

Recruitment Services and Invoice Finance Conditions

Version 1/2022

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

Recruitment Services Conditions

Our Role

1. You appoint Us as Your agent to provide the following Recruitment Services:
 - 1.1. preparing and procuring the execution of Recruitment Contracts by You and each Approved Client;
 - 1.2. preparing and procuring the execution of Candidates' Contracts by You and each Candidate;
 - 1.3. processing Time Sheets submitted through Sonovate's Portal by Candidates;
 - 1.4. procuring confirmation from Approved Clients of the accuracy of Candidates' Time Sheets;
 - 1.5. issuing invoices evidencing Purchased Debts to Approved Clients;
 - 1.6. issuing invoices due to Candidates for Candidates' Fees;
 - 1.7. paying amounts due by You to Candidates for Candidates' Fees; and
 - 1.8. issuing credit notes to Approved Clients.
2. We will:
 - 2.1. process and send out the Recruitment Contract and Candidate Contract to You, Your Candidate and Your Approved Client within 24 hours of You notifying Us that a Recruitment Contract has been agreed with Your Approved Client and providing to Us all relevant information pursuant to Condition 9.2;
 - 2.2. send copies of Time Sheets to Your Approved Client for verification within 2 Business Days of their submission to Us by the Candidate;
 - 2.3. (subject to the relevant Approved Client verifying the accuracy of the Candidate's Time Sheet(s) and the Debt arising under the relevant Recruitment Contract being an Approved Debt) discharge payment of Candidates' Fees within 14 Business Days of receiving an invoice complying with the terms of the relevant Candidate Contract;
 - 2.4. issue invoices to Approved Clients:
 - 2.4.1. under weekly engagements, within 7 Business Days of an Approved Client verifying the accuracy of the Candidate's Time Sheet(s); or
 - 2.4.2. under monthly engagements, within 7 Business Days of the end of the calendar month to which the Time Sheet(s) relate, subject to the Approved Client verifying the accuracy of the Candidate's Time Sheet(s).
3. We are not responsible for any PAYE, Income or Corporation Tax or National Insurance Contributions or any other taxes due by Your Candidates in respect of the Candidates' Fees or the performance of the Candidate's Services.

Recruitment Contracts

4. The terms of all Recruitment Contracts will be approved by You before submission to Your Approved Clients. We will not be a party to any Recruitment Contract nor shall We be under any obligation to complete the performance of a Recruitment Contract on Your behalf.

5. If You are in breach of Your obligations under a Recruitment Contract, You authorise Us to procure the performance of such obligations on Your behalf and You will indemnify Us for all loss, costs and expenses (including amounts paid by Us to Candidates) incurred by Us in discharging Your contractual obligations.
6. The terms of each Recruitment Contract must:
 - 6.1. provide for payment of the Candidate's Services by reference to the hours worked by the Candidate;
 - 6.2. not require You or the Candidate to complete the performance of any obligations (other than the performance of the Candidate's Services) before payment for the Candidate's Services becomes due;
 - 6.3. stipulate that the Approved Client will make payment for the Candidate's Services at the rate(s) agreed in the Recruitment Contract by reference to the Time Sheets verified by the Approved Client;
 - 6.4. not prohibit or require consent for the assignment of any Debt arising under it;
 - 6.5. not contain any provision which would materially impact on Our ability to collect payment of the full amount of any Purchased Debt; and
 - 6.6. contain provisions that are generally accepted in standard contracts of UK recruitment agencies.
7. We may contact both the Candidate and the Approved Client to verify the terms of a Recruitment Contract.

Your Obligations

8. You will be solely:
 - 8.1. responsible for the acts and omissions of Candidates and each Candidate's performance of and compliance with the terms of the relevant Recruitment Contract;
 - 8.2. responsible for ensuring the complete performance of each Recruitment Contract relating to a Purchased Debt; and
 - 8.3. liable for all Candidates' Fees due by You to Candidates following their performance of a Recruitment Contract.

