

SHIP SHAPE RESOURCES LIMITED

Terms of business for the supply of contract construction works.

1. DEFINITIONS

- 1.1. "SSR" means Ship Shape Resources Limited.
- 1.2. "Client" means the person, firm or corporate body to whom an Operative is introduced.
- 1.3. "Operative" means the skill-set supplied by SSR to the Client in the form of an individual (acting as a Sole Trader or Ltd Company). Individuals can be interchanged by SSR within an Assignment.
- 1.4. "Services" means contracted construction works carried out by SSR via Operatives for the client.
- 1.5. "Terms" means these terms of business.
- 1.6. In these Terms of Business the following definitions shall apply unless the context otherwise requires:
 - 1.6.1. "Assignment" means the period during which an Operative is supplied for services to the Client.
 - 1.6.2. "Assignment Confirmation" means SSR's confirmation of the terms of an Assignment which shall be deemed incorporated into these Terms to the extent that they do not conflict with the details in the Assignment Confirmation.
 - 1.6.3. "Assignment Contract" means the contract incorporating these Terms between SSR and the Client for the supply of an Operative for an Assignment to the Client.
 - 1.6.4. "Engagement" means any employment or use of an Operative on a permanent or temporary basis, regardless of terms of engagement.
 - 1.6.5. "Introduction" means the Client's interview of an Operative in person or by telephone, following the instruction to SSR to search for an Operative; or the passing to the Client of a Curriculum Vitae or other information which identifies the Operative and consequently leads to an Engagement of that Operative by the Client.
- 1.7. "Minimum Assignment" means 9 hours.
- 1.8. The headings contained in these Terms are for convenience only and do not affect their interpretation.

2. THE CONTRACT

- 2.1. These Terms govern the supply of the Operative's services by SSR to the Client and are deemed to be accepted by the Client by virtue of its request for, interview with or Engagement of an Operative.
- 2.2. No variation or alteration to these Terms shall be valid unless approved in writing by a director of SSR.

3. GENERAL CONDITIONS OF SUPPLY

- 3.1. Operatives are not employed by SSR or the Client. For the avoidance of doubt, the parties acknowledge that the Client will not be responsible for any statutory obligation to operate PAYE and for payment of National Insurance contributions in respect of Operatives.
- 3.2. The Client will be responsible for providing adequate supervision of Operatives in all duties undertaken by them and will monitor their progress. The Client will also satisfy itself as to the quality of an Operative's work and their suitability to meet requirements.
- 3.3. In the event that within the first 4 hours of the performance of the Assignment by the Operative the Client considers that the Operative's services fail to meet reasonable standards, then the Client will not be charged for those 4 hours provided that the Client has ceased use of the Operative and has notified SSR directly of the fact. SSR will use its best endeavours to find an immediate replacement for the Operative.
- 3.4. The Client will comply in all statutes, regulations (including, for the avoidance of doubt, the Working Time Regulations 1998), by-laws, codes of practice and legal requirements to which the Client is ordinarily subject in respect of the Client's own staff (excluding the obligation in relation to clause 3.1 above), including adequate Employer's and Public Liability Insurance cover for the Operative during all Assignments.
- 3.5. The Client will notify SSR and the Operative in writing of any special Health and Safety matters, requirements or qualifications in relation to the Assignment. The Client shall be responsible for compliance by the Operative of all Health and Safety requirements during the Assignment.
- 3.6. SSR does not accept responsibility for the collection from Operatives of amounts due for any facilities or services provided to them by the Client or third parties.

4. CHARGES

- 4.1. The Client agrees to pay SSR charges as notified at the commencement of the Assignment

- 4.2. Charges are invoiced to the Client on a weekly basis (unless otherwise requested in writing) plus VAT and are payable usually immediately or within 7 days unless otherwise agreed in writing most often in the assignment confirmation.
- 4.3. Where terms are immediate SSR will distribute appropriate funds to operatives immediately that funds have been paid by the client for the services as declared by remittance advice or other proof of transfer.
- 4.4. Where immediate payment terms are in place the client warrants they will never provide a remittance advice or other proof of payment or advise of payment before actually transferring those funds; nor take any action to withdraw or cancel such transaction after remittance advice or other proof of transfer or advice has been provided, and that should any of these circumstances arise the client will be liable to pay interest on the amount of funds advised but not successfully transferred and cleared at the rate of 30% p.a. calculated daily until the full amount and the interest has been actually remitted. This high interest rate reflects the fact that on immediate terms business SSR makes very low margin and does not have any borrowing facility to carry the weight of an unplanned pay run; SSR makes payment to the operatives on the contractual agreement and immediate evidence that client payment has already been made and SSR will therefore suffer damaging business disruption where this client payment has not occurred or been cancelled or retracted.
- 4.5. Where delayed payment terms are in place SSR reserves the right to charge interest on any overdue amounts (whether before or after judgement) at the rate of 13% per annum calculated daily approximately in line with SSR's own borrowing costs, from the due date until the date of payment in cleared funds.
- 4.6. Invoices shall be paid without any deduction, set-off or counterclaim whatsoever.
- 4.7. 30 days notice shall be given to the Client prior to any revision of SSR rates.
- 4.8. Without prejudice to any other rights or remedies which SSR may have, any breach of this clause 4 by the Client shall entitle SSR to terminate or suspend every agreement it has with the Client, including the withdrawal of Operatives, without notice and without giving any right to compensation and / or damages to the Client.

