



Private & Confidential

SUBJECT TO CONTRACT

DATED _____ **September** _____ **2013**

BOOTS UK LIMITED (1)

and

ReThink Professional Services Limited (2)

**AGREEMENT FOR THE PROVISION OF
RECRUITMENT PROCESS OUTSOURCING
SERVICES FOR IT CONTRACTORS**

**AGREEMENT REFERENCE
*RPSRPOIT/092013/1***

THIS AGREEMENT IS MADE BETWEEN THE CUSTOMER & THE SUPPLIER AND THE PARTIES AGREE AS FOLLOWS:

1 FRONT SHEET

1.1 The provisions of the following Front Sheet table shall apply to this Agreement.

FRONT SHEET		
(a)	Customer	BOOTS UK LIMITED a company registered in England (Company number 928555) whose registered office is at Nottingham, NG2 3AA (the " Customer ")
(b)	Supplier	ReThink Professional Services Limited a company registered in England and Wales (Company number 6579070), and whose registered office is 19 Spring Gardens, Manchester, Lancashire, M2 1FB (the " Supplier " or " ReThink " or " RPS "),
(c)	Commencement Date	1st September 2013
(d)	Service Commencement Date	1st September 2013
(e)	Initial Term	12 Months
(f)	Customer Representative	Verity Billson & Penny Wright
(g)	Senior Customer Representative	Jennifer Lawrence
(h)	Notices for Customer to be sent	For the attention of: The Company Secretary, Boots UK Limited, Nottingham, NG90 1BS with a copy being sent to the Customer Representative.
(i)	Supplier Representative	Lee Stebbings, Account Manager, ReThink Professional Services Limited
(j)	Senior Supplier Representative	Rob O'Callaghan, Executive Director, Rethink Group Plc
(k)	Notices for Supplier to be sent	For the attention of: Rob O'Callaghan, Executive Director, Rethink Group Plc, Christchurch House, 30 Waterloo Street, Birmingham B2 5TJ
(l)	Key Personnel	Lee Stebbings, Caroline Jenkins or as agreed by the parties
(m)	Licensed Areas	Customer's Beeston site working within the business

2 DEFINITIONS & INTERPRETATION

2.1 In this agreement the following words have the following meanings:

- (a) **"Adequate Procedures"** means adequate procedures, as referred to in section 7(2) of the Bribery Act 2010 and any guidance issued by the Secretary of State under section 9 of the Bribery Act 2010;
- (b) **"Agreement"** means this agreement together with the Schedules, Appendices, Attachments, any Orders and documents referred to within any of these and such variations to any of these as may be agreed in writing between the Customer and Supplier in accordance with this agreement;
- (c) **"Anti-Corruption Legislation"** means the Bribery Act 2010 and any other Applicable Laws and regulations prohibiting public or commercial bribery, extortion, kickbacks or other unlawful or improper means of conducting business;
- (d) **"Affiliates"** means, in relation to a company, that company and every Subsidiary and Holding Company of that company or a Subsidiary of any such

Holding Company in each case from time to time;

- (e) **“Applicable Laws”** means all applicable laws, legislation, European regulations, statutes, statutory instruments, regulations, edicts, bye-laws or directions or guidance from government or governmental agencies which have the force of law whether local, national, international or otherwise existing from time to time and including any laws or regulations which affect the provision or receipt of the Services and/or the Goods;
- (f) **“Associated Person”** means, in relation to a company, a person (including an employee, agent, contractor or Subsidiary) who performs services for or on that company's behalf;
- (g) **“Authorised Representatives”** means the Customer Representative and the Supplier Representative (as set out in the Front Sheet) or any replacements as notified in writing by the Customer or by the Supplier (as the case may be);
- (h) **“Boots Policies”** shall have the meaning given to it in Schedule 2.1(h) (*Boots Policies*);
- (i) **“Boots Sites”** means the offices, sites, warehouses, distribution centres, stores, pharmacies and other premises owned or occupied by the Customer or any of the Customer's Affiliates at which the Services and Goods are to be delivered, performed or received from time to time pursuant to this Agreement;
- (j) **“Business Continuity Plan”** means the Supplier's business continuity plan which is either set out in Schedule 2.1(i) (*Business Continuity & Exit Plan*) or as otherwise approved by the Customer in writing from time to time;
- (k) **“Business Day(s)”** means any day which is not a Saturday, Sunday or a bank or public holiday in England and Wales;
- (l) **“Change of Control”** means that a person who had Controlled any person ceases to do so, and/or another person acquires Control of such a person;
- (m) **“Charges”** means the charges specified in Schedule 2.1(m) (*Charges & Payment*);
- (n) **“Commencement Date”** shall have the meaning given to it in the Front Sheet;
- (o) **“Confidential Information”** means all information which is secret or otherwise not publicly available (in both cases either in its entirety or in part) including without limitation Customer Data, the Personal Data and any commercial, financial, marketing or technical information, know-how, trade secrets or business methods, in all cases whether disclosed orally or in writing, before or after the date of this Agreement;
- (p) **“Control”** means that a person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of the other person (whether through the ownership of voting shares or power, ability to appoint directors, by contract or otherwise) and "Controls" and "Controlled" shall be interpreted accordingly;
- (q) **“Created Intellectual Property”** means all Intellectual Property rights created by the Supplier (or any of its employees, agents or subcontractors) in connection in the performance of the Supplier obligations and/or the performance of the Services pursuant to this Agreement;
- (r) **“Customer Data”** means any data or other information provided by the Customer or any of the Customer's Affiliates pursuant to this Agreement;
- (s) **“Customer”** shall have the meaning given to it in the Front Sheet;

- Representative”**
- (t) **“Customer Site Regulations”** means the Customer’s site rules and regulations as notified by the Customer to the Supplier from time to time;
- (u) **“Data Protection Legislation”** means the Data Protection Act 1998, the Data Protection Directive (95/46/EC), the Regulation of Investigatory Powers Act 2000, the Telecommunications (Lawful Business Practice) (Interception of Communications) Regulations 2000 (SI 2000/2699), the Electronic Communications Data Protection Directive (2002/58/EC), the Privacy and Electronic Communications (EC Directive) Regulations 2003 (SI 2426/2003) and all Applicable Laws and regulations relating to the processing of Personal Data and privacy, including where applicable the guidance and codes of practice issued by the Information Commissioner;
- (v) **“Employee Liability Information”** means, in respect of each of the Transferring Employees:
- (a) the identity and age of the Transferring Employee;
 - (b) the Transferring Employee's written statement of employment particulars (as required under section 1 of the Employment Rights Act 1996);
 - (c) information about any disciplinary action taken against the Transferring Employee and any grievances raised by the Transferring Employee, where a Code of Practice issued under Part IV of the Trade Union and Labour Relations (Consolidation) Act 1992 relating exclusively or primarily to the resolution of disputes or any other applicable code or statutory procedure applied, within the previous two years;
 - (d) information about any court or tribunal case, claim or action either brought by the Transferring Employee against the Supplier within the previous two years or information leading the Supplier to have reasonable grounds to believe that such action may be brought against the Supplier, the Customer or any Replacement Supplier arising out of the Transferring Employee's employment with the Supplier; and
 - (e) information about any collective agreement which will have effect after the Service Transfer Date in relation to the Transferring Employee pursuant to Regulation 5(a) of TUPE;.
- (w) **“Exit Plan”** means the Supplier exit plan set out in Schedule 2.1(i) (*Business Continuity & Exit Plan*);
- (x) **“Force Majeure Event”** means any event which affects the performance by a party of its obligations under this Agreement and arises directly from acts of God, fire, flood, war, acts of terrorism, riot, civil commotion, governmental actions, labour disputes (save where such disputes involve personnel of the non-performing party (including, in the case of Supplier or, personnel of the sub-contractors) which, in relation to such events affecting the Supplier only, a prudent service provider or supplier could not have foreseen and prevented or avoided the consequences of;
- (y) **“Front Sheet”** means the front sheet set out in Clause 1 of this Agreement;
- (z) **“Goods”** means the goods (or parts thereof) set out in any Order or otherwise supplied pursuant to this Agreement;

- (aa) **“Good Industry Practice”** means using:
- (a) all reasonable skill, care and diligence; and
 - (b) standards, practices, methods and procedures in the provision of comparable services which are similar to the Services (or parts thereof) and which would reasonably be expected of an experienced leading provider of such services in the relevant industry;
- (bb) **“Holding Company”** means a company which, in relation to another company (its Subsidiary), holds a majority of the voting rights in it or is a member of it and has the right to appoint or remove a majority of its board of directors, or is a member of it and Controls a majority of the voting rights in it;
- (cc) **“Intellectual Property”** means any patents, rights to inventions, copyright and related rights, moral rights, trade marks and service marks, trade names and domain names, rights in get-up and trade dress, goodwill and the right to sue for passing off or unfair competition, rights in designs, rights in computer software, topography rights, database rights, rights to use, and protect the confidentiality of, confidential information (including know-how and trade secrets) and all other intellectual property rights, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world;
- (dd) **“Key Personnel”** means the relevant person(s) listed in the Front Sheet;
- (ee) **“Local Taxation Authority”** means a taxing or other governmental (local or central), state or municipal authority competent to impose a liability for, or to collect, tax;
- (ff) **“Management Information”** means such information and reports (including copies of such documents and other material) as the Customer requires from time to time in relation to the provision of the Services and performance by the Supplier of its obligations under this Agreement;
- (gg) **“Order”** means an order for Goods and/or the Services submitted by the Customer and/or any of the Customer’s Affiliates (as the case may be) in accordance with this Agreement;
- (hh) **“Personal Data”** means personal data and/or sensitive personal data (as the context may require) both as defined by the Data Protection Act 1998;
- (ii) **“Personnel”** means all and any employees, Key Personnel, staff, other workers, agents and consultants of, and other persons engaged by the Supplier or sub-contractors of the Supplier in performing its obligations under this Agreement and/or in providing the Services from time to time;
- (jj) **“Purchase Order”** means a written purchase order issued by the Customer to the Supplier approving the provision by the Supplier of the relevant Services and Goods (where applicable);
- (kk) **“Redundancy Costs”** means:
- (a) statutory redundancy pay;
 - (b) additional contractual redundancy pay (if any) required to be paid pursuant to an employee’s contract of employment in force immediately prior to the transfer of employment pursuant to the Regulations (for the avoidance of doubt this shall include any redundancy pay which is contractual by virtue of custom and

- practice);
- (c) payments of salary or benefits in lieu of notice in respect of a redundancy dismissal;
- (ll) **“Regulator”** means:
- (a) any of the following: the Financial Services Authority, Information Commissioner, Local Taxation Authority, or any replacement bodies undertaking the same functions as any of them; and
- (b) any other supervisory or government agency, body or authority having regulatory or supervisory authority over the Customer, the Customer’s Affiliates, the Supplier or the Supplier’s sub-contractors’ assets, resources or business, or over the Services, (including any organisation reporting to such bodies or any of the bodies in (a));
- (mm) **“Replacement Supplier”** means any third party engaged by the Customer and/or a Customer’s Affiliate to supply any services which are the same as or similar to any or all of the Services and which are purchased by or provided to the Customer and/or the Customer’s Affiliates following termination or expiry of all or a part of this Agreement to replace the Services provided by the Supplier under this Agreement;
- (nn) **“Services”** means the services to be delivered or provided by the Supplier pursuant to this Agreement as set out in Schedule 2.1(nn) (*Specification*);
- (oo) **“Service Commencement Date”** shall have the meaning given to it in the Front Sheet;
- (pp) **“Supplier Representative”** shall have the meaning given to it in the Front Sheet;
- (qq) **“Service Levels”** means the service levels set out in Schedule 2.1(nn) (*Specification*) and Schedule 2.1(qq) (*Service Levels*);
- (rr) **“Service Transfer Date”** the date on which the Services (or any part of the Services), for whatever reason transfer from the Supplier to the Customer or any Replacement Supplier;
- (ss) **“Specification”** means the specification set out in Schedule 2.1(nn) (*Specification*) and any specification in an Order and/or Purchase Order;
- (tt) **“Staffing Information”** in relation to all persons detailed on the Supplier’s Provisional Staff List, such information as the Customer may reasonably request (subject to the Data Protection Legislation), but including in an anonymised format:
- (a) their ages, dates of commencement of employment or engagement and gender;
- (b) details of whether they are employees, workers, self-employed, contractors or consultants, agency workers or otherwise;
- (c) the identity of their employer or relevant contracting party;
- (d) their relevant notice periods and any other terms relating to termination of employment or engagement, including any redundancy procedures and contractual redundancy payment schemes;
- (e) the current wages, salaries, profit sharing, incentive and bonus

arrangements applicable to them;

(f) details of other employment-related benefits including (without limitation) medical insurance, life assurance, pension or other retirement benefit schemes, share option schemes and customer car schemes applicable to them;

(g) any outstanding or potential contractual, statutory or other liabilities in respect of such individuals (including in respect of personal injury claims);

(h) details of any such individuals on long-term sickness absence, maternity or other statutory leave or otherwise absent from work; and

(i) copies of all relevant documents and materials relating to such information including copies of relevant contracts of employment or engagement (or relevant standard contracts if applied generally in respect of such individuals);

- (uu) **"Subsidiary"** means a company in which another company (its Holding Company), holds a majority of the voting rights in it or is a member of it and has the right to appoint or remove a majority of its board of directors, or is a member of it and Controls alone a majority of the voting rights in it;
- (vv) **"Supplier's Final Staff List"** means the list of all the Personnel engaged in or wholly or mainly assigned to the provision of the Services or any part of the Services at the Service Transfer Date;
- (ww) **"Supplier's Provisional Staff List"** means a list prepared and updated by the Supplier of all the Personnel engaged in, or wholly or mainly assigned to, the provision of the Services or any part of the Services at the date of preparation of the list;
- (xx) **"Term"** shall have the meaning given to it in Clause 3.1 of this Agreement;
- (yy) **"Transferring Employees"** those employees whose contract of employment will be transferred to the Customer or a Replacement Supplier pursuant to TUPE on expiry or termination of this Agreement (in whole or in part as the case may be); and
- (zz) **"TUPE"** means the Transfer of Undertakings (Protection of Employment) Regulations 2006.

2.2 The headings in this Agreement are inserted for convenience only and shall not affect the interpretation or construction of this Agreement.

2.3 Words expressed in the singular shall include the plural and vice versa. Words referring to a particular gender include every gender. References to a person include an individual, company, body corporate, corporation, unincorporated association, firm, partnership or other legal entity.

2.4 The words "other", "including" and "in particular" shall not limit the generality of any preceding words or be construed as being limited to the same class as any preceding words where a wider construction is possible.

2.5 A statutory provision includes a reference to the statutory provision as modified or re-enacted from time to time (whether before or after the Commencement Date), and any subordinate legislation made pursuant to the statutory provision (whether before or after the Commencement Date).

2.4 In the case of conflict or ambiguity, then to the extent of such conflict or inconsistency the order of precedence for this Agreement or the documents attached to or referred to in this Agreement shall be as follows in descending order:

- (a) an Order;
- (b) a Purchase Order;
- (c) the Clauses of the main body of this Agreement;
- (d) the remaining Schedules of the Agreement; and
- (e) any Appendices to this Agreement.

3 COMMENCEMENT & TERM

- 3.1 This Agreement shall come into force (or be deemed to have come into force on the Commencement Date) and shall, subject to the provisions for earlier termination in this Agreement, continue in force and effect for the Initial Term set out in the Front sheet and shall continue after the Initial Term set out in the Front Sheet for a further 24 month period on the same terms unless or until this Agreement is terminated by either party giving the other party not less than three (3) month's notice, (the "Term").
- 3.2 The Customer may at any time after the Initial Term (without payment of compensation or other damages caused by the Supplier solely by such termination) give the Supplier not less than three (3) month's notice to terminate this Agreement or any of the Services (in whole or in part).
- 3.3 The Supplier shall provide the Services from the Service Commencement Date in accordance with the provisions of this Agreement.