Undertakings

9. You undertake that You will:
 - 9.1. not send to or enter into any Recruitment Contract with an Approved Client without Our prior consent;
 - 9.2. provide to Us accurately and promptly through Sonovate's Portal all relevant information about Clients, Candidates and Recruitment Contracts to enable Us to perform the Recruitment Services, including:
 - 9.2.1. details of the Candidate;
 - 9.2.2. the hourly rate to be charged under the Recruitment Contract;
 - 9.2.3. the period of the Recruitment Contract and any notice period to terminate the Recruitment Contract;
 - 9.2.4. the payment terms, if different from Your Standard Payment Terms; and
 - 9.2.5. the intervals at which invoices should be rendered to the Client.
 - 9.3. procure Your Approved Clients' use of Sonovate's Portal to verify Time Sheets (unless We agree an alternative method of verification);
 - 9.4. ensure that You comply with the Data Protection Act 1998 and the GDPR (each as amended or replaced), or equivalent legislation in any other relevant country, when transferring information to Us;
 - 9.5. be solely responsible for the content of any information (including any data about any Client or Candidate) provided to Us, including through Sonovate's Portal;
 - 9.6. comply with any procedures relating to the performance of the Agreement requested by Us;

- 9.7. comply with all applicable laws and regulations (including relevant tax obligations) and maintain all licences necessary for You to carry on business as a recruitment agency in any country in which an Approved Client uses the Candidate's Services;
- 9.8. maintain all necessary, appropriate and adequate insurance cover for Your business, including (without limitation) suitable public liability, employers' liability and professional indemnity policies;
- 9.9. carry out appropriate pre-employment checks and only engage Candidates who have a legal right to work in the country where the Candidate's Services are to be performed;
- 9.10. comply with the Immigration Asylum and Nationality Act 2006, as extended by the Immigration Acts 2014 and 2016, the current codes of practice and guidance published by UK Visas and Immigration, and other relevant UK legislation or equivalent legislation in the relevant jurisdiction as well as any regulations relating to the employment of foreign workers;
- 9.11. take all reasonably practicable steps to ensure that the Candidate is suitable to perform the Candidate's Services;
- 9.12. comply with all relevant provisions of the Agency Workers Regulations 2010 (as amended) and the Conduct of Employment Agencies and Employment Business Regulation 2003 (as amended);
- 9.13. tell Us immediately if a Candidate is unable or unsuitable to perform the Candidate's Services, the Approved Client expresses dissatisfaction with the performance of the Candidate's Services or refuses to sign a Candidate's Time Sheet; and
- 9.14. ensure that the terms of each Candidate Contract stipulate that the Candidate will:
 - 9.14.1. use Sonovate's Portal to verify Time Sheets (unless We agree an alternative method of verification);
 - 9.14.2. authorise Us to issue on behalf of the Candidate invoices for amounts due by You to the Candidate for Candidate's Fees under each Candidate Contract;
 - 9.14.3. accept payments of the Candidate's Fees made by Us on Your behalf in discharge of sums due by You under each Candidate Contract; and
 - 9.14.4. acknowledge that We are not responsible for any PAYE, Income or Corporation Tax or National Insurance Contributions or any other taxes due by a Candidate.

Confidentiality

11. Neither You nor We shall during or after termination of this Agreement, without the prior written consent of the other party, use or disclose to any other persons any Confidential Information of the other party except to Permitted Disclosees.
12. Each of Us shall on demand and on termination of this Agreement surrender to the other party all materials relating to such Confidential Information in its possession except if its retention is required by law or to enable Us to enforce any rights or comply with any obligations in respect of the Debts under the Agreement.

Invoice Finance Conditions

13. The Agreement will apply to all Eligible Debts.
14. If You wish to sell to Us Debts due by a Client who is not an Approved Client, You must submit an application for the approval of the Client in Our standard form, providing all information about the Client requested by Us, and provide a signed copy of the relevant Recruitment Contract.
15. We will notify You that:
 - 15.1. the Client has been designated as an Approved Client and the Credit Limit for the Approved Client; or
 - 15.2. the application has been rejected. We shall not be obliged to give You any reason for such rejection.
16. We will tell You through Sonovate's Portal if a Client ceases to be an Approved Client or We are no longer willing to accept the Credit Risk in relation to Debts due by an Approved Client.