5. TIME SHEETS, WORK SHEETS & ACTIVITY STATEMENTS

- 5.1. According to the nature of the contract works and terms agreed, Time Sheets detailing hours worked, Work Sheets detailing works finished satisfactorily or general Activity Statements will be used by the Client to inform SSR of progress of the works for the purposes of raising invoices. For the purposes of this clause 5 all three documents will be referred to generically as "time sheets".
- 5.2. Immediately at the end of each week of an Assignment (or at the end of the Assignment where it ends during a week) the Client shall sign or submit online a time sheet verifying the number of hours worked or satisfactory works delivered by the Operative.
- 5.3. A time sheet once signed or submitted online by or on behalf of the Client, may be acted upon by SSR and is therefore binding on the Client as conclusive evidence of the Client's satisfaction with the services provided by the Operative and confirmation of the hours worked or satisfactory works delivered. The Client shall take all reasonable steps to avoid forgery of time sheets.
- 5.4. Failure to sign or submit online a time sheet does not absolve the Client's obligation to pay the charges in respect of the hours worked and work completed. In the absence of a signed time sheet SSR may notify the Client of the number of hours or work completed advised by an Operative as the number of hours or completed work pursuant to the Assignment. Unless the Client shall within 48 hours, satisfy SSR that the number of hours or completed work is incorrect, SSR shall be authorised to sign or submit online the time sheet for that number of hours or completed work on behalf of the Client, whereupon the above provisions of this clause 5.3 shall apply as though it was signed or submitted online by the Client.
- 5.5. Invoices shall be paid without any deduction, set-off or counterclaim whatsoever.

6. INTRODUCTION FEES

- 6.1. The Engagement by a Client of an Operative introduced by SSR, or the introduction by the Client of an Operative to any third party resulting in an Engagement (or, if the Operative supplies his services through a limited company, the Engagement of that limited company) shall render the Client liable to the payment of an introduction fee provided that the Engagement takes place within a period of six months from the termination of the Assignment under which the Operative was last supplied to the Client, or if there was no Assignment, within six months of the Introduction of the Operatives by SSR. The Introduction fee shall

be calculated at 17.5% of the annual gross taxable remuneration and emoluments payable to the Operative under the Engagement, if such introduction fee is restricted by law, then such fee shall be the greatest sum permitted by law.

- 6.2. The Client agrees to inform SSR in writing, 7 days prior to any such Engagement, including full details of the terms. Where the Client fails to inform SSR of the annual remuneration, SSR may calculate the introduction fee by multiplying the appropriate hourly rate that it would have charged for that Operative by 52 and then multiply that by the number of hours as SSR may reasonably determine as being an appropriate working week for that Operative.
- 6.3. Fees will be invoiced on the commencement of the candidate's Engagement and are payable in 7 days.
- 6.4. No refund of the introduction fee will be paid in the event that the Engagement subsequently terminates.