4 SERVICES

- 4.1 The Supplier shall:
 - (a) perform its obligations in this Agreement and provide the Services in accordance with Good Industry Practice and the provisions of this Agreement (including, without limitation, Schedule 2.1(nn) (*Specification*) and Schedule 2.1(qq) (*Service Levels*));
 - (b) at all times provide the Services so as to meet or exceed the standards set out in the Service Levels;
 - (c) ensure that it and the Personnel comply with, perform its obligations pursuant to this Agreement and provide the Services in accordance with Applicable Laws;
 - (d) ensure that it has, and shall continue to hold all permissions, consents, approvals, certificates, permits, licences, agreements and authorities (whether statutory, regulatory, contractual or otherwise) necessary for the performance of the Supplier's obligations under this Agreement and the provision of the Goods and Services;;
 - (e) comply with Boots' Policies;
 - (f) provide all the materials, Personnel, equipment required for the performance of this Agreement (unless otherwise agreed in writing with the Customer); and
 - (g) comply with any reasonable and lawful guidelines and instructions issued by the Customer.
- 4.2 Without prejudice to Clause 19, the Supplier shall keep detailed records of all acts and things done and expenditures incurred by it in relation to this Agreement, the Services. The Customer shall have the right at any reasonable time and upon reasonable notice to inspect and take copies of such records.
- 4.3 The Supplier shall ensure that its Associated Persons and the Personnel are made aware of and shall submit to the Customer security procedures and that they are aware of the following:-

"The Customer reserves the right of search on all the Personnel whilst they are present on Boots Sites. The right of search is extended to include any vehicles that are loading or unloading at any of the Boots Sites. Duly authorised security personnel may carry out

random searches. The Customer shall take action in cases of dishonesty”.

- 4.4 By entering into this Agreement, the Supplier is deemed to acknowledge and agree that:-
- (a) the Customer and the Customer's Affiliates reserve the right to exclude any person from any of the Boots Sites; and
 - (b) the Customer and the Customer's Affiliates reserve the right to withdraw the permission of any person to work on any the Boots Sites at any time.
- 4.5 The Supplier agrees that:-
- (a) the Customer Data shall only be used by the Supplier to the extent necessary for the purposes of providing the Services and shall not to be communicated to a third party without the Customer's prior written consent;
 - (b) the Supplier shall ensure that when transferring data to the Customer electronically or by disk, it does not in any way corrupt or damage any of the Customer's equipment or systems;
 - (c) the Supplier shall ensure that all data provided to the Customer shall comply with the Customer's data requirements and standards, (details of which are available to the Supplier upon request);
 - (d) the Supplier shall not, without written permission, copy any of the Customer Data to any other form of media other than that form of media being returned to the Customer as part of this Agreement and where requested by the Customer in writing, the Supplier shall destroy any Customer Data and copies thereof in accordance with the Customer's written instructions; and
 - (e) the Customer has the right, at reasonable times and upon reasonable notice, to validate the Supplier's operating and systems management procedures in so far as they are relevant to the provision of the Services.
- 4.6 The Supplier is committed to the process of continuous improvement in the performance and delivery of the Services and shall, with the support of the Customer, seek to improve the Services in the following way:
- (a) the Supplier shall actively seek out and provide opportunities for improvements to the Services and/ or the Service Levels where these would be likely to be of value to the Customer;
 - (b) the Supplier shall keep itself apprised of developments in the industry to which the Services relate which may give rise to opportunities to improve the quality or functionality (if appropriate) of the Services. Where the Supplier identifies an opportunity to exploit such developments, the Supplier shall make the Customer aware of them as soon as possible;
 - (c) without prejudice to the operation of Clause 4.6(b) above, every six months or more frequently as required by the Customer, the parties shall meet to discuss in good faith and seek to agree a service improvement plan which will describe opportunities for and potential steps to be taken to improve the Services over time, and, subject to Clause 4.7, the Supplier agrees to implement the initiatives set out in that plan (if any) with the Customer's prior written consent;
 - (d) without prejudice to the above sub-Clauses, the Supplier shall keep all Services under review and where it is reasonable to conclude that the Service Level for a Service should be increased to a more demanding level, or an element of the Service which is not subject to a Service Level or key performance indicator should become so subject, the Service Level shall be increased, or introduced, or a key performance indicator shall be applied (as appropriate).

- 4.7 Any improvements identified pursuant to the provisions of Clause 4.6, together with any associated costs shall only be implemented following agreement in writing by the Customer and the Supplier.

Records & Audit

- 4.8 The Supplier shall during the Term of this Agreement and for the period of 6 years thereafter:
- (a) maintain such records relating to the provision of the Services, the calculation of the Charges and/or the performance by the Supplier of its obligations under this Agreement (including without limitation those that the Customer may reasonably require in any form (including any electronic form)), collectively the "Records";
 - (b) on request produce the Records for inspection by the Customer or, on receipt of reasonable notice, allow or procure for the Customer and/or its authorised representatives access to any premises where any such records are stored for the purposes of inspecting and/or taking copies of and extracts from such records free of charge and for the purposes of carrying out an audit of the Supplier's compliance with this Agreement, including all activities of the Supplier, the Charges and the performance, security and integrity of the Supplier in providing the Services under this Agreement; and
 - (c) provide any assistance reasonably requested by the Customer in order to interpret or understand any of the Records.
- 4.9 Without prejudice to Clause 19 and subject to the Customer's confidentiality obligations set out in Clause 9, the Customer shall have the right from time to time at its own cost to conduct an audit of the Supplier's operations and facilities, premises, and its quality, environmental, business continuity planning, corporate social responsibility, and health and safety procedures and systems to ensure that the Supplier has the appropriate facilities, procedures, systems and Personnel appropriate to, and as may be required for the Supplier to perform the Services in accordance with this Agreement. For these audit purposes, the Customer shall be entitled to have access to the Supplier's premises and to any premises of the Supplier's Associated Persons where the Services are being performed during normal working hours on giving reasonable notice to the Supplier for that purpose.
- 4.10 If, following any inspection of Records, Boots can demonstrate that any amounts it has paid to the Supplier exceed the Charges which should have been payable as calculated in accordance with this Agreement, the Supplier shall forthwith pay or allow to Boots the amount of such over-payment and in the case of an over-payment exceeding the Charges which should have been payable as determined in the course of any such inspection and audit, the Supplier shall also (without prejudice to any other rights which Boots may have) reimburse Boots for the reasonable costs in conducting such inspection and audit together with interest at the rate of 4% per annum above the base rate of the Royal Bank of Scotland plc from time to time, on such over-payment being charged from the date on which it was paid by Boots until the date on which Boots is reimbursed by the Supplier. Furthermore in case the Audit findings reveal the need of remedial action e.g. if an Audit discovered that the Supplier had not completed security/reference checks on Personnel, the Supplier will need to put this process in and/or introduce tighter controls at its own costs.
- 4.11 The Supplier agrees that it shall co-operate with the Customer in respect of the Customer's rights in Clause 4, and that the parties shall review the Customer's findings from such validation or audit exercise. Where the Customer makes a reasonable request to the Supplier to make an alteration to its procedures, practices or arrangements as a result of those findings, the Supplier agrees to implement that alteration as soon as is reasonably practicable.

Business Continuity

- 4.12 The Supplier shall comply at all times with the relevant provisions of the Business Continuity Plan, and shall regularly review, test, maintain, and if the Customer's prior written consent has been obtained update the Business Continuity Plan. The Supplier shall implement the Business Continuity Plan when its provisions come into effect and continue to provide any

affected Services in accordance with the Business Continuity Plan. The Supplier undertakes to test its Business Continuity Plan annually and provide the Customer with an output report.

Health & Safety

- 4.13 The Supplier shall promptly notify the Customer of any health and safety hazards which may arise in connection with the performance of this Agreement. The Customer shall promptly notify the Supplier of any health and safety hazards that may exist or arise at the Boots Sites and that may affect the Supplier's the performance of this Agreement.
- 4.14 Whilst on Boots Sites, the Supplier shall comply with any health and safety measures implemented by the Customer in respect of Personnel and other persons working on those Boots Sites.
- 4.15 The Supplier shall notify the Customer immediately in the event of any incident occurring in the performance of this Agreement on Boots Sites where that incident causes any personal injury or damage to property that could give rise to personal injury or death.
- 4.16 The Supplier shall comply with the requirements of the Health and Safety at Work etc. Act 1974 and any other Applicable Laws relating to health and safety, which may apply to Personnel and other persons working on the Boots Sites in respect of this Agreement.
- 4.17 The Supplier shall ensure that its health and safety policy statement (as required by the Health and Safety at Work etc Act 1974) is made available to the Customer on request. The Supplier shall also ensure that any health and safety documentation is made available when Boots requests, including without limitation, insurance certificates, health and safety policies and training records, and method statements.

Vendor Assurance

- 4.18 The Supplier shall, from time to time, as directed by the Customer (or the Customer's third party appointee from time to time in relation to vendor assurance matters such as, without limitation, health and safety or Anti-Corruption Legislation compliance or corporate social responsibility matters ("VA Appointee")) participate, at its own cost and expense, in vendor assurance audits or the like in connection with its provision of the Services under this Agreement ("VA Audits").
- 4.19 It shall be a condition of this Agreement that the Supplier meets, on a continuing basis, the standards required by the Customer from time to time with regard to vendor assurance matters. If the Supplier is shown, as a result of any VA Audit (or otherwise) or otherwise not to be meeting any such standards, the Customer and/or the VA Appointee shall engage with the Supplier, to the extent reasonable, to assist the Supplier in meeting such standards at the Supplier's costs. If it becomes reasonably clear to the Customer at any time that the Supplier does not (and is not likely to) meet any such standard, the Customer shall be entitled to treat any such failure as a breach of this Agreement which is incapable of remedy for the purposes of clause 16.1(a).

5. GOODS

If the Supplier provides any Goods pursuant to this Agreement then the provisions of Schedule 5 (Goods) shall apply.

6. PERSONNEL

- 6.1 The Supplier shall ensure that:
 - (a) the Personnel shall: (i) be appropriately qualified and experienced to undertake their tasks and perform the Services; (ii) use professional skill and care of the highest standard in the provision of the Services;
 - (b) the Personnel comply with the Boots Policies and that the Personnel carry out their duties and behave in an orderly and appropriate manner, (having regard to the nature of their duties); and

- (c) ensure that all the Personnel shall at all times be dressed appropriately in view of their job category and the services they are to perform.
- 6.2 The Supplier shall replace any of the Personnel who the Customer reasonably decides have failed to carry out their duties with reasonable skill and care. Following the removal of any of the Personnel for any reason, the Supplier shall ensure such person is replaced promptly with another person with the necessary training and skills to meet the requirements of the Services at no additional costs to the Customer.
- Key Personnel
- 6.3 The Supplier shall:
- (a) ensure that the Key Personnel are actively involved in the provision of the Services and not remove them from the performance of the Services or replace any of the Key Personnel unless; (i) they are on long-term sick leave; or (ii) resigns from their employment or terminates their engagement with the Supplier; or (iii) the Supplier (acting reasonably) reassigns the Key Personnel for an individual's career progression in the ordinary course of business on not less than three (3) months' notice to the Customer with the Customer's prior written consent (such consent not to be unreasonably withheld or delayed); and
- (b) notify the Customer if a member of the Key Personnel is unavailable for reasons set out in Clause 6.3(a) or on a temporary basis for reasons outside the Supplier's reasonable control, then the Supplier shall procure a suitable replacement as soon as practicable, and pending any such replacement ensure that the Services are not adversely affected.
- 6.4 Boots may, following consultation with the Supplier, instruct the Supplier to remove any Key Personnel from their role in respect of this Agreement and the Supplier shall promptly comply. The Supplier shall not be excused performance of its obligations under this Agreement as a result of compliance with any such instruction. The Supplier shall replace any Key Personnel that have been removed pursuant to this Clause 6.4.

7. INTELLECTUAL PROPERTY RIGHTS

- 7.1 The Supplier undertakes that the provision of any Goods and Services pursuant this Agreement and the performance of its obligations under this Agreement shall not infringe any third party's Intellectual Property rights.
- 7.2 The Customer or the Customer's Affiliates retain all Intellectual Property rights of the Customer or of the relevant Customer's Affiliates (as the case may be), together with any rights in Customer Data provided to Supplier for the purposes of performing its obligations under this Agreement and such Intellectual Property rights shall remain vested in and the property of the Customer or licensed to the Customer or to the Customer's Affiliate (as applicable).
- 7.3 All Created Intellectual Property rights shall be owned by and shall be vested in the Customer, and Supplier hereby assigns to the Customer all such Created Intellectual Property rights. In consideration of the mutual benefits and obligations under this Agreement, the Supplier hereby assigns to the Customer (as far as is permitted by law) with full title guarantee, by way of present assignment of future Intellectual Property rights, all Created Intellectual Property. To the extent such assignment is not permitted, the Contractor agrees that, at the request of the Customer but at the cost of the Supplier, the Supplier shall and shall procure that any of its employees, agents or subcontractors or the Personnel shall do all acts and things (including making declarations, swearing oaths and providing assistance in relation to the supply of information for any patent applications) and execute all documents that may be reasonably necessary under the laws of any country for ensuring that all rights in the Created Intellectual Property are assigned to the Customer with full title guarantee. The Supplier shall, and shall procure that any of the Personnel shall, hold such rights on trust for the Customer pending assignment.
- 7.4 The Supplier hereby grants to the Customer an irrevocable, royalty-free, perpetual, non-exclusive licence (which is capable of being sublicensed) to use, copy and modify the

Supplier's Intellectual Property required for the Customer's and the Customer's Affiliates' internal business purposes and to enable the Customer and the Customer's Affiliates to receive the benefit of the Services or services similar to the Services during and after termination of this Agreement (howsoever caused).

8. CHARGES & PAYMENT

- 8.1 The Supplier shall issue invoices for the Charges in accordance with Schedule 2.1(m) (*Charges & Payment*).
- 8.2 If the Customer has a bona fide dispute in respect of the whole or any part of any invoice, then the Customer shall notify the Supplier of the nature of such dispute in writing giving all relevant details within 30 days of receipt of the invoice. The Customer may withhold payment of the amount in dispute, but shall pay the undisputed part in accordance with this Agreement. The parties shall co-operate in good faith to resolve the dispute over the invoice as amicably and promptly as possible and failing resolution within 30 days shall resolve the dispute in accordance with Clause 27.
- 8.3 Subject to Clause 8.2, the Customer shall pay the relevant accurate and undisputed invoices raised in accordance with this Agreement on or before 30 days from the date of invoice.
- 8.4 All sums payable under this Agreement are exclusive of VAT which shall be added if appropriate at the rate and in the manner prevailing at the relevant tax point on delivery of a valid VAT invoice. The Supplier shall ensure that the correct amount of VAT payable is applied in respect of the Charges (taking into consideration any settlement discounts deductible in accordance with this Agreement) and that correct amount of VAT payable by the Customer is invoiced accordingly.
- 8.5 All payments for the Charges shall be in the relevant currency stated in Schedule 2.1(m) (*Charges & Payment*) by electronic transfer to Supplier's bank account notified by the Supplier to the Customer in accordance with the Customer's vendor set up instructions, (or such other bank account as Supplier may from time to time notify the Customer in writing, with any applicable charges on such payments being at Customer's expense).
- 8.6 Where the Customer has agreed in writing that the Supplier is entitled to charge expenses in addition to the Charges, such expenses shall be charged in accordance with the Customer's vendor expense policy referred to in Schedule 2.1(h) (*Boots Policies*).
- 8.7 If the Customer fails to pay any sum due under this Agreement by its due date, then the Supplier shall be entitled but not obliged to charge interest on the overdue amount from the due date up to the date of actual payment, after as well as before judgment, at the rate of 2 per cent per annum above the base rate for the time being of The Royal Bank of Scotland Plc. Such interest shall accrue on a daily basis.
- 8.8 If the Supplier fails to deliver its invoice within six (6) months of the end of the month in which the invoice was required to be issued in accordance with this Agreement, the applicable Charges cease to be due and/or payable and the Supplier shall be deemed to have waived its rights to payment of such Charges.
- 8.9 If any sums are due to the Customer from the Supplier, then the Customer shall be entitled to exercise the right to set-off such sums against any payments due to the Supplier from the Customer under or in relation to this Agreement or other agreements between the Customer and the Supplier. The Supplier shall not be entitled to apply any amount due to the Customer under this Agreement in or towards payment of any sum owing by the Customer to the Supplier in relation to any matter whatsoever.
- 8.10 In ordering the Goods and/or Services, the Customer may be acting as principal or agent for Customer Affiliates. If required by the Customer, the Customer's Affiliates may order Services and/or Goods directly from the Supplier pursuant to and subject to the provisions of this Agreement and/or if requested by the Customer, the Supplier shall invoice the relevant Customer Affiliate for the applicable Charges in accordance with this Agreement.
- 8.12 The provisions of Schedule 2.1(m) (*Charges & Payment*) apply.