17. You assign to Us with full title guarantee (and an absolute warranty in relation to a Scottish Debt) each Eligible Debt and its Related Rights. Title to Commencement Debts and their Related Rights will be assigned and transferred to Us on the Commencement Date. Title to all other Eligible Debts and their Related Rights will be assigned and transferred to Us without further formality automatically on their creation or, if later, on Our designating a Client as an Approved Client. If you assign a Scottish Debt to Us:
- 17.1.. You are constituted a trustee for Us to hold the Scottish Debt and its Related Rights in trust for Us until we receive payment:
- 17.1.1. in full for the Scottish Debt or We complete Our title to the Scottish Debt and its Related Rights; or
- 17.1.2. of other money or property relating to the Scottish Debt or complete Our title to that property.
- 17.2.. We acknowledge intimation of the creation of the trust described in Condition 16.1. If requested by Us, You will at Your own expense give notice to any person of the trust and that payment of the Scottish Debt is to be made to Us.
- 17.3. We may at any time require You, as trustee, or any other person who may have become trustee, to transfer to Us absolutely the whole or any part of the property of the trust and to perform any other acts as We consider necessary to protect our interests.
18. If any Eligible Debt or its Related Rights is not or cannot be assigned or transferred to Us by the Agreement, You will hold all of Your rights, title, benefit and interest in the Debt and its Related Rights on trust for Us from the Commencement Date (in case of any Commencement Debts) or from the date of its creation (in case of any Debt that comes into existence after the Commencement Date).
19. We are not obliged to reassign any Purchased Debt to You.

Notification of Permanent Debts

20. You must notify Us using Sonovate's Portal of all Permanent Debts due by Approved Clients that are
21. Outstanding within 7 days of Our designating a Client as an Approved Client or (if later) within 7 days of the issue of the relevant invoice.
22. If We receive any Remittance tendered in payment of a Permanent Debt, We will pay to You within 1 Business Day of clearance of the Remittance all sums paid to Us by an Approved Client in or towards the discharge of a Permanent Debt.
23. Unless an Approved Client allocates any Remittance received by Us against a Permanent Debt, We shall be entitled to appropriate the Remittance against Outstanding Purchased Debts in priority to any Permanent Debts.

Purchase Price

24. The Purchase Price of an Approved Debt is equivalent to the Invoice Value of the Approved Debt (including tax).
25. The Purchase Price of an Unapproved Debt is equivalent to the amount received by Us from the Approved Client in discharge of the Unapproved Debt.
26. The Purchase Price of an Approved Debt (except any amount to be paid on Your behalf to a Candidate) will be paid to You within 5 Business Days of the issue of an invoice evidencing the Approved Debt (subject to the Approved Client verifying the accuracy of the Candidate's Time Sheet(s)).
27. The Purchase Price of an Unapproved Debt will be paid to You within 5 Business Days of clearance of the Remittance tendered by the Approved Client in or towards the discharge of the Debt. At Our discretion, We may make a payment to You on account of the Purchase Price of an Unapproved Debt prior to payment by the Approved Client at any time following the issue of the invoice and/or Time Sheet evidencing the Debt.
28. If an Approved Debt is not paid in full because of a Credit Risk Event, You will indemnify Us for an amount equivalent to the amount of Unprotected Debt in respect of such Approved Debt.

29. If We have paid to You an amount in excess of the Purchase Price of a Debt, the amount overpaid must be repaid immediately and We may deduct the overpayment from other sums due to You.
30. The Purchase Price (including all payments to Candidates) will be paid to You in the currency in which the Debt is invoiced and/or specified on the relevant Time Sheet.
31. We may set off any Reserve against the Purchase Price of Purchased Debts.
32. You authorise Us to pay on Your behalf the amount due to a Candidate for the performance of the Candidate's Services under a Recruitment Contract, at the rate entered by You into Sonovate's Portal subject to the Approved Client confirming the validity of the Time Sheet(s) submitted by the Candidate. Any payment to a Candidate will be in part discharge of the Purchase Price of the relevant Purchased Debt.
33. If any payment made by Us to a Candidate on Your behalf subsequently becomes repayable to You, We will assist You in recovering such amount but shall not be obliged to take any action to recover the payment for You.