7. **LIABILITY**

- 7.1. Nothing in this clause 7 shall exclude or restrict the liability of SSR for death or personal injuries resulting from the negligence of SSR.
- 7.2. It is understood by SSR and the Client that Operatives are engaged by SSR under contracts for services and are not employees of SSR and that:
 - 7.2.1. The Client has the right to decide the extent to which it will supervise, direct and control the Operative from the time they report to take up duties and for the duration of the Assignment.
 - 7.2.2. The Client will decide whether or not to retain an Operative.
 - 7.2.3. The Operatives will be working on duties selected by the Client.
 - 7.2.4. The Operatives will be on the Client's premises or on premises designated by the Client.
 - 7.2.5. The Operatives will only work after the Client has had an opportunity to interview and observe, assessing suitability in all respects to their requirements.
- 7.3. SSR shall not be liable for any loss of goodwill or contracts, waste of staff time or consequential loss of any sort whatsoever and howsoever caused.
- 7.4. While every effort is made by SSR, taking reasonable steps to ascertain the standards of skills, integrity and reliability of Operatives and to provide them in accordance with the Assignment Confirmation, SSR is not liable for any loss, expense, damage or delay arising from any failure to provide any Operative for all or part of the Assignment or from the negligence, dishonesty, misconduct or lack of skill of the Operative. The Client agrees to be reasonable for all acts, errors or omissions of the Operatives, whether wilful, negligent or otherwise as though he was on the payroll of the Client.
- 7.5. The Client shall indemnify and keep indemnified SSR against any costs, claims or liabilities incurred by SSR as a result of any breach of these Terms by the Client and/ or arising out of any Assignment.
- 7.6. The client will inform SSR prior to the assignment commencement where any assignment requires any hazardous pursuits including but not restricted to rail work, hot working, working at height or at depth.
- 7.7. The aggregate liability of SSR to the Client for all breaches of contract and/or other liabilities (whether arising under contract, tort, statute or otherwise however) committed or arising in any one calendar year shall not exceed £1,000,000. (Provided always that this clause 7.6 does not imply that SSR accepts liability for any such claim).
- 7.8. If an Operative leaves an Assignment under circumstances where the Client wishes to intimate a claim, then the Client must notify SSR immediately by telephone, fax or acknowledged email, to enable SSR to consider whether or not it is entitled to deduct any amount from its final payment to that Operative to satisfy the Client's claim (Provided always that this clause 7.7 does not imply that SSR accepts liability for any such claim).

8. **TERMINATION**

- 8.1. Termination by Client: The Client may terminate the Assignment either by instructing the Operative to leave the Assignment and notifying SSR immediately, or by directing SSR to remove the Operative in the case of
 - 8.1.1. Gross misconduct - In the case of gross misconduct or incompetence of any Operative.
 - 8.1.2. Operative not acceptable to Client - If the Client reasonably considers that the services of the Operative are unsatisfactory. The Client undertakes to supervise the Operative sufficiently to ensure the Client's satisfaction with the Operative's standards of workmanship...

8.1.3. Without cause - The Client may dispense with the Services of any Operative within an Assignment without cause.

8.2. Terminate by SSR:

- 8.2.1. SSR cannot guarantee the willingness of Operatives to complete an Assignment and SSR accepts no liability for the failure or refusal of an Operative to continue with an Assignment. SSR will however use best endeavours to offer a suitable replacement. This clause 8.2.1 shall apply even if the Assignment Contract was for a fixed minimum period which has yet to run its full term at the date of such absence.
- 8.2.2. If the Client shall make, or offer to make, any arrangement with creditors or commit any act of bankruptcy, or if any petition or bankruptcy order shall be presented, or for an administration order in respect of the Client shall be passed or presented, or if SSR shall have any concern as to the financial position of the Client (including, but not limited to, inability to obtain satisfactory credit insurance) or if the Client shall commit any breach of its obligations hereunder, then and in any such case (and without prejudice to any other right or remedy of SSR and without prejudice to any accrued or continuing rights of SSR) SSR may suspend or determine all Assignment Contracts with the Client, or any unfulfilled part and withdraw all Operatives.

9. **MISCELLANEOUS**

- 9.1. The Assignment Confirmation and these Terms of Business shall form the entire agreement between the parties and supersedes any previous agreement and representations oral or otherwise made by either of the parties. The parties warrant that they have not relied on any representation made by the other party in entering into this Agreement.
- 9.2. Failure by either party at any time to enforce any right claim or provision of the Agreement Contract or arising thereunder shall not be construed as a waiver of such right, claim or provision.
- 9.3. In construing the Contract and these Terms of Business the following provisions shall apply:
 - 9.3.1. If the Client consists of more than one person, corporation or entity then their obligations hereunder shall be joint and several.
 - 9.3.2. In the event of any conflict between these Terms of Business and the Assignment Confirmation the latter shall apply.
- 9.4. All notices given by either party shall be in writing and given to the other party at its address shown in the Assignment Confirmation or at such other address as that party may have nominated in writing for that purpose. All notices may be served by personal delivery, first class, registered or recorded delivery post, fax or acknowledged email. Any notice given shall be deemed to be received by the party to whom it was given 24 working hours after (excluding Saturday, Sunday, and UK bank and public holidays).
- 9.5. These Terms are governed by English law. The Client irrevocably agrees for the benefit of SSR to submit any dispute hereunder to the jurisdiction of the courts of England but nothing herein shall prevent SSR from taking proceedings to enforce any contract governed by these Terms in any other courts of competent jurisdiction.
- 9.6. Acceptance of these terms may be made by signature and return of this document, by execution and paid consideration of an assignment confirmation in which these terms are bound, or by acceptance of these terms bound with an online submission of a time sheet, work sheet or activity statement online.

Signed on Behalf of Ship Shape Resources Limited:

Name: _____

Position: _____

Signature: _____

Date: _____

Signed on Behalf of the Client:

Company: _____

Name: _____

Position: _____

Signature: _____

Date: _____