9. CONFIDENTIALITY & PUBLICITY

- 9.1 Each party shall keep and procure to be kept secret and confidential all Confidential Information belonging to the other party disclosed or obtained as a result of the relationship of the parties under this Agreement and shall not use nor disclose the same save for the purposes of the proper performance of this Agreement or with the prior written consent of the other party.
- 9.2 The parties may disclose Confidential Information to an employee, consultant, or agent (in the case of its Affiliates) to the extent necessary for the performance of the Agreement provided such disclosure is subject to confidentiality obligations equivalent to those set out in this Agreement. Each party shall use its best endeavours to procure that any such employee, consultant, or agent complies with such obligations. Each party shall be responsible to the other party in respect of any disclosure or use of such Confidential Information by a person to whom disclosure is made.
- 9.3 The obligations of confidentiality in this Clause 9 do not extend to any Confidential Information which the party that wishes to disclose or use can show:
- (a) is or becomes generally available to the public other than as a result of a breach of the obligations of confidentiality under this Agreement; or
 - (b) was in its written records prior to the Commencement Date and not subject to any confidentiality obligations; or
 - (c) was or is disclosed to it by a third party entitled to disclose the same; or
 - (d) the parties agree in writing is not Confidential Information or may be disclosed; or
 - (e) is required to be disclosed under any Applicable Laws, or by order of a court or governmental body or authority of competent jurisdiction.
- 9.4 The Supplier shall not, without the prior written consent of the Customer:-
- (a) disclose the identity of the Customer or any of the Customer's Affiliates as a customer of Supplier;
 - (b) make any announcement or public statement, or make any other form of public disclosure (including, without limitation, the issuing of any press release) relating to or concerning this Agreement;
 - (c) engage in any advertising, marketing or promotion that discloses the existence of this Agreement or the relationship between Supplier, the Customer or the Customer's Affiliates; or
 - (d) use the names, brands, logos or other trademarks of the Customer or the Customer's Affiliates.
- 9.5 Where the Customer consents to Supplier doing any of the things specified in Clause 9.4, then the Supplier shall carry out the same in compliance with the Customer's communications and brand guidance policies and as otherwise authorised by the Customer.

Disclosure of this Agreement

- 9.6 The content of this Agreement will be deemed to be the Confidential Information of both parties, provided that:-
- (a) the Customer may disclose the contents of this Agreement to a potential acquirer of Control of the Customer or an acquirer (other than a potential Replacement Supplier in relation to the transfer of all or part of the Services) of all or a relevant part of the business, assets or undertaking of the Customer or the Customer's Affiliates but only to the extent that such acquirer:-

- (i) needs to know the contents of this Agreement;
 - (ii) has been informed in writing of the confidential nature of the contents of this Agreement and the purpose for which it may be lawfully used; and
 - (iii) to the extent required by the Supplier, has entered into a reasonable confidentiality agreement with the Customer or one of the Customer's Affiliates (as the case may be);
- (b) with respect to a potential Replacement Supplier and subject to the relevant terms of this Agreement, the Customer may disclose such details of the Services (including Schedule 2.1(nn) (*Specification*)) and the performance of the Services, without which it would not be reasonably possible for the potential Replacement Supplier to:-
- (i) continue the provision of the same or similar Services to the Customer and the Customer's Affiliates; or
 - (ii) meet the Customer's reasonable requirements as set out in any relevant tender documents submitted to such potential Replacement Supplier.

9.7 The Customer may re-use the contents of this Agreement which consists of the language used in drafting the terms of this Agreement solely for the purposes of developing the form of any future agreements including as part of a re-tendering process, to the extent that such use is on an anonymised basis, and does not indicate that the Supplier has or had agreed to provide services on such or any other terms. The Charges or fees and any other such pricing terms shall remain confidential.

10 PERSONAL DATA

10.1 To the extent that the Supplier processes Personal Data on behalf of the Customer or at the direction of the Customer pursuant to this Agreement, the Supplier shall:

- (a) use the Personal Data only on the instructions of the Customer to perform its obligations under this Agreement and for no other purpose;
- (b) keep the Personal Data confidential and provide appropriate technical and organisational measures against unauthorised or unlawful processing, accidental loss or destruction of or damage to the Personal Data;
- (c) not process Personal Data outside of the United Kingdom without the prior written consent of the Customer;
- (d) take all reasonable steps to ensure the reliability of any of the Personnel who have access to Personal Data;
- (e) at all times perform its obligations under this Agreement in such a manner as not to cause the Customer in any way to be in breach of its obligations relating to Personal Data;
- (f) provide such information as is reasonably necessary to enable the Customer to satisfy itself of Supplier's compliance with this Clause 10 and allow the Customer, its employees or authorised agents or advisers upon reasonable prior written notice to the Supplier, reasonable access to any relevant premises, during normal business hours, to inspect the procedures and measures referred to in this Clause 10; and
- (g) promptly inform the Customer of any request for disclosure of Personal Data from a data subject or any other third party which it receives directly and provide a copy of such request without disclosing or releasing any Personal Data to such third party without first consulting with and obtaining the consent of the Customer and provide reasonable assistance to the Customer in complying with any subject access request and/or responding to any enquiry made, or investigation or assessment of processing initiated by the Information Commissioner in respect of the Personal Data as soon as is possible but in any event within 5 Business Days of receipt of the request or any other period as agreed in writing with the Customer from time to time.

10.2 In the event that the Supplier becomes aware that it is processing, or has processed,

Personal Data in contravention of this Clause 10, the Supplier shall promptly, and in writing, notify the Customer with full details of the contravention.

- 10.3 The Supplier shall, on termination or expiry of this Agreement or any part of it, and at any time on the request of the Customer either return or destroy the Personal Data (including all copies of it) immediately.

11. CONTRACT MANAGEMENT

The Supplier shall, on request from the Customer and at the frequencies agreed between the parties, supply the Customer with the Management Information. The Supplier shall ensure that the Supplier attends such meetings and provides such co-operation and information in relation to the Services and this Agreement as the Customer requires.

12 LIABILITY & INDEMNITIES

- 12.1 The Supplier shall indemnify the Customer, the Customer's Affiliates and their respective employees, sub-contractors and agents (who shall have a duty to mitigate their loss) in full and shall keep them so indemnified against all claims, demands, actions, proceedings and all damages, losses, costs, payments and expenses (including reasonable legal fees on an indemnity cost basis and other professional advisers' fees) made against, incurred or suffered by any of them howsoever arising from the matters listed below:

- (a) any death or personal injury which is caused by the negligent acts or omissions of the Supplier, the Supplier's subcontractors or agents or of the Personnel;
- (b) any loss or damage to property (including the Boots Sites) which is caused by the negligent acts or omissions of the Supplier, the Supplier's subcontractors or agents or of the Personnel;
- (c) any fines or other penalty imposed under Applicable Laws, by a court of competent jurisdiction or by a Regulator caused by a breach by the Supplier or the Personnel of the Supplier's obligations pursuant to this Agreement;
- (d) any claims arising out of or in connection with a breach by the Supplier or any of the Personnel of any obligations imposed in relation to the processing of Personal Data under this Agreement; and
- (e) any claim by a third party that the provision, receipt or use of the Services and Goods by the Supplier or the use by or on behalf of the Customer of any assets, equipment, or software used by the Supplier in connection with this Agreement or the provision of the Services and Goods infringes or misappropriates any Intellectual Property rights of that third party.

- 12.2 Nothing in this Agreement shall in any way exclude or limit the Customer or any of the Customer's Affiliates' liability for death or personal injury caused by their respective negligence or fraud.

Conduct of Indemnities

- 12.3 Each party undertakes if a claim, demand or action is made or threatened that may give rise to a claim for indemnity under this Agreement then that party being the indemnified party shall as the case may be:

- (a) notify the indemnifying party of such a claim, demand or action in writing within 5 Business Days of it first being made or threatened or if not reasonably practicable to do so then as soon as reasonably practicable thereafter;
- (b) give the indemnifying party promptly all reasonable co-operation, assistance and information which may be relevant to the claim, demand or action; and
- (c) not admit, defend, compromise, negotiate or settle the claim or action without the consent of the indemnifying party (such consent not to be unreasonably withheld) in writing.12.4

Notwithstanding any other provision of this Agreement and except in the case of

- wilful misconduct and/ or gross negligence and
- breach of Clause 9 (Confidentiality)
- any claim made against the Customer by a third party arising out of, or in connection with, the supply of the Goods or Services, to the extent that such claim arises out of the breach, negligent performance or failure or delay in performance of the Agreement by the Supplier, its employees, agents or subcontractors; and
- any claim made against the Customer for actual or alleged infringement of a third party's Intellectual Property Rights arising out of, or in connection with, the manufacture, supply or use of the Goods, or receipt, use or supply of the Services

neither party shall be liable to the other for;

- (a) any loss (whether direct or indirect) of profits, revenue, business, goodwill or business opportunity (save that these limitations shall not limit any liability to pay sums properly payable for the provision of the Services); or
- (b) any indirect, special or consequential loss or damage.

each party's aggregate liability to the other in respect of all claims arising out of or in connection with this Agreement (whether for breach of contract, in negligence or any other tort, under statute, under an indemnity or otherwise) will be limited to £10,000,000 (ten million pounds sterling).

13 INSURANCE

13.1 The Supplier shall at its own cost throughout the Term and for a period of six (6) years following termination or expiry of this Agreement have and maintain with insurers of repute (which have a Moody's credit rating of not less than A3 and a Standard & Poor's credit rating of not less than A), the following insurances:

- (a) employers' liability insurance for a minimum of £10,000,000 (ten million pounds) per claim;
- (b) public liability insurance (including product liability) for a minimum of £5,000,000 (five million pounds) per claim;
- (c) professional indemnity insurance for a minimum of £2,000,000 (two million pounds) per claim; and
- (d) such other insurances as the Customer deems appropriate in context of this Agreement;
- (e) such other insurances as the Supplier deems appropriate in order to meet its obligations under this Agreement or as are required by law or contract,

together the "Insurances".

13.2 The Supplier shall:

- (a) on the written request of the Customer from time to time:
 - (i) allow the Customer to inspect and/or provide the Customer with copies of insurance certificates and the full policy document for such policies and, on the renewal of each policy, the Supplier shall send a copy of the premium receipt to the Customer when requested to do so in writing by the Customer; and
 - (ii) provide details in relation to claims relating to the Insurances over the past five (5) years or such lesser period in relation to any Insurances which have been in place for less than five (5) years;

- (b) comply with all obligations and meet all conditions of the insurances and not do or omit to do, nor permit or suffer to be done or omitted anything which may invalidate any of the Insurances; and
 - (c) during the Term procure that the terms of the Insurances shall not be altered in such a way as to diminish the benefit of the Insurances.
- 13.3 The payment of the premiums in respect of the Insurances shall be the responsibility of the Supplier.
- 13.4 The Supplier shall not take or omit to take any reasonable action or (insofar as it is reasonably within its power) permit anything to occur in relation to the Insurances as would entitle the relevant insurer to refuse to pay any claim under the Insurances.
- 13.5 In the event the Supplier fails to maintain any of the Insurances, the Customer may itself provide or arrange such insurance and may charge the cost of such insurance, together with its reasonable costs for obtaining such insurance to the Supplier either by way of deduction from the Charges or by recovering the same as a debt due to the Customer from the Supplier.
- 13.6 In the event that an event which shall give rise to or is reasonably likely to give rise to a claim pursuant to one or more of the Insurances in relation any Goods and Services or the performance of non-performance of this Agreement, then the Supplier shall notify the Customer within 7 days of being aware of the relevant event and/or claim and the Supplier shall provide such details and information in relation to the events as requested by the Customer as soon as practicable.

14 FORCE MAJEURE

- 14.1 Subject to the remaining provisions of this Clause 14, neither party to this Agreement shall in any circumstances be liable to the other for any delay or non-performance of its obligations under this Agreement to the extent that such non-performance is due to a Force Majeure Event.
- 14.2 In the event that either party is delayed or prevented from performing its obligations under this Agreement by a Force Majeure Event, such party shall:
 - (a) give notice in writing of such delay or prevention to the other party as soon as reasonably possible, stating the commencement date and extent of such delay or prevention, the cause thereof and its estimated duration;
 - (b) use its best endeavours to mitigate the effects of such delay or prevention on the performance of its obligations under this Agreement; and
 - (c) resume performance of its obligations as soon as reasonably possible after the removal of the cause of the delay or prevention.
- 14.3 As soon as practicable following the affected party's notification, the parties shall consult with each other in good faith and use their reasonable endeavours to agree appropriate terms to mitigate the effects of the Force Majeure Event and to facilitate the continued performance of this Agreement. Where the Supplier is the affected party, it shall take and/or procure the taking of all steps to overcome or minimise the consequences of the Force Majeure Event in accordance with Good Industry Practice.
- 14.4 The affected party shall notify the other party as soon as practicable after the Force Majeure Event ceases or no longer causes the affected party to be unable to comply with its obligations under this Agreement. Following such notification, this Agreement shall continue to be performed on the terms existing immediately prior to the occurrence of the Force Majeure Event unless agreed otherwise by the parties.
- 14.5 For the duration that the Supplier is unable to provide the Services by reason of a Force Majeure, the Customer shall not be obliged to pay the Charges for such Services.

15 **STEP-IN**

- 15.1 The provisions of Clauses 15.1 to 15.5 shall apply if the Customer acting reasonably, considers that a breach (or an anticipated breach) by the Supplier of any obligation under this Agreement may result in a material interruption in the provision of one or more of the Services or the supply of Goods or the operations of the Customer, or the Customer considers there is an emergency. The Customer's rights under this Clause 15.1 are in addition to and without prejudice to any other rights or remedies the Customer may.
- 15.2 In any of the circumstances set out in Clause 15.1 occur, the Customer (acting reasonably) may either:
- (a) if the Customer considers there is sufficient time and that it is likely that the Supplier is able to take the necessary steps, require the Supplier, by written notice to take such steps as the Customer considers necessary or expedient to mitigate or rectify such state of affairs and the Supplier shall use its best endeavours to comply with the requirements of the Customer as soon as reasonably practicable; or
 - (b) if the Customer considers there is not sufficient time, or that the Supplier is or would be unable to take the necessary steps, take such steps as the Customer considers to be appropriate (either itself or by engaging others to take such steps) to ensure performance of the relevant Services to the standards required by this Agreement.
- 15.3 If the Supplier fails to take the required steps then the Customer may immediately take, or engage others to take, such steps as the Customer considers appropriate.
- 15.4 Any costs or expenses incurred by the Supplier in taking such steps as are required by the Customer pursuant to Clauses 15.2 and 15.3 shall be borne by the Supplier. The Supplier shall reimburse the Customer for all reasonable costs, losses, expenses or damages incurred by the Customer in taking the steps or engaging others to take the steps referred to in this Clause 16 and the Customer shall be entitled to deduct such amounts from any other sum or amount payable to the Supplier under the provisions of this Agreement.
- 15.5 If the Customer exercises its rights pursuant to 15.2 to 15.3 above, the Supplier acknowledges the right of the Customer (and its employees, agents, sub-contractors or others it has engaged in accordance with Clause 15.3) to enter onto the relevant Boots Sites (as appropriate).

16 **TERMINATION**

- 16.1 Without prejudice to and in addition to any rights that have accrued under this Agreement or any other rights or remedies of each party, either party may by giving notice in writing to the other party immediately terminate this Agreement (in whole or in part and without payment of compensation or other damages caused solely by such termination), if the other party:
- (a) commits a breach of any of its obligations under this Agreement which is incapable of remedy; or
 - (b) commits a breach of its obligations under this Agreement which is capable of remedy and fails to remedy it or persists in such breach after 30 days of having been required in writing to remedy or desist save that in the case of the non-payment of undisputed Charges by Boots, the Supplier shall be obliged to give a 30 day notice in accordance with Clause 26 in relation to such non-payment; or
 - (c) if a Force Majeure Event occurs that affects all or a substantial part of the Services and which continues for more than 10 Business Days;
 - (d) :
 - (i) suspends, or threatens to suspend, payment of its debts (whether principal or interest) or is deemed to be unable to pay its debts within the meaning of

Section 123 of the Insolvency Act 1986; or

- (ii) calls a meeting, gives a notice, passes a resolution or files a petition, or an order is made, in connection with the winding up of the Supplier (save for the sole purpose of a solvent voluntary reconstruction or amalgamation); or
- (iii) has an application to appoint an administrator made or a notice of intention to appoint an administrator filed or an administrator is appointed in respect of it or all or any part of its assets; or
- (iv) has a receiver or administrative receiver appointed over all or any part of its assets or a person becomes entitled to appoint a receiver or administrative receiver over such asset; or
- (v) takes any steps in connection with proposing a company voluntary arrangement or a company voluntary arrangement is passed in relation to it, or it commences negotiations with all or any of its creditors with a view to rescheduling any of its debts; or
- (vi) has any steps taken by a secured lender to obtain possession of the property on which it has security or otherwise to enforce its security; or
- (vii) has any distress, execution or sequestration or other such process levied or enforced on any of its assets; or
- (viii) has any proceeding taken, with respect to it in any jurisdiction to which it is subject, or any event happens in such jurisdiction that has an effect equivalent or similar to any of the events in this Clause 16.1(e); or
- (ix) ceases, or threatens to cease to carry on all or a substantial part of its business.