Fees and Charges

34. You will pay the fees and charges detailed in the Proposal.
35. You will pay all bank charges incurred by Us in the negotiation or collection of Remittances and in making payments to You by CHAPS.
36. You will pay to Us on demand all costs and expenses incurred by Us in connection with:
 - 36.1. Any proceedings, arbitration or dispute resolution procedure in which an Approved Client disputes payment of a Purchased Debt;
 - 36.2. any amendment of the Agreement requested by You;
 - 36.3. dealing with any Security; and
 - 36.4. enforcing Our rights under the Agreement or any Security.
37. The Purchase Fee will be deducted from each payment of the Purchase Price.
38. The Purchase Fee will be payable by You even if the Approved Client does not make full payment of the Debt.
39. If there is any change in Bank of England base rate, the Purchase Fee will increase or decrease (as appropriate) by 0.1% for every 0.5% change in the base rate (save that there will be no change if base rate reduces below 0.5%).
40. We shall be entitled to renegotiate the Purchase Fee with You if You agree with any Approved Client to extend Your Standard Payment Terms.
41. You will pay interest at the rate of 4% above Bank of England base rate from time to time on all Liabilities due to Us from the date on which the Liability becomes due until the Liability has been discharged in full.

Set-off

42. We may set off against the Purchase Price of any Purchased Debt:
 - 42.1. any amount paid by Us to a Candidate for Candidate's Services;
 - 42.2. all fees and charges due under the Agreement
 - 42.3. any Reserve; and
 - 42.4. all Liabilities.

Collection of Debts

43. You are not entitled to collect Purchased Debts following their assignment to Us (except at our request).
44. You will, if requested by Us, assist Us in the collection of Purchased Debts and provide to Us all relevant evidence that We may require (including the oral evidence of Candidates and other witnesses).

45. Notice of the assignment of the Purchased Debts will be printed on all invoices evidencing the Purchased Debts. If We ask You, You must tell each Approved Client of the assignment of Purchased Debts.
46. You must ensure that Approved Clients pay all Remittances to Us or to the relevant Remittance Account.

Remittances received by You and Trusts

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

Warranties and Representations

48. You warrant and represent to Us that:
- 48.1. all details provided by You to Us in relation to each Client, Candidate and Recruitment Contract are accurate and complete;
 - 48.2. when We receive a Time Sheet submitted on Your behalf by a Candidate, the Time Sheet is accurate and complete;
 - 48.3. invoices raised to Approved Clients (i) accurately reflect the terms of the relevant Recruitment Contract and the Time Sheet(s) verified by the Approved Client; (ii) evidence undisputed and enforceable Debts due by the relevant Approved Client; and (iii) will be paid without retention, set-off, deduction or counterclaim;
 - 48.4. each Purchased Debt is (i) owned by You; (ii) not subject to any Security; (iii) payable under a Recruitment Contract governed by Scots Law or English Law; (iv) not an Excluded Debt; and (v) assignable without restriction; and
 - 48.5. no Time Sheet will be verified by You, the Candidate to which it relates or another Candidate.
49. You warrant that You have disclosed and will disclose to Us every fact which may influence Us to enter into or continue the Agreement or purchase a Debt.

