Agreement:</b>	The agreement between the PWP-RPO and the Underlying Client.
<b>PWP-RPO:</b>	A paid when paid recruitment process outsourcing entity which deals with administration on behalf of one or more Underlying Clients, but which will only make a payment to the Client in respect of a Debt when it has been paid such amount by the Underlying Client.
<b>Recourse Amount:</b>	The product of (a) the Outstanding Amount of an Approved Debt minus its Non-Credit Protected Amount and (b) 5%.
<b>Recruitment Contract:</b>	A Permanent Recruitment Contract and/or a Temporary Recruitment Contract.
<b>Related Rights:</b>	Your rights in relation to a Debt or under a Recruitment Contract or RPO Agreement (as applicable) to (i) interest; and (ii) monies recoverable under an insurance policy or guarantee and indemnity.

<b>Remittance:</b>	Any form of payment tendered by a Client to You, Your agents or to Us in or towards the discharge of a Debt, including monies recovered under a credit insurance policy or a dividend payable in respect of a Debt.
<b>Remittance Account:</b>	Each bank account into which all Remittances must be paid.
<b>RPO:</b>	A recruitment process outsourcing entity.
<b>RPO Agreement:</b>	The agreement between You and an RPO.
<b>Sanctions Target:</b>	A person who is domiciled in any country which is subject to a financial sanctions regime or has been designated as a sanctions target by the European Union, the UK or the United States of America.
<b>Security:</b>	Any charge, mortgage, trust, security assignment, set-off right, tracing right or other security interest granted by You in favour of any person.
<b>Software:</b>	The software owned by Us or any holding company or subsidiary of Ours or any third party which is used in the provision of Sonovate's Portal.
<b>Sonovate's Portal:</b>	Our on-line electronic data transmission system.
<b>Temporary Purchase Percentage:</b>	The percentage of the Invoice Value of an Approved Debt resulting from a Temporary Recruitment Contract that We will use to calculate the Purchase Price.
<b>Temporary Recruitment Contract:</b>	A contract between (i) You and a Client pursuant to which a Candidate is placed by You in a temporary or consultancy position with the Client or (ii) an RPO and an Underlying Client pursuant to which a Candidate is placed by the RPO in a temporary or consultancy position with the Underlying Client.
<b>Termination Events:</b>	The circumstances detailed in Condition 56.
<b>Time Sheet:</b>	The documentary record submitted by a Candidate of hours worked by the Candidate for a Client under a Temporary Recruitment Contract or, if such documentary record of the hours worked is not immediately available to upload, a statement of work or other suitable evidence of the complete performance of the Temporary Recruitment Contract to a defined stage or milestone detailed in the Temporary Recruitment Contract, as confirmed by the Client.
<b>UK:</b>	The United Kingdom of Great Britain and Northern Ireland and the Channel Islands and the Isle of Man.
<b>UK Debt:</b>	A Debt due by a Client incorporated or trading in the UK.
<b>Unapproved Debt:</b>	A Debt which (a) You have Notified Us should be treated as an Unapproved Debt or (b) is purchased following the

withdrawal of the Credit Protected Limit in accordance with Conditions 20 or 22.

**Underlying Client:**

The person to whom an RPO provides services under a Recruitment Contract.

**Unprotected Amount:**

The amount of a Debt for which We will not accept the Credit Risk, being, (a) in respect of an Approved Debt, the sum of (i) the Non-Credit Protected Amount and (ii) the Recourse Amount; and (b) in respect of an Unapproved Debt, such Unapproved Debt's Outstanding amount.