16.2 Without prejudice to and in addition to any rights that have accrued under this Agreement or any other rights or remedies of the Customer, the Customer may by giving notice in writing to the Supplier immediately terminate this Agreement (in whole or in part and without payment of compensation or other damages caused solely by such termination), if the Supplier has undergone a Change of Control (save for the purpose of a solvent voluntary reconstructions or amalgamation previously approved in writing by the Customer).

17 CONSEQUENCES OF TERMINATION

17.1 The termination of this Agreement shall be without prejudice to the rights and remedies of either party which may have accrued up to the date of termination.

17.2 Subject to Clause 17.1 above, on termination of this Agreement for any reason whatsoever:

- (a) the relationship of the parties shall cease and any rights or licences granted under or pursuant to this Agreement shall cease to have effect save as and to the extent expressly provided otherwise in this Agreement;
- (b) the following provisions shall remain in force on or after termination and shall continue in full force and effect, Clause 1 (*Definitions & Interpretation*), Clause 4 (*Services*), Clause 5 (*Goods*), Clause 7 (*Intellectual Property*), Clause 8 (*Charges & Payment*), Clauses 4.8 to 4.11 (*Audit*), Clause 9 (*Confidentiality & Publicity*), Clause 10 (*Personal Data*), Clause 11(*Contract Management*), Clause 12 (*Indemnities*), Clause 13 (*Insurance*), Clause 14 (*Force Majeure*), Clause 17(*Consequences of Termination*), Clause 18 (*TUPE*), Clause 20.3 (*Third Party Rights*), Clause 27 (*Dispute Resolution Procedure*) and Clause 28 (*Governing Law & Jurisdiction*);
- (c) without prejudice to Clause 10.3, the Supplier shall immediately return to the Customer (or, if the Customer so requests by notice in writing, destroy) the Customer Data, all of the other party's property in its possession at the date of termination, including all of its Confidential Information, together with all copies of such Confidential Information and shall certify that it has done so, and shall make no

further use of such Confidential Information;

- (d) if a party is required by any Applicable Laws, regulation or government or regulatory body to retain any documents or materials which it would otherwise be required to return or destroy by Clause 17.2(c), it shall notify the other party in writing of such retention, giving details of the documents or materials that it must retain;
- (e) if applicable the Exit Plan shall take effect;
- (f) the Supplier shall, and shall procure that each relevant member of the Personnel shall, co-operate in any tender process conducted by the Customer for the purposes of selecting any Replacement Supplier, including the provision of advice, assistance, information or documentation reasonably required as part of the due diligence activities and for three (3) months following termination free of charge; and
- (g) the Supplier shall co-operate with the Customer and/or any Replacement Supplier of the Services appointed by the Customer in ensuring the smooth handover and continued running of the Services during such handover and in particular the Supplier shall render such assistance to the Customer and/or the Replacement Supplier as the Customer may reasonably request.

18 TUPE

18.1 This Agreement envisages that subsequent to the commencement of this Agreement, the identity of the provider of the Services (or any part of the Services) may change (whether as a result of termination of this Agreement (in whole or in part) or otherwise) resulting in a transfer of the Services (in whole or in part), ("**Service Transfer**"). If a Service Transfer is a relevant transfer for the purposes of TUPE then, the Customer or a Replacement Supplier would inherit liabilities in respect of the Transferring Employees. Accordingly if TUPE applies on a Service Transfer the provisions in Clause 18.6 to 18.10 shall apply.

18.2 The Supplier agrees that, subject to compliance with the Data Protection Legislation:

- (a) within 20 days of the earliest of:
 - (i) receipt of a notification from the Customer of a Service Transfer or intended Service Transfer; or
 - (ii) receipt of the giving of notice of early termination of this Agreement or any part thereof; or
 - (iii) the date which is 12 months before the expiry of the Term,

and, in any event, on receipt of a written request of the Customer at any time, it shall provide the Supplier's Provisional Staff List and the Staffing Information to the Customer or, at the direction of the Customer, to a Replacement Supplier and it shall provide an updated Supplier's Provisional Staff List when reasonably requested by the Customer or, any Replacement Supplier;

- (b) at least 14 days prior to the Service Transfer Date, the Supplier shall prepare and provide to the Customer and/or, at the direction of the Customer, to the Replacement Supplier, the Supplier's Final Staff List and the Employee Liability Information, which shall be complete and accurate in all material respects. The Supplier's Final Staff List shall identify which of the Personnel named are Transferring Employees;
- (c) the Customer shall be permitted to use and disclose the Supplier's Provisional Staff List, the Supplier's Final Staff List, the Employee Liability Information and the Staffing Information for informing any tenderer or other prospective Replacement Supplier for any services which are substantially the same type of services (or any part thereof) as the Services; and
- (d) upon reasonable request by the Customer the Supplier shall provide the Customer or, at the request of the Customer, the Replacement Supplier, with access (on

reasonable notice and during normal working hours) to such employment records (and provide copies) as the Customer reasonably requests.

- 18.3 The Supplier warrants that the Supplier's Provisional Staff List, the Supplier's Final Staff List, the Employee Liability Information and the Staffing Information shall be true and accurate in all material respects.
- 18.4 From the date of the earliest event referred to in Clause 18.2, the Supplier agrees that it shall not without the prior written consent of the Customer, assign any person to the provision of the Services (or the relevant part) which is the subject of a Service Transfer who is not listed in the Supplier's Provisional Staff List and shall not without the prior written consent of the Customer (such consent not to be unreasonably withheld or delayed):
- (a) increase the total number of employees listed on the Supplier's Provisional Staff List save for fulfilling assignments and projects previously scheduled and agreed with the Customer;
 - (b) make, propose or permit any changes to the terms and conditions of employment of any employees listed on the Supplier's Provisional Staff List save in relation to an increase in salary pursuant to a general salary review involving the whole of the Supplier's business or increase required by Applicable Laws;
 - (c) increase the proportion of working time spent on the Services (or the relevant part) by any of the Personnel save for fulfilling assignments and projects previously scheduled and agreed with the Customer;
 - (d) introduce any new contractual or customary practice concerning the making of any lump sum payment on the termination of employment of any employees listed on the Supplier's Provisional Staff List; and
 - (e) replace any of the Personnel listed on the Supplier's Provisional Staff List or deploy any other person to perform the Services (or the relevant part) or increase the number of employees or terminate or give notice to terminate the employment or contracts of any persons on the Supplier's Provisional Staff List.
- 18.5 The Supplier shall promptly notify the Customer or, at the direction of the Customer, the Replacement Supplier of any notice to terminate employment received from any person listed on the Supplier's Provisional Staff List regardless of when such notice takes effect.
- 18.6 At least 14 days before the expected Service Transfer Date, the Supplier shall provide to the Customer or any Replacement Supplier, in respect of each person (subject to compliance with Data Protection Legislation) on the Supplier's Final Staff List who is a Transferring Employee, their:
- (a) pay slip data for the most recent month;
 - (b) cumulative pay for tax and pension purposes;
 - (c) cumulative tax paid;
 - (d) tax code;
 - (e) voluntary deductions from pay; and
 - (f) bank or building society account details for payroll purposes.
- 18.7 The parties agree that the Supplier shall perform and discharge all its obligations in respect of all the Transferring Employees and their representatives for its own account up to, including and after the Service Transfer Date. The Supplier shall indemnify the Customer and any Replacement Supplier and keep them so indemnified in full and on demand for and against all claims, costs, expenses or liabilities whatsoever and howsoever arising, incurred or suffered by the Customer or any Replacement Supplier (including without limitation all legal expenses and other professional fees (together with any VAT thereon)) in relation to:

- (a) the Supplier's failure to perform and discharge any such obligation;
- (b) any act or omission by the Supplier on or before the Service Transfer Date or any other matter, event or circumstance occurring before the Service Transfer Date;
- (c) all and any claims in respect of all emoluments and outgoings in relation to the Transferring Employees (including without limitation all wages, bonuses, PAYE, National Insurance contributions, pension contributions and otherwise) payable in respect of any period on or before the Service Transfer Date;
- (d) any claim arising out of the provision of, or proposal by the Supplier to offer any change to any benefit, term or condition or working condition of any Transferring Employee arising on or before the Service Transfer Date;
- (e) any claim made by or in respect of any person employed or formerly employed by the Supplier other than a Transferring Employee for which it is alleged the Customer or any Replacement Supplier may be liable by virtue of this Agreement and/or TUPE;
- (f) any act or omission of the Supplier in relation to its obligations under Regulation 13 of TUPE, or in respect of an award of compensation under Regulation 15 of TUPE except to the extent that the liability arises from the Customer or Replacement Supplier's failure to comply with Regulation 13 of TUPE; and
- (g) any statement communicated to or action done by the Supplier or in respect of, any Transferring Employee on or before the Service Transfer Date regarding the Service Transfer which has not been agreed in advance with the Customer in writing.

18.8 The Supplier shall indemnify the Customer and any Replacement Supplier and keep them so indemnified in full and on demand in respect of:

- (a) any claims arising from any act or omission of the Supplier in relation to any other Personnel who is not a Transferring Employee during any period whether before, on or after the Service Transfer Date; and
- (b) any Redundancy Costs incurred or suffered by the Customer or any Replacement Supplier in relation to Transferring Employees who are made redundant within a period of nine (9) months following the Service Transfer Date

18.9 The Customer shall indemnify the Supplier against all claims to the extent arising from the Customer's or the Replacement Supplier's failure to perform and discharge any obligation and against any claims in respect of any Transferring Employees arising from or as a result of:

- (a) any act or omission by the Customer or the Replacement Supplier relating to a Transferring Employee occurring on or after the Service Transfer Date; and
- (b) all and any claims in respect of all emoluments and outgoings in relation to the Transferring Employees (including without limitation all wages, bonuses, PAYE, National Insurance contributions, pension contribution and otherwise) accrued and payable after the Service Transfer Date.

18.10 The parties shall co-operate to ensure that any requirement to inform and consult with the Transferring Employees and/or their employee representatives (as the case may be) in relation to any relevant transfer as a consequence of a Service Transfer shall be fulfilled.

18.11 The Customer shall assume (or shall procure that the Replacement Supplier shall assume) the outstanding obligations of the Supplier in relation to any Transferring Employees in respect of accrued holiday entitlements and accrued holiday remuneration prior to the Service Transfer Date.

19 ANTI-CORRUPTION

19.1 The Supplier acknowledges that the Customer is committed to eliminating all risk of bribery and corruption in its supply chain.

- 19.2 The Supplier acknowledges and agrees that the Customer shall not be under any obligation to carry out any action or make any omission under this Agreement to the extent that the Customer reasonably believes it would be in breach of any Anti-Corruption Legislation.
- 19.3 The Supplier warrants, acknowledges and agrees that neither it nor any third party has breached any Anti-Corruption Legislation in order for the Supplier to enter into this Agreement.
- 19.4 The Supplier warrants and undertakes that:
- (a) it shall not engage in any activity, practice or conduct which would constitute an offence under sections 1, 2 or 6 of the Bribery Act 2010 or is otherwise contrary to any Anti-Corruption Legislation;
 - (b) it has, and shall maintain in place, Adequate Procedures designed to prevent any Associated Person from undertaking any conduct that would give rise to an offence under section 7 of the Bribery Act 2010;
 - (c) it, and each of its employees, directors, officers, subcontractors, agents and representatives that shall do anything on its behalf in relation to:
 - (i) its selection as the Supplier; or
 - (ii) the performance of its obligations under this Agreement, has not taken, and shall not take, in the name of, for the account of or on behalf of the Customer, any actions in furtherance of (and it has not omitted to and shall not omit to take any action preventing):
 - (a) an offer, payment, gift, promise to pay or give, or authorisation of the payment or giving of any money or anything else of value to any public official or to any other person or entity; or
 - (b) the request for, agreement to or acceptance of any payment, gift, money or anything else of value, in each case, which constitutes a breach of any Anti-Corruption Legislation; and
 - (d) it shall keep accurate and detailed books, accounts, and records on all business activity conducted pursuant to this Agreement; and
 - (e) from time to time, at the reasonable request of the Customer, it shall confirm in writing that it has complied with its undertakings under Clauses 19.4(a) to 19.4(d) above and shall provide access to such people and/or information reasonably requested by the Customer in support of such compliance.
- 19.5 Where the Customer reasonably believes that the Supplier is in breach of its obligations in Clause 19.4, upon request by the Customer in writing, the Supplier shall make available such people, books, accounts, records and other documentation relevant to its business activities conducted pursuant to this Agreement for an audit to be performed by a recognised independent firm of accountants (the "Auditor") designated by the Customer to the extent relevant to that breach. The Auditor shall provide to the Customer only information obtained from such review that relates to the possible breach. The costs of such audit shall be borne by the Customer save where the Auditor confirms that the Supplier is in breach of its obligations, in which case, the Supplier shall bear all costs.

20 ASSIGNMENT, SUBCONTRACTING & THIRD PARTIES

- 20.1 This Agreement is personal to the Supplier who shall not, without the Customer's prior written consent, novate, assign or sub-contract any of its rights or obligations under this Agreement. Any consent given by the Customer pursuant to this Clause shall not relieve the Supplier from any liability or obligations under this Agreement and the Supplier shall be responsible for the acts, omissions, defaults or negligence of its subcontractors, agents or servants as if they were acts, omissions, defaults or negligence of itself.
- 20.2 The Customer shall be entitled to assign its rights under this Agreement to any of the

Customer's Affiliates without the prior written consent of the Supplier.

- 20.3 The Customer's Affiliates are entitled to the benefit of and to enforce the provisions of this Agreement and the Replacement Supplier shall be entitled to the benefit of and to enforce Clauses 18.2 to 18.10 (inclusive) in its own right pursuant to section 1(1) of the Contracts (Rights of Third Parties) Act 1999 and save for these entities no other person who is not a party to this Agreement has no rights (whether under the Contracts (Rights of Third Parties) Act 1999 or otherwise) to enforce any provision of this Agreement. The parties to this Agreement may vary or terminate this Agreement by written agreement between them without requiring the consent of any of the Customer's Affiliates or any Replacement Supplier.
- 20.4 Neither party may pledge the credit of the other party nor represent itself as being the other party nor an agent, partner, employee or representative of the other party and neither party may hold itself out as such nor as having any power or authority to incur any obligation of any nature, express or implied, on behalf of the other. Nothing in this Agreement, and no action taken by the parties pursuant to this Agreement creates, or is deemed to create, a partnership or joint venture or principal and agent between the parties.

21. ENTIRE AGREEMENT

- 21.1 This Agreement contains the entire agreement between the parties in relation to its subject matter and supersedes any prior arrangement, understanding written or oral agreements between the parties in relation to such subject matter.
- 21.2 The parties acknowledge that this Agreement has not been entered into wholly or partly in reliance on, nor has either party been given, any warranty, statement, promise or representation by the other or on their behalf other than as expressly set out in this Agreement.
- 21.3 Each party agrees that the only rights and remedies available to it arising out of or in connection with any warranties, statements, promises or representations shall be for breach of contract and irrevocably and unconditionally waives any right it may have to any claim, rights or remedies including any right to rescind this Agreement which it might otherwise have had in relation to them.
- 21.4 This provisions of this Agreement shall apply to any Orders and Purchase Orders raised pursuant to this Agreement notwithstanding that any different terms and conditions are expressed to apply between the parties on any acceptance of the Orders or Purchase Orders or any other communication by the Supplier to the Customer and any such terms and conditions appearing on any acceptance of the Purchase Order shall be inapplicable and not be deemed to constitute a counter offer. The provisions of this Agreement shall apply notwithstanding any trade custom to the contrary and notwithstanding that any other terms and conditions may have applied whether expressly, or by course of dealing, in prior transactions between the parties.
- 21.5 Nothing in this Clause 21 shall exclude a party's liability in respect of misrepresentations it made fraudulently.

22. WAIVER & REMEDIES

- 22.1 No delay in exercising, non-exercise or partial exercise by any party of any of its rights, powers or remedies provided by law or under or in connection with this Agreement shall operate as a waiver, or release of that right, power or remedy. Any waiver or release shall be specifically granted in writing signed by the party granting it. The waiver or release shall only operate as the waiver or release of a particular breach specified and not of further breaches of the same or any other type, unless expressly stated otherwise.
- 22.2 The rights and remedies provided in this Agreement are cumulative and, unless otherwise expressly provided in this Agreement, are not exclusive of any right or remedies provided at law, in equity or otherwise under this Agreement.

23. SEVERABILITY

- 23.1 If at any time any part of this Agreement is held to be or becomes void or otherwise

unenforceable for any reason under any Applicable Laws, the same shall be deemed omitted from this Agreement and the validity and/or enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired as a result of that omission.