Undertakings

50. You undertake that You will:
- 50.1. not grant Security to any person or enter into any agreement for the financing of Your book debts without Our prior written consent;
 - 50.2. not send any credit note in respect of a Purchased Debt to an Approved Client;
 - 50.3. notify Us immediately of any cancellation or variation made to any Recruitment Contract or change to Your Standard Payment Terms;
 - 50.4. not cancel or vary any Recruitment Contract or change Your Standard Payment Terms without Our prior written consent;
 - 50.5. promptly pay to an Approved Client any rebate or refund due to the Approved Client in connection with a Permanent Debt and, if requested by Us, procure the written agreement of the Approved Client to pay any Purchased Debt without deduction or set-off in respect of such rebate or refund;
 - 50.6. if requested by Us, take any action and sign any documents to preserve Our interest in the Purchased Debts;
 - 50.7. tell Us immediately if You are or become aware of:
 - 50.1.1 a dispute with an Approved Client;
 - 50.1.2 an Approved Client requesting an extension of the Due Date;
 - 50.1.3 a change in an Approved Client's creditworthiness or an Approved Client becoming Insolvent;
 - 50.1.4 an Approved Client being entitled to make any deduction from a Purchased Debt;

- 50.1.5 Your being indebted to an Approved Client;
- 50.1.6 the occurrence of any Termination Event; or
- 50.1.7 any change in the management or control of Your business.

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

- 50.2.1 evidence of the formation and performance of a Recruitment Contract; and
- 50.2.2 copies of licences and insurance policies necessary for You to carry on business as a recruitment agency; and

50.3 allow Us access to Your business premises to inspect and take copies of any documents relating to Recruitment Contracts and Purchased Debts.

Credit Limits

- 51. You will request a Credit Limit for an Approved Client Using Sonovate's Portal. Your application for a Credit Limit should not exceed the maximum amount that is anticipated to be payable by the Approved Client under the relevant Recruitment Contract.
- 52. If We notify You of an indicative Credit Limit, the Credit Limit will be confirmed by Us through Sonovate's Portal at the time the Recruitment Contract is concluded.
- 53. We may set, reduce, decline or withdraw a Credit Limit or apply conditions to the establishment or continuation of a Credit Limit at any time. A reduction or withdrawal of a Credit Limit will take effect 28 Business Days after the date We notify You through Sonovate's Portal unless a different effective date is specified in our notice of reduction or withdrawal.
- 54. A Credit Limit will be withdrawn automatically (without limitation) if any Approved Debt due by the Approved Client has not been paid in full within 60 days of its Due Date or an Approved Client is or becomes Insolvent.
- 55. If We withdraw a Credit Limit, all future Purchased Debts of the Approved Client will be Unapproved Debts.
- 56. We will accept the Credit Risk for all Approved Debts. We will not accept the Credit Risk for any Debt or part of a Debt which is an Unapproved or Unprotected Debt.
- 57. If We reassign an Approved Debt following a Credit Risk Event, You will assist Us in lodging a proof of Debt in the relevant Insolvency Proceedings and recovering any dividend.

Recourse

- 58. We may exercise Recourse in respect of:
 - 58.1. an Approved Debt or part of an Approved Debt that is subsequently designated by Us as an Unapproved Debt; and
 - 58.2. an Unprotected Debt that remains Outstanding (i) following the occurrence of a Credit Risk Event or (ii) at the expiry of 60 days after its Due Date.
- 59. Following our exercise of Recourse, we will reassign a Purchased Debt to You only after the Outstanding amount price has been paid.

Indemnity

- 60. You indemnify Us against:
 - 60.1. all Liabilities (including amounts repayable as a result of Us exercising Recourse) and Dilutions;
 - 60.2. any amount paid by Us to a Candidate for the Candidate's Fees, comprising part payment of the Purchase Price of an Unapproved Debt in respect of which We have exercised Recourse; and

60.3.any infringement by You of any intellectual property rights owned by Us including (without limitation) patents, trademarks, registered designs, domain names, computer software and programs, websites and instruction manuals.

General Conditions

Period of the Agreement

61. The Agreement begins on the Commencement Date and continues until terminated by either party giving written notice of not less than 30 days ending on a Sunday.
62. You may immediately terminate the Agreement if:
- 62.1.We commit a material breach of the Agreement which is not remedied within 14 days of You delivering notice to Us of the breach; or
 - 62.2.We become Insolvent.