- 23.2 If any void or unenforceable part of this Agreement would be valid and enforceable if some part of it were deleted, the parties shall negotiate in good faith to amend such part such that, as amended, it is valid and enforceable, and, to the greatest extent possible, achieves the parties' original commercial intention.

24 AMENDMENTS

No purported alteration or variation of this Agreement shall be effective unless it is in writing, refers specifically to this Agreement and is executed by each of the parties to this Agreement.

25 COUNTERPARTS

This Agreement may be executed in any number of counterparts, each of which when executed shall constitute an original of this Agreement, but all the counterparts together constitute the same Agreement. No counterpart shall be effective until each party has executed at least one counterpart.

26 NOTICES

- 26.1 Any notices sent under this Agreement shall be in writing and shall be served by:
- (a) personal delivery; or
 - (b) pre-paid first class post and/or special delivery and recorded signed for; or
 - (c) addressed for the attention of the persons at the addresses set out in the Front Sheet of this Agreement (or at such other address as the relevant party may give in writing for the purpose of service of notices under this Agreement),
- and for the avoidance of doubt notices shall not be deemed to be served if sent by e-mail.
- 26.2 All notices served correctly under this Clause 26 shall be deemed to have been served:
- (a) if served by hand, upon delivery;
 - (b) if served by pre-paid first class post and/or special delivery and recorded signed for 9.00am, on the second Business Day after posting.
- 26.3 To prove service of any notice it shall be sufficient to show that:
- (a) if served by hand, it was properly addressed and delivered; and
 - (b) if served by mail, it was properly addressed prepaid and posted in the manner set out above.

27 DISPUTE RESOLUTION PROCEDURE

- 27.1 If a dispute arises out of or in connection with this Agreement or the performance, validity or enforceability of it, then:
- (a) either party may refer the dispute to the Authorised Representatives and call a meeting of the parties by giving not less than 10 Business Days' written notice to the other, and each party shall procure that its Authorised Representative attends all such meetings called in accordance with this Clause 27.1(a) who shall use their reasonable endeavours to resolve the dispute; and
 - (b) if the dispute is not resolved within 10 Business Days of the dispute being referred pursuant to Clause 27.1(a), then either party may refer the dispute to the Senior Customer Representative and the Senior Supplier Representative by notice in writing, who shall co-operate in good faith to resolve the dispute as amicably as possible within 10 Business Days of the dispute being referred to them.
- 27.2 Notwithstanding the provisions of this Clause 27, either party may take proceedings or seek remedies before the courts or any competent authority of any country for interim, injunctive or interlocutory remedies in relation to any breach of this Agreement or infringement by the other party of that party's Intellectual Property.

27.3 Without prejudice to the Customer's right to seek redress in the courts, the Supplier shall continue to provide the Services and perform its obligations under this Agreement notwithstanding any dispute or the implementation of the procedures set out in this Clause 27.

28 GOVERNING LAW & JURISDICTION

28.1 This Agreement and any issues, disputes or claims arising out of or in connection with it (whether contractual or non-contractual in nature such as claims in tort, from breach of statute, regulation or otherwise) shall be governed by, and construed in accordance with, English law.

28.2 This parties to this Agreement irrevocably agree that for the sole benefit of the Customer that, subject as provided below, the Courts of England shall have exclusive jurisdiction over any dispute or claim arising out of or in connection this Agreement or its subject matter or formation (including non-contractual claims).

28.3 Nothing in Clause 28.2 shall limit the right of the Customer to take proceedings against the Supplier in any other court of competent jurisdiction, nor shall the taking of proceedings in one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction.

Schedule 1.1(m)

Site Licence

1. Licence

- 1.1 Subject to Paragraph 2, the Customer grants to the Supplier, and the Personnel based within the Customer's head office site, the right (in common with the Customer and all others authorised by the Customer so far as is not inconsistent with the rights given):
- 1.1.1 to use and access the Licensed Areas as may be necessary for the performance of the Supplier's obligations under this Agreement;
- 1.1.2 to use and occupy the Licensed Areas on the terms set out in Paragraphs 2 to 4.
- 1.2 The Licence shall be terminated by the Customer on 30 days notice and shall automatically terminate if this Agreement terminates or expires.

2. Terms Applicable to all Boots Sites

- 2.1 The Supplier shall not use the Licensed Areas for the purposes of supplying services to third parties.
- 2.2 The Supplier shall comply and shall ensure that the Personnel and the Supplier's sub-contractors and its agents comply with the Customer's Site Regulations.
- 2.3 Notwithstanding any other provision of this Agreement, the Customer reserves the right to refuse entry to the Licensed Areas to any of the Personnel, sub-contractors or agents of the Supplier, where the Customer reasonably believes such entry might give rise to a breach of any the Customer's Site Regulations.
- 2.4 In exercising its rights of use and access under this Schedule, the Supplier shall at all times take all reasonable and proper precautions to ensure that as little damage as possible is caused to the Licensed Areas and as little disruption as possible to the use thereof and shall make good and/or pay compensation to the Customer for any loss, damage or injury suffered by the Customer by reason of the exercise by the Supplier of the rights of use and access except to the extent that such loss, damage or injury results from the neglect or default of the Customer its tenants or licensees or other such occupiers or their respective employees, agents or contractors or constitutes fair wear and tear.
- 2.5 The Supplier shall not do or permit any acts that would breach any statutory requirements affecting the Licensed Areas or would make any insurance policy held by the Customer in respect of the Boots Sites void or voidable or increase the applicable premium
- 2.6 The Supplier shall not do anything that may cause any nuisance, damage, disturbance, annoyance, inconvenience or interference to the Customer or to any other occupier of the Licensed Areas or adjoining or neighbouring premises.
- 2.7 This Licence is not intended to confer exclusive possession on the Supplier nor to create the relationship of landlord and tenant between the parties. The Supplier shall not be entitled to a tenancy, or to an assured short hold or assured tenancy, or to any statutory protection under the Housing Act 1988 or to any other statutory security of tenure now or upon determination of the Licence.
- 2.8 The Supplier shall not impede in any way the Customer or its officers, servants or agents in the exercise of the Customer's rights of possession and control of the Boots Sites.

3. Additional Terms Applicable to the Licensed Areas

- 3.1 The Customer shall permit the Personnel and the Supplier's agents to occupy the Licensed Areas.
- 3.2 The Supplier shall ensure that it utilises the Personnel in such a way that the total number of applicable the Personnel is reasonably minimised, provided that this shall not require the Supplier to minimise the number of applicable the Personnel to such a level that the delivery of Services is adversely affected.
- 3.3 The Supplier agrees to keep the Licensed Areas in a reasonably tidy condition.
- 3.4 The Supplier shall not remove the 'Facilities' (such term defined in paragraph 4.3 below) or any other the Customer owned or the Customer provided contents from the Licensed Areas without the Customer's written approval.
- 3.5 The Supplier shall, with all practicable speed and at its own cost, reinstate and restore any part of the Licensed Areas damaged in the exercise of its rights under this Schedule. Alternatively, the Supplier may at its own cost engage a third party to carry out such reinstatement and restoration work which is pre-approved by the Customer in writing. If the Supplier fails to complete or ensure the completion of such reinstatement and restoration work within a reasonable period, the Customer shall be entitled to permit a third party engaged by the Customer to conduct such reinstatement and restoration work at the Supplier's reasonable cost. Without prejudice to the foregoing, the Supplier shall, subject to paragraph 3.6, pay to the Customer any cost or expense, as a result of any damages caused to the Licensed Areas by the Supplier in the exercise of its rights under this Schedule, directly incurred by the Customer and/or any occupier of the Licensed Areas.
- 3.6 Save as may be reasonably necessary for the performance of the Services, the Supplier shall not bring any furniture, equipment, goods or chattels onto the Licensed Areas without the prior written consent of the Customer.
- 3.7 The Supplier shall not (save to the extent required by law) display any signs or notices at any of the Licensed Areas without the prior written consent of the Customer.
- 3.8 The Supplier shall allow the Customer, and those authorised by the Customer, to have access to the Licensed Areas at all times.
- 3.9 The Supplier acknowledges and agrees that the Licence to use and access the Licensed Areas is granted by the Customer free of charge in order for the Customer more conveniently to obtain the benefit of the Services from the Supplier and that the Customer is not in the business of providing licences similar to the Licence generally. The Supplier therefore agrees that the limitations and exclusions set out in this Agreement are reasonable having regard to all the circumstances.

4. Support Services Relating to the Licensed Areas

In respect of the Supplier's use and occupation of the Licensed Areas, the Customer shall provide the Supplier with the following Utilities and Facilities set out in paragraphs 4.1 and 4.2 respectively, in each case to the extent reasonably required by the Supplier in respect of its use and occupation as permitted under this Schedule:

Utilities

- 4.1 The Customer shall supply :
 - 4.1.1 such heat, light, air conditioning, ventilation and electricity and other such utilities generally available in the relevant premises in which the Licensed Areas are situated (to the extent available as at the Services Commencement Date),

as are reasonably required by the Supplier for the purposes of exercising its rights in accordance with Paragraph 1 of this Schedule and are reasonably consistent with those enjoyed by the Customer's employees occupying and using the Licensed Areas, and reasonably consistent with any such utilities installed or available for the Customer's purposes in those spaces; and

4.1.2 any additional Utilities, which the parties may agree, on a case by case basis in writing, will be provided by the Customer.

Facilities

4.2 Each employee of the Supplier who is permanently located at the Licensed Areas shall be entitled to:-

4.2.1 a desk;

4.2.2 connected telephone handset for each of the desks, including reasonable telephone usage.

4.2.3 office furniture and storage;

4.2.4 mail delivery and collection including reasonable postage costs;

4.2.5 access to book meeting rooms and teleconferencing (subject to availability);

4.2.6 access to fax, photocopier and scanner;

4.2.7 security access;

4.2.8 access to on-site catering facilities (on a basis consistent with that set out in the then current Boots Policies from time to time as such relate to contractors using the relevant Licensed Areas);

4.2.9 subject to paragraph 4.6 and subject to availability, car parking;

4.2.10 connectivity to the Boots LAN at each of the desks referred to above;

4.2.11 reasonable stationery usage; and

4.2.12 other facilities agreed between the parties from time to time.

4.3 The standard of the support services provided to the Supplier pursuant to this paragraph 4 from time to time in relation to the Licensed Areas shall be at least equivalent to the standard of the equivalent support services provided to the Customer's employees at that time.

4.4 The Customer may on reasonable notice at any time and from time to time suspend, curtail, cancel, alter, extend or add to the support services or any of them or amend the terms upon which they are provided in line with its general strategy relating to usage of the Boots Sites. The parties agree to use their reasonable endeavours to minimise the resulting impact. In such event, the support services shall be interpreted for all purposes of this Agreement as being the support services as so modified and the Supplier shall have no claim against the Customer in respect of any loss or inconvenience resulting from such action.

4.5 The Supplier acknowledges and agrees that the support services are provided by the Customer free of charge in order for the Customer more conveniently to obtain the benefit of the Services from the Supplier and that the Customer is not in the business of providing such support services generally. The Supplier therefore agrees that the limitations and exclusions set out in this Agreement are reasonable having regard to all the circumstances.

4.6 The Supplier acknowledges and agrees that it or its Personnel will be obliged to pay the relevant current car parking charges (available on request) for the use of the car parking facilities which is strictly subject to availability at the Licensed Areas and Boots Sites which charges the Supplier is not entitled to recoup or recharge back to the Customer as part of the Charges.

4.7 The Customer shall raise a pro-rata invoice effective for the period from the Commencement Date until the next anniversary of the Commencement Date inclusive (and thereafter annually during the Term) for an agreed number of agreed car parking permits.

- 4.8 At the end of every calendar quarter, the Supplier may return any unused car parking permits and the Customer shall provide a rebate for future calendar quarters for such unused car parking permits.
- 4.9 The Supplier may request additional car parking permits and if the Customer agrees then the Customer shall raise an invoice for such additional car parking permits. Additional car parking permits shall be charged for the full calendar quarter in which they were issued and any subsequent calendar quarters in the remaining invoice year.
- 4.10 In event of termination or expiry of this Agreement, the Customer shall issue a rebate for the unused period that the Supplier has prepaid.

Schedule 2.1(h)

Boots Policies

1. Subject to the remaining paragraphs of this Schedule 2.1(h) and unless otherwise agreed in writing, the Supplier shall perform the Services in accordance with those Customer policies, procedures and standards listed below (copies of which have been provided to the Supplier), and as the same are updated and notified to the Supplier from time to time (together, the "**Boots Policies**").
2. The Customer may make additions, updates or other modifications to any of the Boots Policies and add new policies, procedures and standards from time to time after the date of this Agreement. The Supplier may not withhold its consent to any additions or changes to the list of Boots Policies or to the Boots Policies themselves.
3. Boots Policies:
 - Boots Code of Conduct & Business Ethics
 - Boots Group Environmental Policy
 - Boots Vendor Expenses Policy
 - Boots Site Policy
 - Boots Health & Safety Policy & Boots Health & Safety Specification for Contractors
 - Boots IT Security Requirements

Schedule 2.1(i)

Business Continuity & Exit Plan



Draft Exit Plan Boots Business Continuity
Feb 21 13.xls Disaster Recovery fo

Schedule 2.1(m)

Charges & Payment

1. The Supplier shall be entitled to invoice the Customer for the relevant Charges in respect of Services monthly in arrears for Charges that become due in respect of the Services provided in the preceding month.
2. The Supplier shall ensure that each invoice shall as a minimum specify:
 - (a) the date and number of the invoice;
 - (b) the month or other period (including start and finish dates) to which the relevant Charge(s) relate;
 - (c) a description of the nature of the Charges with sufficient detail to clearly identify the nature of the Charge, the Goods and the Services to which they relate;
 - (d) a breakdown of the allocation and calculation of those elements of the Charges together with the associated VAT within the invoice for any of the Customer Affiliates and any Service Credits which have been incurred and which are being credited against the amount invoiced;
 - (e) total VAT;
 - (f) Purchase Order number together with the full line item description as stated on the Purchase Order; and
 - (g) any other details that the Customer requires from time to time to verify the Charges.
3. The Supplier shall ensure that it is able to submit electronic invoices in accordance with the Customer's requirements.
4. Unless otherwise agreed in writing between the parties, the Customer will not be liable to make any payment whatsoever to the Supplier or any third party in relation to any work undertaken prior to the Customer issuing the Supplier with a Purchase Order.

Section A – Contractor Standard Rate Card – 01/09/13 – 31/08/14

The Supplier shall invoice for any Contractors engaged in Assignments in line with the day rates detailed in the rate card in below, which is inclusive of all Supplier Fees, unless the Supplier has negotiated a reduced Rate Card Rate, in which case the lower rate will be invoiced. The Contractor Rate Card shall be reviewed on a quarterly basis or at the request of the Customer and updated as required.

Role	Scope	Definition	2013-2014 RATE CARD
Architecture/ Solutions Design	Large	Enterprise/Programme Architect to provide input into technical roadmaps, set technical strategy and provide architecture for large, enterprise wide, business critical projects. In depth retail business systems knowledge. Senior Solutions Designer to design solutions for highly complex projects/programmes	£614.25
	Medium	Architecture Analyst to provide technical architecture and in niche areas and/or on large, enterprise wide and business critical projects and systems. Retail systems background. Solutions Designer to design solutions for projects/programmes with some levels of complexity	£556.50
	Small	Provide technical architecture and/or solutions design for assigned project work	£384.00
Business Analysis	Large	Senior or Lead role working with IT and Business partners to deliver early stage mandates and strategic analysis Performing high level, strategic business and systems analysis on multiple and/or highly complex projects with significant stakeholder management. May manage a team of business analysts. In depth experience with retail business systems and process.	£470.75
	Medium	Performing detailed analysis on one or more projects including running workshops and gathering requirements. Some experience with retail systems. Projects will have some level of complexity and/or multiple stakeholders	£435.00
	Small	Performing detailed analysis on simple projects including running workshops, gathering requirements and producing process flow and work stream outputs	£403.75
Programme Management	Large	Head or Lead role to have ultimate responsibility for large/high profile strategic and/or business critical Programmes of work including IT streams. Strategic involvement across multiple work streams and/or highly complex projects. Proven track record in the management and mentoring of Project Managers. In depth Retail and/or systems experience.	£650.75
	Medium	Senior role to manage portfolio of work including IT Streams as well as Project Managers. Holds ultimate budget accountability and delivery performance of project managers	£570.00
Project Management	Large	Senior Project Manager with circa £500k-£2m+ per project budgetary responsibility across a large and/or complex project or leading a number of such projects. Responsible for shaping as well as delivering. Often requires specific Retail Systems and service experience	£518.50
	Medium	Project Manager with circa £200k-500k per project budgetary responsibilities for one or more projects. Alternatively Projects will have some complexity but will require little guidance	£434.50
	Small	£50k-£200k budgetary responsibility for a well defined project with guidance from senior peers. To assist with project governance. Build/Env Mgr	£353.40

Role	Scope	Definition	2013-2014 RATE CARD
Service Manager	Large	Management of a large Service Function to deliver large projects and Programmes in to a service environment. Responsible for shaping as well as delivering Service Excellence.	£408.25
	Medium	Service management to define and deliver service levels. ITIL qualified and the ability to deliver projects successfully in to a growing service function.	£365.00
SAP Technical Consultant	Large	Senior or Lead SAP Consultant role, often with complex project responsibility. Technical ownership or direction for specific infrastructure or development solutions in SAP. Specific technical niche tools or products sets within SAP. Often with in depth retail systems/business knowledge or demonstrable consultancy track record.	£579.50
	Medium	SAP niche specialist consultant role. In depth experience with the design, implementation and deployment of specific technical SAP tools or products sets. Often with in depth retail systems/business knowledge or demonstrable consultancy track record.	£527.25
SAP Programme Management	Large	Head or Lead role to have ultimate responsibility for large/high profile strategic and/or business critical SAP specific Programmes of work including IT streams. Strategic involvement across multiple work streams and/or highly complex projects. Proven track record in the management and mentoring of Project Managers. In depth Retail and/or SAP systems experience.	£712.50
	Medium	Senior role to manage portfolio of work including SAP IT Streams as well as Project Managers on SAP specific programmes. Holds ultimate budget accountability and delivery performance of project managers.	£593.75
Test Manager	Large	Significant experience of management and lead of Test and Quality Assurance environment. Experience of working closely with 3rd parties and taking ownership and accountability for those relationships. In depth test management experience.	£440.00
	Medium	Experience of senior management and lead of Test and Quality Assurance environment. Exposure to 3rd parties and taking ownership and accountability for those relationships. In depth test management experience.	£385.00
Test Analyst	Medium	Proven experience of working within a 3rd party testing relationship and in depth Test Analysis background.	£382.50
	Small	To have worked closely with 3rd party testing teams and test analysis background. Can provide interpretation and feedback into design	£299.25

Role	Scope	Definition	2013-2014 RATE CARD
Technical Specialism	Large	Senior or Lead role, often with multi project responsibility. Technical ownership or direction for specific infrastructure or development solutions. Specific technical retail tools or products sets such as SAP, IBM and Microsoft. Often with in depth retail systems or business knowledge.	£468.00
	Medium	In depth experience with the design, implementation and deployment of specific technical retail tools or products sets such as SAP, IBM and Microsoft. Often with in depth retail systems or business knowledge	£360.00
	Small	Experience in the development of solutions with specific tools or products sets such as SAP, IBM and Microsoft.	£283.50
Project Coordination	Large	Extensive planning experience in programmes of considerable complexity and stakeholder engagement. High level development of monitoring process, risk management, governance and issues RAG status and project planning. May manage specific activities within a project or programme with guidance from Project Manager.	£400.00
	Medium	Planning experience of programme/projects with some complexity, developing and monitoring process to manage risks and issues, RAG status, governance etc. May have Retail experience. May manage a specific activity within a project with guidance from Project Manager	£331.75
	Small	Co-ordination and planning experience, monitoring of risks and issues, RAG status etc	£225.00
Technical/Service Support	Medium	Applications Support. Specialist knowledge of applications and systems including retail or Boots specific infrastructure. Up to and include third line support and administrator level	£218.50
	Small	Service Desk Support. Help Desk, First Line & Second Line support including software packages, hardware issues and Boots specific systems and hardware including EPOS	£146.25
SAP Project Manager	Large	Senior SAP Project Manager with circa £500k-£2m+ per project budgetary responsibility across a large and/or complex project or leading a number of such projects. Responsible for shaping as well as delivering. Often requires specific Retail Systems and SAP experience	£580.13
	Medium	SAP Project Manager with circa £200k-500k per project budgetary responsibilities for one or more projects. Alternatively Projects will have some complexity particularly regarding SAP but will requiring little guidance	£517.75

Section B - Savings Gain Share Scheme

Gain Share shall mean the total savings made by the Supplier during each year of this Agreement, which are split between the Customer and the Supplier, according to the level of savings made each year, as detailed in the table below.

Cost Savings are to be calculated as follows:-

The savings made by supplying Contract staff below the agreed Standard Rate Card rate. This is calculated as the difference between the rate the Supplier supplies new Contract staff and the rate set out in the Standard Rate Card in place at the time of placement.

For example:

Standard Rate Card Rate = £500 per day
Supplier sourced Contract Staff = £450 per day
Saving = £50 per day

A value over the Rate Card Rate shall have a negative value and saving under the average shall have a positive value

Gain Share Savings Scheme Calculation.

Savings will be calculated and reported quarterly and at the full year anniversary of the Commencement Date of the Agreement, at which point they will be payable, subject to verification by the Customer.

The savings from Cost Saving above shall contribute to the 'Gain Share Savings Pot' and will be calculated as follows:

'Gain Share Savings Pot' = saving per day of all Contract Staff from sources above (-ve or +ve) x working days worked in the period based on timesheet data.

Contractors supplied outside the rate card for a role defined as non-standard, as well as any direct contractors, shall not be part of the Gain Share Savings Pot.

The Supplier shall be entitled to receive a Rebate to the value of the incremental Gain Share which is achieved as detailed in the table below, subject to the achievement of the SLA throughout the year.

Gain Share Savings Pot	Supplier Rebate %
£0 to £49,999	0
£50,000 to £99,999	10
£100,000 to £199,999	15
£200,000 to £249,999	15
£250,000 to £299,999	15
£300,000 to £399,999	20
£400,000 and above	20

For example, if upon the anniversary the Supplier achieves £200,000 total savings, the Supplier will be entitled to 15% of £200,000 = £30,000

Any qualifying payment shall be made within 8 weeks following the approval by the Customer of the amount payable.

The Supplier will provide all supporting data to calculate the Gain Share Savings in a format agreeable to the Customer. As a minimum The Supplier will produce a spread sheet to demonstrate these savings and will include the following:-

1. All Qualifying Temporary IT Staff in the qualifying period
2. All other contractors excluded from the Gain Share, i.e. direct contractors

3. Rate card average rate
4. Start and end dates
5. Difference calculation
6. Total saving per day
7. Amount of the 'Savings Gain Share Pot'

The Customer shall agree the final figure based an audit of the data provided.

Section C - Referral Fee for Direct or Non ReThink Sourced

The Supplier will charge a Referral Fee of £15 per working day per Contractor where the Contractor has not been sourced or introduced by the Supplier.

Section D - Signing Bonus

Upon execution of this Agreement, and in consideration of the Customer executing this Agreement, the Supplier agrees to pay directly to the Customer a one-time, non-refundable signing bonus of the equivalent in £ of \$100,000.

The Customer agrees to invoice the Supplier for this amount plus Value Added Tax at the applicable rate at the date of execution of this Agreement. The Supplier agrees to pay this invoice within 30 days of the date of invoice.

Schedule 2.1(nn)

Specification

**SECTION B – TERMS AND CONDITIONS FOR THE PROVISION OF THE RECRUITMENT
PROCESS OUTSOURCE AGREEMENT**

1.1 In addition to the definitions set out in Agreement for the Provision of Recruitment Process Outsourcing Services for IT Contractors above, in respect of this Section B (Terms and Conditions for the Provision of the Recruitment Process Outsource Agreement) the following additional Terms shall be defined as follows:

“ASL Agency”	Any employment agency or employment business which has been formally appointed by the Supplier onto an Authorised Supplier List (ASL Agency), for the purposes of providing either temporary, contingent, contract or permanent IT recruitment services in respect of Vacancies at the Customer.
“Candidate”	A suitably skilled and experienced candidate for any Vacancy at the Customer, for either a temporary or permanent position at the Customer.
“Customer Scope”	Such areas and divisions of the Customer as notified to the Supplier by the Customer from time to time;
“Customer Site(s)”	Such premises of the Customer as notified to the Supplier by the Customer from time to time;
“Business Hours”	9.00 a.m. to 5.30 p.m. (excluding one hour lunch break) on Mondays to Fridays, not including any bank holidays.
“Management Information”	Such information about the nature and performance of the RPO Services as required by the Customer on a monthly basis and as set down in the SLA.
“RPO Services”	Recruitment Process Outsourcing services, as more fully set out in Schedule 1 of this Section B, under which the Supplier shall assume, on an exclusive basis, the management and allocation of all temporary, contingent and contract IT services within the Customer Scope.
“SLA”	Any Service Level Agreement, setting down the standards of the RPO Services required by the Customer and committed to by the Supplier, as set down in Schedule 2.1qq.
“TUPE Regulations”	The Transfer of Undertakings (Protection of Employment) Regulations 2006, or any re-enactment of such Regulations which may subsequently come into force.
“Vacancy”	A vacancy, role or requirement for a permanent employee or a temporary worker/contractor within the Customer Scope.

2. *RPO Services*

2.1 With effect from the Effective Date the Customer appoints the Supplier to provide the RPO Services and the Supplier agrees to provide the RPO Services under the terms and conditions of this Section B.

2.2 The Supplier acknowledges the Customer’s requirement to meet its recruitment needs expeditiously, and shall discharge its obligations in respect of the RPO Services under this Agreement in a timely manner and in accordance with high industry standards and any service levels agreed between the parties and set out in SLA.

2.3 The Supplier shall provide a dedicated on-site team(s) to provide the RPO Services to the Customer during Business Hours at the Customer Site(s), or any other Customer office or premises within reason, and as agreed in advance by the parties.

- 2.4 The Supplier shall provide an Account Manager, who shall be responsible for management of the Supplier's on-site team. The Account Manager shall be the first point of contact for Customer, in respect of any issues Customer may have with the RPO Services.
- 2.5 The Supplier will also provide a Client Services Director who will be responsible for the development of the service provided to the Customer, which will include, but not be limited to the following;
- Attendance of the quarterly and annual supplier performance review;
 - Identification of value added services;
 - Review and development of the contractor care programme;
 - Review and development of customer service and experience related feedback;
 - Review and development of the contractor on and off-boarding process;
 - Identification of continuous improvement opportunities.
- 2.6 The Supplier shall provide sufficient numbers of its employees in the on-site team at each Customer Site as is reasonably necessary to perform the RPO Services at such Customer Site, to the standards required in the SLA. The decision to decrease or increase the size of the on-site team(s) in proportion to changes in the amount and nature of recruitment activity at such Customer Site from time to time will be through mutual agreement, provided always that the RPO Services shall always be performed according to the service levels required by the SLA.
- 2.7 The Supplier reserves the right to replace its Account Manager and/or any other member of the on-site team. In such event, it shall provide Customer with reasonable notice in writing, and any replacements shall possess skills and experience equivalent to those of the original Account Manager or on-site team member(s) so removed, so as to cause no diminution of levels of service. Any replacement of Account Management to be approved in writing by the Customer and the Customer shall (at its request) be involved in the hiring / selection process of the Account Manager.
- 2.8 The Supplier's on-site team(s) shall comply with the Customer's reasonable recruitment processes and procedures as outlined by the Customer from time to time. These processes include the on-boarding and off-boarding of Contractors, which the Supplier will be responsible for implementing with all new Contractors supplied to the Customer. This will also include sending a Hiring Manager Statement, which is included in Appendix A for reference, on completion of a Contractor hire to the relevant Customer's hiring manager,
- 2.9 The Customer may request, in writing, the removal or replacement of any of the on-site team, if in the reasonable opinion of the Customer the Services of any individual in the on-site team can be shown to be unsuitable or unsatisfactory, or likely to adversely prejudice the reputation of the Customer, during the term of the Agreement.
- 2.10 The Supplier will provide the Customer with Management Information at such frequency as agreed by the parties. The parties shall use all reasonable endeavours to arrange and attend regular meetings to disclose and discuss the Management Information.
- 2.11 The Supplier shall, where reasonably requested to do so by the Customer and subject to Clause 4 below, communicate and co-operate with ASL Agencies where this will assist in meeting the Customer's recruitment needs.
- 2.12 The Supplier shall ensure that its on-site teams shall comply with any Customer Site rules and regulations, as shall be notified to the Supplier from time to time.

3. *Customer Responsibilities*

- 3.1 Throughout the period of this Agreement, the Customer shall provide the Supplier's on-site team(s), free of charge, with all normal office facilities and amenities including but not limited to appropriate office space, telephone, fax, personal computer and e-mail facilities, together with such other materials, documents or other equipment or facilities which the on-site team(s) may reasonably require to carry out the RPO Services, and such access to Customer's information, records and other material as the Supplier may reasonably require.

- 3.2 The Customer shall at all times take all reasonable and necessary steps to ensure the safety of the Supplier's staff or personnel whilst they are on Customer's premises, and shall take such health and safety measures in respect of such individuals as they would normally afford to the Customer's own employees. 2.

4. *Exclusivity and ASL Agencies*

In the event of any conflict or inconsistency between the Sections of this Agreement, clause 4.1 below will take precedence:

- 4.1 The parties understand and accept that the RPO Services shall be provided by the Supplier on an exclusive basis. In-line with the term 'Exclusive' the Customer undertakes that it will not engage or contract with any third party, for the duration of this Agreement, for the provision of any services which are the same as, or materially similar to, the RPO Services as summarised in Schedule 1 to this Section A, unless it is for the engagement of out of scope roles, which include: PA, secretarial, administrative and senior interim management roles.

- 4.2 Unless agreed in writing by the Customer's IT Director the Customer shall initially communicate the details of such Vacancies solely to the Supplier. The Supplier's on-site team shall have the Exclusive right to source and locate suitable Candidates for such Vacancies, for an exclusivity period as follows:

Vacancies for temporary workers/contractors where sole exclusivity applies:

Business Days 3

Timescale in which vacancies for temporary workers/contractors are passed to the ASL Agency suppliers:

Business Days after the above mentioned 3 Business days expired

Timescale after which exclusivity shall no longer apply for vacancies for temporary workers/contractors:

Business Days after the above mentioned 4 Business days expired

- 4.3 In the event that the Supplier is unable to provide to the Customer the CV details of an appropriate number of Candidates with the required skills and experience for each Vacancy within the exclusivity period set out in Clause 4.2 above, then the Supplier shall release details of the Vacancy to the ASL Agencies.

- 4.4 For certain niche Vacancies (or certain high-level Vacancies where executive search/selection recruitment processes are appropriate), the Supplier may inform the Customer that it does not have the capacity within the on-site team to source or locate suitable Candidates, in which event it shall agree with the Customer on a case-by-case basis that:

4.4.1 such Vacancy shall be immediately communicated to the ASL Agencies; and/or

4.4.2 such Vacancy shall be immediately communicated to any third party employment businesses or employment agencies as may be nominated by the Customer, in which event the Vacancy shall be deemed 'out of scope' of this Agreement and the Customer shall contract directly with any such employment agency or employment business that successfully fills the Vacancy.

- 4.5 The Customer's IT Director with the Supplier's agreement, which will not be unreasonably withheld or delayed, may appoint a number of employment businesses (in respect of contractor Vacancies) and employment agencies (in respect of Permanent Vacancies) to act as ASL Agencies to assist the Supplier in the provision of recruitment Services under this

Agreement. The Customer shall have the opportunity to nominate prospective ASL Agencies that it believes would be suitable for appointment by the Supplier, however the Customer understands and accepts that the decision as to which and how many ASL Agencies are appointed shall be at the sole discretion of the Supplier, unless directed by the Customer's IT director on a vacancy by vacancy basis.

- 4.6 The Supplier shall ensure that any ASL Agencies that are so appointed shall be subjected to terms and conditions that are materially consistent with this Agreement.
- 4.7 The Supplier shall be entirely responsible for agreeing contracts with and accounting for fees payable to the ASL Agencies. Nothing in this Clause 4 shall detract from the Supplier's obligations to perform the Services in accordance with this Agreement and to the standards set down in the SLA.

Section B - Schedule 1 - SCOPE OF RPO SERVICES

1 Quarterly Rate Benchmarking

The Supplier must conduct benchmarking of all of the Contractor rates and provide a report to the Customer on a quarterly basis making a recommendation of what the Customer should be paying for a particular contractor..

This Rate benchmarking will cover both the permanent and contract base within the Customer and will be carried out at no cost to the Customer.