Termination Events

63. We may immediately terminate the Agreement on or following:
- 63.1.a breach by You of this Agreement;
 - 63.2.You becoming Insolvent;
 - 63.3.the termination of a waiver, consent or priority arrangement provided to Us in relation to any Security;
 - 63.4.the revocation of Your licence to carry on business as a recruitment agency or the cancellation of any public liability, employers' liability or professional indemnity policy covering Your business;
 - 63.5.the commission by You of any offence of money laundering or any transaction giving Us grounds to suspect that You are engaged in money laundering;
 - 63.6.the disqualification of any of Your directors from acting as a director; and
 - 63.7.any other circumstances which cause Us to believe that Your obligations or Liabilities to Us will not be met.

Consequences of a Termination Event and termination

64. On or following the occurrence of a Termination Event, We may:
- 64.1.at our discretion (subject to ongoing review), make a Reserve;
 - 64.2.terminate the Agreement immediately by notice to You and demand immediate payment of all Liabilities; or
 - 64.3.(without terminating the Agreement) demand immediate payment of all Liabilities.
65. The termination of the Agreement will not affect Our rights arising under the Agreement in respect of any Purchased Debts which were created before the date of termination and any rights, claims, indemnities or other protections in Our favour in respect of such Debts shall continue to have full force and effect.

Limitation of Liability

66. We will not be liable to You for any loss (including indirect or consequential loss and loss of profit) arising as a result of:
- 66.1.any unforeseeable event or cause beyond Our control; or
 - 66.2.recommendations made by Us in relation to the terms of Your Recruitment Contracts.
67. We do not exclude liability for death or personal injury caused by Our negligence.

68. Any claim against Us under the Agreement must be commenced within 2 years of the event which gave rise to the claim and will be limited to the aggregate of Purchase Fees paid by You in the 12 months preceding the event giving rise to the claim.

Variations of the Agreement

69. We may change any term of the Agreement by giving You not less than 30 days' notice.

Disclosure of Information

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

70.1. to Candidates and Clients in the performance of this Agreement;

70.2. to Our and Your professional advisors;

70.3. to Our successors or assigns;

70.4. to Our funders and their professional advisors and Our successors' and assigns' funders and their professional advisors;

70.5. to any third parties retained by Us or by Our successors and assigns to provide services in relation to the Debts and this Agreement;

70.6. to any person as may be necessary to enforce Our rights or perform Our obligations (or the rights and obligations of Our successors or assigns) in respect of the Debts or under this Agreement; or

70.7. to any person as may be required by law or regulation.

Novation and Assignment

71. You must not assign or delegate Your rights and/or obligations under the Agreement without Our prior written consent.

72. We may allow another person to take over any of Our rights and/or obligations under the Agreement (including the assignment of Our rights under the Agreement and/or the transfer of any or all of Our obligations under the Agreement to any person) without any notice or requiring any consent from You.

Set-off

73. All payments due by You to Us must be made without any deduction or set-off.

74. We may at any time set off any Liabilities against any amount We may owe to You.

Sonovate's Portal

75. In consideration of Your agreeing to abide by the terms of this licence and the Agreement, We grant to You a non-exclusive and non-transferable licence to use Sonovate's Portal for the duration of the Agreement (subject to Condition 79). Sonovate's Portal and all its content (including Software) and intellectual property rights belong to Us or Our suppliers and You have no rights in or to Sonovate's Portal, other than the right to use Sonovate's Portal in accordance with the terms of this licence.

76. You will use Sonovate's Portal for the purposes of the Agreement in accordance with the procedures We notify to You from time to time.

77. You will keep confidential all user identification and passwords and prevent access to Sonovate's Portal by unauthorised persons.

78. You will ensure that Sonovate's Portal is only used by persons authorised by You.

79. We may suspend Your use of Sonovate's Portal without notice on or following the occurrence of a Termination Event. The licence will terminate automatically on termination of the Agreement.