2 Skills Warehouse

The systems that the Supplier will use to support the RPO programme will allow the Supplier to build a bespoke skills database for the Customer, if required. The Supplier can populate this with all current permanent staff, all existing contract staff, all new contract staff, and all applicants who apply for either permanent or contract roles moving forward. The Supplier can also add the profiles of other candidates who may be of interest to the Customer in the future. For example the Supplier can add the profiles of all candidates who are working or have worked for the Customer's largest competitor. All this data can then be searched against and reported on. This data will be managed by the Supplier for the duration of the contract but will belong to the Customer and at the end of the contract will be made available to the Customer at no cost to the Customer.

3 Enhanced Employer Brand

The RPO programme will be totally integrated into the Customer. The Supplier's Onsite Delivery Manager will represent the Customer's brand values and will be able to directly communicate with candidates.

4 Direct Contractors

The Supplier is responsible for paying all Direct Contractors at a pre-agreed rate of £15 per day. A Direct Contractor is defined as:-

- A Contract worker who has been referred directly to the Customer by an internal member of the Customer's staff
- Any temporary IT worker that has not been sourced by the Supplier.

SECTION C – TERMS AND CONDITIONS FOR THE SUPPLY OF TEMPORARY IT WORKERS, CONTINGENT IT STAFF AND IT CONTRACTORS

1. *Definitions and Interpretation*

1.1 In addition to the definitions set out in the Agreement for the Provision of Provision of Recruitment Process Outsourcing Services for IT Contractors and Section B (Terms and Conditions for the Provision of the RPO Agreement), in respect of this Section C (Terms and Conditions for the Supply of Temporary IT Workers, Contingent IT Staff and IT Contractors) the following additional Terms shall be defined as follows:

“Assignment”	A fixed term period of time during which a Contractor is supplied by the Supplier to provide Contractor Services, as evidenced by an Assignment Schedule.
“Assignment Schedule”	A document in the form of Schedule 1 to this Section C, which provides the essential details of a Contractor’s Assignment at the Customer, including but not limited to the identity of the Contractor, dates of Assignment, Contractor pay rate, and any special conditions agreed in relation to the Assignment.
“Customer Location”	In respect of each Assignment, the Customer site or premises where the Contractor Services are to be performed.
“Contractor”	Any temporary worker, contract worker or contractor, whether he/she provides his/her services via a limited company or on a PAYE basis, who is engaged by the Supplier (either directly, or indirectly via an ASL Agency) and supplied to the Customer under the terms and conditions of this Section C.
“Contractor Services”	Any work or services performed at the request of the Customer by a Contractor during an Assignment.
“EAA Regulations”	The Conduct of Employment Agencies and Employment Businesses Regulations 2003.
“Engagement”	The engagement, employment or use of a Contractor, whether directly by the Customer or indirectly via any third party or through any other employment business, on a permanent or temporary basis, whether under a contract of employment or a contract for services.
“Introduction”	Either (i) the Customer’s interview of a Candidate for a Contractor Vacancy, in person or by telephone, following the Customer’s communication of a Contractor Vacancy to the Supplier; or (ii) the passing to the Customer of information (including but not limited to CV details) which identifies a Contractor; and in both cases, which leads to an Engagement.
“Introduction Fee”	A fee payable by the Customer in accordance with Clauses 8.2.2 and 8.5 below and Regulation 10 of the EAA Regulations.
“Opt-In Contractor”	A Contractor who has not opted out of the EAA Regulations under Section 32 of the EAA Regulations.
“Opt-Out Contractor”	A Contractor who provides his/her services via a limited company and has opted out of the EAA Regulations under Section 32 of the EAA Regulations.
“Relevant Period”	Either (i) 14 weeks from the first day (being the first occasion on which a Contractor is supplied by the Supplier on Assignment to the Customer, or the first day of an Assignment where there has been more than 42 days since the end of any previous Assignment) on which the Contractor worked for the Customer; or (ii) 8 weeks from the day after the Contractor was last supplied by the Supplier to the Customer; whichever is the later.
“Transfer Fee”	A fee payable by the Customer in accordance with Clauses 8.1.2, 8.3 and 8.4 below and Regulation 10 of the EAA Regulations.

2. *Contractor Services*

- 2.1 At any time during the Agreement, the Customer may provide Vacancies to the Supplier, for the Supplier to supply suitably skilled Candidates in respect of Contractor Assignments. Any such Vacancies shall contain a minimum amount of information, including but not limited to the skills and experience required, duration of Assignment and proposed pay rate, as may be agreed between the parties. The Supplier will provide Candidates as per the processes outlined in Section B and upon successful placement of a Contractor, the parties will draw up and sign a Hiring Manager Statement (see Appendix A)..
- 2.2 In respect of an Assignment, the Supplier will provide Customer with a Contractor to perform the Services for the number of hours at such times on such days at such places as are set out in the signed Assignment Schedule. These hours shall be calculated by excluding any time spent by the Contractor travelling from his or her home (temporary or permanent), to the designated Customer Location where the Contractor Services are to be performed, and also excluding any meal or other breaks taken by the Contractor.
- 2.3 Contractors will perform such Contractor Services for the Customer as requested by the Customer, and which are briefly described in the Assignment Schedule.
- 2.4 The Contractor Services shall be performed at or from the Customer Location as specified in the Assignment Schedule, or at such other site as reasonably required by, or mutually agreed in writing with, the Customer. In the event the Customer and the Contractor agree the Contractor Services are to be provided away from the Customer Location(s), the Customer shall ensure it is satisfied that the Contractor has adequate provision of office and communication facilities in order for the Contractor Services to be completed. A Contractor shall be entitled to perform the Services from the Contractor's office or place of business, provided this has been agreed in advance with the Customer.
- 2.5 A Contractor shall have flexibility as to the allocation of hours worked on any particular days in any week as specified on the Assignment Schedule, provided this is with the agreement of the Customer.
- 2.6 The Customer acknowledges and accepts that a Contractor shall be entitled to seek, apply for and accept contracts to supply services to other parties during the currency of his/her Assignment, provided this does not create any conflict of interest, or adversely affect the Contractor's ability to deliver the Contractor Services to the Customer's specification, or is otherwise in breach of the terms of this Section C.
- 2.7 During the term of an Assignment, the Supplier will procure that the Contractor performs the Contractor Services with all due care, diligence and professional skill.
- 2.8 The Supplier shall procure that the Contractor complies with any timetable or other targets or project requirements for the progress or delivery or completion of the Contractor Services, as is reasonably required by the Customer.
- 2.9 Given the specialist nature of the Contractor Services, the Customer accepts that Contractors shall be expected to exercise a degree of control as to the method of the performance and execution of the Contractor Services; however, the Supplier recognises that the Customer shall reasonably expect certain work standards and methods, and undertakes to use all reasonable endeavours to procure that these are complied with by Contractors.
- 2.10 At the reasonable request of the Customer, the Supplier shall procure that the Contractor provides such tools and equipment as are necessary for the performance of the Contractor Services, whether away from the Customer Location or otherwise.
- 2.11 The Supplier will procure that in the provision of the Contractor Services, Contractors will comply with all applicable laws, rules and regulations specified by the Customer (including, without limitation, rules and regulations in respect of any statutory obligations, data protection legislation, health and safety, internet and email use, and security).
- 2.12 The Supplier must ensure that all Contractors sign a Non-Disclosure Agreement (NDA), as well as signing the Customer's Data Security Policy.
- 2.12 In respect of Services provided under this Section C, the Supplier is acting in its capacity as an employment business.

3. *Customer Obligations*

- 3.1 The Customer shall notify the Supplier in advance in writing of any clearances or approvals that are required prior to the commencement of an Assignment, to enable such clearances and/or approvals to be obtained prior to the intended start date of such Assignment.
- 3.2 At the time that a Contractor Vacancy is communicated to the Supplier, the Customer shall advise the Supplier of: (a) any special health and safety matters applicable to the Customer Location where Contractor Services are to be provided, about which the Supplier is required by law to inform the Contractors; (b) any requirements imposed by law or by any professional body which must be satisfied if the Contractor is to fill the Assignment; or (c) any information the Supplier may reasonably request about each Assignment in order to provide suitable Candidates.
- 3.3 The Customer shall:
- 3.3.1 notify the Supplier and all Contractors of all security and other office procedures implemented at its Customer Location(s), together with any updates thereto; and
 - 3.3.2 ensure that it does nothing to cause the Supplier to be in breach of any legislation or code of practice; and
 - 3.3.3 inform the Supplier if it becomes aware of any reason why it would be detrimental to the interests of a Contractor for such Contractor to continue to provide Contractor Services under an Assignment for any reason; and
 - 3.3.4 inform the Supplier prior to the commencement of any week of an Assignment if they require, or may require, the services of any Contractor for more than 48 hours in that week.
- 3.4 The Customer warrants to the Supplier that the computer, operating systems and any software which Contractors may be asked to use or modify as part of Assignments, are either the property of the Customer or are lawfully licensed to the Customer, such that the Customer has the right to authorise third parties such as Contractors to use or modify all such systems and software. The Customer shall indemnify the Supplier for any liability incurred as a result of the Customer's failure to obtain such consents and licences.

4. *Timesheets and Invoicing*

- 4.1 The Customer shall pay to the Supplier fees for the supply of Contractors on Assignment, which will be calculated and charged by the Supplier as set out in Schedule 2.1 (mm).
- 4.2 Expenses will be managed by exception.
- 4.3 The Customer will not be charged when Contractor Services are not provided due to Contractor illness or holidays. However, the Customer will be liable to pay Fees with respect to an Assignment where the Contractor is available to perform the Contractor Services but the Customer does not require the Contractor Services to be provided at any point during the term of the Assignment.
- 4.4 Unless otherwise indicated on the Assignment Schedule, all overtime worked by Contractors shall be charged on a pro-rata basis at the same hourly/daily rate. Contractors agree to work on a professional working day basis which shall be defined as a minimum of an eight hours per day billable in half day increments with hours dictated by the requirements of the project. Overtime will be managed by exception and the same rate as standard time. Any overtime must be approved by the Customer.
- 4.5 The Supplier shall provide invoices in respect of Contractor Services performed by Contractors, which shall be supported by weekly Customer's time sheets (or where

applicable, project reports detailing the work performed together with an analysis of hours spent). Upon provision of a time sheet by a Contractor for authorisation, the Customer shall promptly verify, approve and sign/electronically authorise all time sheets/project reports that relate to the Contractor Services provided. Signature or electronic authorisation of time sheets or project reports by a duly authorised Customer representative shall be taken as confirmation of both the quality and quantity of Contractor Services provided, and for the number of hours or days set out therein.

4.6 If the Customer has not signed or electronically authorised a time sheet/project report produced for authentication by the Contractor for any reason, the Customer shall inform the Supplier as soon as is reasonably practicable if the reason for the lack of signature or electronic authorisation is because the Customer disputes the hours/days worked, and shall co-operate fully and in a timely fashion with the Supplier to enable the Supplier to establish what hours, if any, were actually worked by the Contractor. Failure to sign or electronically authorise a time sheet/project report, without written and justifiable reasons being supplied to the Supplier shall not affect the Customer's liability to pay for the Contractor Services where these have been provided. The Customer shall not be entitled to decline to sign or electronically authorise a time sheet/project report on the basis that it is dissatisfied with the Contractor Services performed by the Contractor. In cases of unsatisfactory Contractor Services, the Customer should instead apply the provisions of Clause 5.4 below.

4.7 The Supplier's invoices for Contractor Services shall be payable as per the terms set down in Clause 8 of the Agreement for the Provision of Recruitment Process Outsourcing Services for IT Contractors

5. *Termination of Assignments*

5.1 Contractor Services shall be provided a Contractor during the periods specified in the Assignment Schedule unless otherwise agreed by the parties. The duration of an Assignment may be extended by agreement in writing between the parties, and these terms, unless excluded or amended in writing (or where noted as Special Conditions in the Assignment Schedule) shall be deemed to apply to such extended Assignment period(s).

5.2 At the expiry of any Assignment, the Customer shall be under no obligation whatsoever to offer further work to the Contractor via the Supplier, and the Contractor shall be under no obligation whatsoever to accept any further work, if offered.

5.3 Unless otherwise varied by the Special Conditions in the Assignment Schedule, the Customer may terminate an Assignment without cause by giving the other party a minimum of four (4) weeks' notice in writing. Should the Customer terminate an Assignment under this sub-clause but fail to give such notice then, without prejudice to any other remedy of the Supplier, the Customer shall be responsible for the payment of fees that would have been payable by it (calculated by reference to the periods specified in the Assignment Schedule) as if the full minimum notice had been given. The parties agree this payment is an enforceable liquidated damages clause and is not a penalty clause.

5.4 The Customer shall have the right to terminate an Assignment with immediate effect if, in the reasonable opinion of the Customer, the Contractor Services provided by the Contractor are unsatisfactory, or if the Contractor is unsuitable to continue in the Assignment. Any Contractor supplied under an Assignment will not be deemed to be unsatisfactory or unsuitable until the Customer provides the Supplier with written confirmation of its opinion and decision to terminate, detailing the specific areas which constitute the grounds for the Customer's dissatisfaction. The Customer will be liable to pay for the full number of working days completed by the unsatisfactory/unsuitable Contractor up to the date of termination.

5.5 The Supplier shall notify the Customer immediately if it receives or otherwise obtains information which gives it reasonable grounds to believe that a Contractor supplied to the Customer is unsuitable for the Assignment, and upon agreement with the Customer, the Supplier shall terminate the Assignment forthwith.

5.6 Either party shall be entitled to terminate an Assignment forthwith by notice in writing to the other party, if the other party shall commit or allow to be committed:

- 5.6.1 any material or irremediable breach of any of the terms of the Agreement; or
- 5.6.2 any other breach of the terms of the Agreement (not being material), where the party in breach shall fail to remedy any such breach (where capable of remedy) within 14 days after notice has been given by the innocent party to the party in breach, specifying the breach and requiring remedy of the same.

5.7 Termination of any Assignment under any of the provisions above shall be without prejudice to the rights and obligations of the parties arising under this Agreement prior to, or as a result of, such termination.

6. *Substitution of Contractors*

6.1 From time to time, the Supplier may receive a request from a Contractor to provide a substitute Contractor to carry out part of an Assignment, or the Supplier may of its own volition wish to substitute and replace a Contractor to continue providing Contractor services for the remainder of the duration of any particular Contractor Assignment. In such event, the Supplier shall be entitled to substitute a Contractor, provided that the Customer has approved this in writing, indicating that it is satisfied that the proposed substitute has the necessary skill and experience to provide the Contractor Services on that particular Assignment, and all necessary clearances and consents are obtained for such substitute.

7. *Liability*

7.1 The Supplier shall be wholly responsible for all fees, monies, expenses, remuneration or other benefits (including but not limited to statutory maternity pay, statutory and contractual sick pay and holiday pay) payable to Contractor(s) and for all taxes, social security or other contribution, which may be payable, relating thereto or as a result of the receipt of any monies paid or payable hereunder. The Supplier shall accordingly indemnify the Customer and keep the Customer indemnified against all such costs, claims, losses, expenses or proceedings arising out of or in connection therewith.

7.2 Whilst every effort is made by the Supplier to give satisfaction to the Customer by ensuring reasonable standards of skill, integrity and reliability from its Contractors, no liability will be accepted by the Supplier for any loss, expense, damage or delay arising from any act or omission, negligent or otherwise, of Contractors supplied for Assignments at the Customer.

7.3 The Supplier shall indemnify the Customer, and keep the Customer indemnified against all liability, assessment or claim arising from any Contractor having at any time during an Assignment claimed to have been an employee of the Customer or been otherwise engaged directly by the Customer, including any claim for wrongful or unfair dismissal. In addition the Supplier shall not indemnify the Customer for any of these liabilities that pre-exist the Effective Date of this agreement.'

7.4 The provisions of this clause shall survive termination of this agreement.

8. *Transfer and Introduction Fees - Contractors*

8.1 In the event of the Engagement of an Opt-In Contractor supplied by the Supplier either (1) directly by the Customer or (2) by the Customer pursuant to being supplied by another employment business, within the Relevant Period the Customer shall be liable, to either:

- 8.1.1 subject to electing upon giving 14 days notice, an extended period of hire of the Contractor being up to a maximum of 3 months during which the Supplier shall be entitled to fees calculated at (as a minimum) the rate set down in the relevant Assignment Schedule, or such enhanced rate as may be agreed by the parties, for each hour/day the Contractor is so engaged or supplied; For example the contractor

will then continue to be supplied by the Supplier for up to a maximum of 3 months and then transfer to the Customer or employment business at no extra cost

or

8.1.2 a Transfer Fee, calculated as set down in Clause 8.6 below; For example the contractor will immediately transfer to the Customer or employment business upon payment of the Transfer Fee

For example if the Customer decides after 4 weeks of an Assignment or during 8 weeks after the last working day of the Assignment (whichever is the later period) has finished that an Opt-In Contractor supplied by the Supplier will be transferred to another employment business the Customer shall either give notice as detailed in 8.1.1 or pay a fee as detailed in 8.1.2.

This shall only apply to Contractors that have been sourced or introduced by the Supplier.

8.2 In the event that there is an Introduction of an Opt-In Contractor Candidate to the Customer which does not result in the supply of that Contractor by the Supplier on Assignment to the Customer, but which does lead to an Engagement of the Contractor by the Customer, either directly or pursuant to being supplied by another employment business, the Customer shall be liable, to either:

8.2.1 subject to electing upon giving 14 days notice, settling an Assignment for a period of hire of the Contractor being a minimum of 3 months during which the Supplier shall be entitled to fees for each hour/day the Contractor is so engaged or supplied; or

8.2.2 an Introduction Fee, as set down in Clause 8.6 below.

8.3 In the event that an Opt-In Contractor is introduced by the Customer to a third party with whom the Contractor takes up employment or engagement within the Relevant Period, the Customer shall be liable to pay a Transfer Fee calculated as set down in Clause 8.6 below. This shall only apply to Contractors sourced or introduced by the Supplier

8.4 In the event of the Engagement of an Opt-Out Contractor supplied by the Supplier either (1) directly by the Customer or (2) by the Customer pursuant to being supplied by another employment business during the Assignment or within 6 months of the end of the Contractor's final day on Assignment at the Customer, the Customer shall be liable to a Transfer Fee as set down in Clause 8.6 below. This shall only apply to Contractors sourced or introduced by the Supplier.

8.5 In the event that there is an Introduction of an Opt-Out Contractor Candidate to the Customer which does not result in the supply of that Contractor by the Supplier on Assignment to the Customer, but which does lead to an Engagement of the Contractor by the Customer, either directly or pursuant to being supplied by another employment business, the Customer shall be liable to an Introduction Fee as set down in Clause 8.6 below.

8.6 Introduction and Transfer Fees are both calculated as follows:

- 15% of the relevant Contractor's initial basic annual salary (excluding any car allowance or other benefits) with the Customer (where permanently employed by the Customer); or
- 15% of the annualised fees to be paid by the Customer to the Contractor under the new Engagement (where engaged on a contract basis by the Customer); or
- £15,000.00, where details of the initial basic annual salary (excluding any car allowance or other benefits) or contract fee rate (as applicable) are withheld by the Customer.

8.7 Any Introduction or Transfer Fee shall, where due, be payable by the Customer within 30 days of the date of the Supplier's invoice for the same. The parties agree this payment is an enforceable

liquidated damages clause to protect the Supplier's legitimate business interests and is not a penalty clause.

- 8.8 Notwithstanding the above provision in this Clause 8, it is agreed by the parties that no Transfer Fee will be due from the Customer in the event that a ReThink sourced Contractor is permanently employed by the Customer, where such Contractor has worked on site at the Customer for a period in excess of six months.
- 8.9 Notwithstanding the above provision in this Clause 8, it is agreed by the parties that, where the Customer wishes to permanently employ the Contractor within 6 months of the first day of the assignment, the margin previously earned by the Supplier will be offset against the Transfer Fee calculated as set down in Clause 8.6 above.
- 8.10 No refund of any Introduction Fee or Transfer Fee will be paid in the event that the Permanent engagement of a Contractor subsequently terminates.

9 Agency Workers Regulations 2010 (AWR)

- 9.1 Both parties agree to comply with the requirements of the Agency Workers Regulations 2010 ("Regulations"). Unless the Supplier supplies a Contractor who is in business in their own account (and not under the supervision and direction of the Customer), the Customer shall provide the Supplier with details of all collective facilities, employment and working conditions provided to the Customer's own permanent employees performing the same or broadly similar role, so that the Supplier may provide equal treatment to the Personnel in accordance with the Regulations.
- 9.2 The Customer shall ensure that such information provided to the Supplier is accurate and complete. The Customer agrees that it is the Customer's sole responsibility to provide Personnel access to collective facilities, internal vacancies and any other entitlements applicable from the first day of the Assignment, if the Regulations apply. In the event there is a change in the Customer's employment and working conditions during an assignment, the Customer undertakes to promptly inform the Supplier of any such changes and agrees to any adjustment to the fees arising from such changes.
- 9.3 If during the Assignment there is any statutory amendment to the Regulations, both parties reserve the right to amend the terms of this Agreement including fees where necessary, in order to ensure compliance with the Regulations. The Customer agrees to pay any additional fees in respect of annual leave, bonus or other payments to which Personnel may be entitled if they are within scope of the Regulations and not already covered by the Fees stated in the Assignment Schedule.
- 9.4 The Customer also undertakes to inform the Supplier if the Personnel has previously provided services to the Customer via another employment business.
- 9.5 The Customer shall indemnify the Supplier for any claim, costs, damages, awards, expenses incurred by the Supplier arising from the Customer's breach of the Regulations. ReThink shall indemnify the Customer for any claim, costs, damages, awards, expenses incurred by the Customer arising from the Supplier's breach of the Regulations.
- 9.6 The Supplier will provide, as part of the monthly Management Information, details of any Contractors that will be covered by AWR in the event their Assignment lasts more than 12 weeks. The Supplier will also be responsible for tracking how long these Contractors have been working and when AWR parity will start, if this has not already been implemented.

SECTION C - SCHEDULE 1 – PRO FORMA OF AN ASSIGNMENT SCHEDULE

Assignment No. [XXX]

BETWEEN

ReThink Professional Services Limited, 25 Cross Street, Manchester, Lancashire, M2 1WL ("ReThink")

AND

Boots UK Limited, Thane Road, Nottingham, NG90 1BS

("Customer")

TO PROVIDE SERVICES AT:

ASSIGNMENT DETAILS

--	--

Both parties hereby agree that the Contractor Services shall be provided in accordance with and subject to the Agreement for the Provision of Recruitment Process Outsourcing Services for IT Contractors .

Date:	Date:
Name:	Name:
Title:	Title:

**SECTION D – TERMS AND CONDITIONS FOR THE PROVISION OF PERMANENT
RECRUITMENT SERVICES**

1. *Definitions and Interpretation*

- 1.1 In addition to the definitions set out in Agreement for the Provision of Recruitment Process Outsourcing Services for IT Contractors and Section B (Terms and Conditions for the Provision of Recruitment Process Outsourcing Services), in respect of this Section D Terms and Conditions for the Provision of Permanent Recruitment Services) the following additional Terms shall be defined as follows:

“Employee”	Any Candidate who, following a Referral for a Vacancy at the Customer, subsequently becomes a permanent employee or a fixed term employee at the Customer.
“Employee Remuneration”	the annual gross taxable basic salary payable by the Customer at the date of acceptance by the Employee of an offer of employment made by the Customer, which for the avoidance of doubt, shall not include any additional taxable emoluments including (but not limited to) bonuses, overtime and company car allowances.
“Permanent Recruitment Services”	all employment agency services provided by the Supplier in relation to the sourcing and provision of permanent staff to the Customer under this Section D.
“Recruitment Fee”	in relation to a Candidate, the fee to be paid to the Supplier by the Customer as set down in clause 4.1 of this section D as a result of a Candidate becoming an Employee of the Customer.
“Referral”	The referral of a Candidate or the provision of any information (including CV information or any other information from which the Candidate can be identified) about a Candidate to the Customer, by the Supplier or any associate, subsidiary or agent of the Supplier.
“Start Date”	the date of commencement of employment or engagement at Customer by an Employee.

2. *Permanent Recruitment Services*

- 2.1 At any time during the Agreement, the Customer may provide Vacancies to the Supplier, for the Supplier to supply suitably skilled Candidates in respect of permanent employment or fixed term employment with the Customer. Any such Vacancies shall contain a minimum amount of information, including but not limited to the skills and experience required, job title and proposed Employee Remuneration, as may be agreed between the parties. The Supplier will provide Candidates as per the processes to be agreed by the parties and upon successful placement of an Employee, a Recruitment Fee in respect of such Employee shall become payable.

3. *Introductions*

- 3.1 A Referral, and any information about a Candidate, is provided to the Customer in strict confidence and for the purpose of considering whether Customer wishes to engage that Candidate as an Employee. The Customer must not disclose an Introduction or any information about a Candidate to any third party. In particular, the Customer must not approach a Candidate's current employer until the Customer has made an offer of employment or engagement to that Candidate and has the Candidate's permission to do so.
- 3.2 The Customer shall not re-introduce a Candidate to any third party. If, within six months of the Referral it does so, and this leads to a contract equivalent to an employment or engagement with someone other than the Customer, Customer shall be liable to pay a Recruitment Fee as if there had been an employment or engagement by Customer under these terms, unless that other person pays the Supplier a sum equivalent to the Recruitment Fee.

4. Fees

4.1 The Supplier shall be entitled to a one-off flat Recruitment Fee of 15% of the Employee Remuneration (plus VAT) (excluding any car allowance or other benefits) in relation to making a successful Referral of a Candidate who subsequently becomes an Employee of the Customer. The Recruitment Fee shall become payable upon the Employee's Start Date.

4.2 In the event that the Employee placed by the Supplier is employed or engaged by the Customer on a Fixed Term Contract ("FTC") basis, then the Recruitment Fee payable shall be calculated according to the following formula:

$$\text{(Fee Percentage x Employee Remuneration)} \times \frac{\text{[Number of months of FTC]}}{12}$$

4.3 In the event that an FTC is subsequently extended, and another FTC is settled in respect of the Employee, then a further FTC shall become payable as per the above formula, PROVIDED ALWAYS that the maximum Recruitment Fees payable in respect of any one particular Employee shall always be capped at a total equivalent to the appropriate Fee Percentage of one year's Employee Remuneration.

5. Rebate

5.1 In the event of the Employee's engagement/employment being terminated by the Customer or the Employee (other than for reasons of the Employee's redundancy or death) within the first thirteen weeks of employment/engagement, a rebate of the Fees shall be immediately payable by the Supplier to the Customer on the following scale:

• Termination during the first week:	100% of the Recruitment Fee
• During the second week:	92.3% of the Recruitment Fee
• During the third week:	84.6% of the Recruitment Fee
• During the fourth week:	76.9% of the Recruitment Fee
• During the fifth week:	69.2% of the Recruitment Fee
• During the sixth week:	61.5% of the Recruitment Fee
• During the seventh week:	53.8% of the Recruitment Fee
• During the eighth week:	46.1% of the Recruitment Fee
• During the ninth week:	38.4% of the Recruitment Fee
• During the tenth week:	30.7% of the Recruitment Fee
• During the eleventh week:	23.0% of the Recruitment Fee
• During the twelfth week:	15.3% of the Recruitment Fee
• During the thirteenth week:	7.6% of the Recruitment Fee
• Week fourteen onwards	non rebate is payable.

5.2 Any rebate is conditional upon the following:

5.2.1 the Recruitment Fee in respect of the Employee's placement having been paid on a timely basis as set down in Clause 8 of the Agreement for the Provision of Recruitment Process Outsourcing Services for IT Contractors ; and

5.2.2 the Customer notifying the Supplier in writing within 7 days of the termination, and the reason for it; and

5.2.3 the Employee's not being re-engaged in any capacity by the Customer or any parent, subsidiary or associated company of the Customer within six months of the original placement.

5.3 If the Employee is re-engaged as set out in Clause 5.2.3 above, Customer shall notify the Supplier immediately and repay the rebated amount to the Supplier within 30 days of such notification.

6. *Customer Obligations*

6.1 The Customer agrees as follows:

6.1.1 to give the Supplier such instructions and information as it may require from time to time to assist it in locating and introducing Candidates;

6.1.2 to act promptly, reasonably and in good faith (including not applying any discriminatory standards or practices) when deciding whether or not it wishes to employ or engage a Candidate.

6.2 The Customer shall notify the Supplier in advance in writing of any clearances or approvals that are required prior to the Start Date, to enable such clearances and/or approvals to be obtained prior to the Employee's Start Date.

6.3 At the time that a permanent Vacancy is communicated to the Supplier, the Customer shall advise the Supplier of any special health and safety matters applicable to the Customer Location where the Employee is to work, about which the Supplier is required by law to inform Candidates.

6.4 The Customer shall inform the Supplier if it becomes aware of any reason why it would be detrimental to the interests of a Candidate to be placed as an Employee with the Customer for any reason.

Schedule 2.1(gg)

Service Levels

1. Service Level Agreement Overview

1.1. Preface

This Service Level Agreement (SLA) lists all of the service items that are being provided by the Supplier to the Customer, and the related service targets for those items. The term "agreement" implies that the service targets represent a match between the level of service desired by the Customer's customer group and the level of service that can actually be provided by the Supplier. Any on-going changes to service targets as set out in this Schedule will be made by mutual agreement between the two parties by way of a change order.

All service levels will be re-evaluated twice annually for the first year of the Agreement, and then on an annual basis. During this re-evaluation process, any targets that have not been met will be identified and discussed in detail. The reasons for the missed targets will be determined and service improvement plan agreed with any remedial actions at the Suppliers cost; this will assist the Supplier in meeting or exceeding the service levels discussed. Also, any service targets that have been consistently exceeded will be evaluated. As appropriate, the service levels for these items will be raised or reduced, or resources will be reallocated.

The service covers the provision of a Recruitment Process Outsource (RPO) covering the provision of recruitment services for both contract and permanent IT staff to the Customer, and is supported by an onsite delivery function.

2. Service Levels.

Service activity	Service level	KPI
Shortlist of relevant candidate CVs	Within 3 working days of receipt of request by RPS	80%
Quality of shortlists	Target ratio of 3 cvs to fill role	80%
Contractor acceptances/ rejections	Within 3 working days of offer	80%
Average time to Hire	Within 16 working days of receipt of request by RPS and subject to Boots achieving its obligations	90%
CV:Interview Ratio	3:2	80%
CV:Vacancy Ratio	3:1	80%
Interview: Placement Ratio	2:1	80%
Problem or issue escalation	RPS to respond within 24 hours – initially to the Customer Representative as named in the contract	100%
Submission of timesheets via power steering	By 5.00pm each Friday	100%
Invoicing accuracy	Accurate and timely against timesheets	98%
Reporting and Management Information (MI)	Both parties shall agree the content and frequency of all Report and MI. RPS shall deliver this to an agreed frequency and date set by Boots	100%

The Supplier must report to the Customer on all of the above on a monthly basis by working day 5 of the month following the performance period – see above

The Customer shall have the following responsibilities and obligations.

Service activity	Service level
Boots feedback on shortlisted and interviewed candidates	Within 48 hours after the last interview has taken place.
Boots interviews	Within 5 working days of a CV being received
Boots offers	Within 1 working days of interview feedback

IN WITNESS OF THE ABOVE the parties have signed this Agreement on the date written at the head of this Agreement.

SIGNED by
duly authorised
for and on behalf of
BOOTS UK LIMITED

Rebecca Dunne
.....

Print Name:
PATRICIA Dunne
.....

Date: *17/10/13*
.....

Approved for Signature
Anna Bohm

SIGNED by
duly authorised
for and on behalf of
ReThink Professional Services Limited

W
.....

Print Name:
ROBERT O'Connell
.....

Date: *29/10/2013*
.....

APPENDIX A – HIRING MANAGER STATEMENT

Hi MANAGER,

I am pleased to confirm that CONTRACTOR will be starting on DATE to commence a 3 month assignment for you.

Please find the details of the contract below:

Contractor: NAME

Role: JOB TITLE

Manager: NAME

Start Date: DATE

End Date: DATE

Extension Notification Date: DATE

Rate: DAILY RATE TO BOOTS

Notice Period: AGREED NOTICE

I will order LAN and OUTLOOK Log in details for CONTRACTOR. If you could ensure that a PC and Desk are available for CONTRACTOR that would be really appreciated.

I will meet CONTRACTORS on START DATE at 9am in the Boots D90 reception, go through the on boarding session and bring them over to your desk at around 9.30am

If CONTRACTOR will be performing management responsibilities please ensure they are aware of the below:

<http://www.web1.int.boots.com/Global/IndexPages/NavGroups/BootsHO/NavGroup19.asp>

There is also a section relating to Performance Leadership. Line Managers should have a good understanding of this area which includes the necessary forms and guidance:

<http://www.web1.int.boots.com/ContentAreas/WorkLevels/Documents/MyPerformance.asp>

<http://www.web1.int.boots.com/ContentAreas/PerformLeadersh/IndexPages/Performanceleadershipindex.asp>

It is vital that all line managers (including those who work as contractors) understand the process and that they are in a position to give their reports regular 1:1 coaching, development and feedback such that they can accurately provide mid-year and end of year performance ratings in accordance with the Boots Performance Leadership process.