80. You may not:

- 80.1. copy the Software, except where such copying is incidental to the normal use of the Software or where it is necessary for the purpose of back-up or operational security;
- 80.2. without Our written consent, make alterations to or modifications of the whole or part of the Software;
- 80.3. disassemble, de-compile, reverse-engineer or create derivative works based on the whole or any part of the Software except to the extent that such activities cannot be prohibited because they are essential for the purpose of achieving interoperability;
- 80.4. use the Software for Your own internal data processing or for any commercial or production purposes;
- 80.5. remove or modify any Software markings or any notice of Our proprietary rights;
- 80.6. make the Software available in any manner to any third party;
- 80.7. use the Software to provide third party training;
- 80.8. assign this Licence to give or transfer the Software or an interest in them to another individual or entity; or
- 80.9. disclose results of any Software benchmark tests without Our prior consent.

81. We do not warrant that:

- 81.1. Your use of Sonovate's Portal will be uninterrupted;
- 81.2. information on the Sonovate's Portal will be accurate, correct and up to date;
- 81.3. Sonovate's Portal will be free from viruses, hacking or other security intrusion.

Data Protection

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

Miscellaneous

85. Any statement or accounting record sent by Us to You or made available through Sonovate's Portal shall be treated as correct and binding on You except for manifest errors or errors in law or any error notified by You to Us within 14 days of the date of the document.
86. A certificate signed by a director of Ours as to the cause, existence and amount of any Liabilities is conclusive except in the case of an obvious error or on any question of law.
87. We may rely on any signature, act or communication sent by a person purporting to be authorised to act on Your behalf even if that person lacked the relevant authority.
88. A person who is not a party to this Agreement shall not have any rights under or in connection with it by virtue of the Contracts (Rights of Third Parties) Act 1999.

89. A reference in the Agreement to the assignment of Debts includes the assignment of relevant Scottish Debts under Scots law.
90. A reference to the Agreement refers to the Agreement as it may from time to time be varied, novated, assigned or replaced from time to time.
91. A reference to We, Us, or Our includes Our successors and assigns (but only to the extent that any rights and/or obligations under this Agreement have been assigned or transferred to such persons).
92. The singular includes the plural and vice versa.

Notices

93. We may deliver any notice or communication to You in person, by post or email or through Sonovate's Portal at:
- 93.1. Your contact details last known to Us; or
 - 93.2. Your registered office.
94. A notice or communication by Us will be deemed given:
- 94.1. if delivered in person, at the time of delivery;
 - 94.2. if by post, on the day after posting;
 - 94.3. if by email or through Sonovate's Portal, at the time of sending.
95. You must serve any notice on Us in writing to Our address on the Proposal. Service will be effective when the notice is received by Us.

Law

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

Complaints

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

Definitions

Approved Client: A Client who has been approved by Us for the purchase of Debts due by the Client.

Approved Debt: An undisputed Purchased Debt due by an Approved Client in respect of which all warranties and undertakings set out in the Agreement have been complied with which is within the Credit Limit set for the relevant Approved Client.

Business Day: A day (other than a Saturday or Sunday) on which banks are open for business in London.

Candidate: A person introduced by You to a Client (including an officer or employee of the Candidate if the Candidate is a company or LLP) to undertake Candidate's Services for the Client.

Candidate Contract: A contract between a Candidate and You containing the terms on which the Candidate will provide Candidate's Services to a Client.

Candidate's Fees: The fees payable by You to a Candidate under a Candidate Contract for the provision of Candidate's Services to a Client.

Candidate's Services: The services performed by the Candidate as a temporary worker under a Recruitment Contract.

Client: The party who has incurred a Debt due under a Recruitment Contract.

Commencement Date: The date on which We make an initial Advance or other payment in or towards the Purchase Price of Debts to You or to another party on Your behalf.

Commencement Debt: An Eligible Debt Outstanding on the Commencement Date.

Confidential Information: Any information that relates to Your or Our business that is identified as confidential or is confidential by its nature including (without limitation) the names of Candidates and Clients, pricing policies, trade secrets and know-how.

Connected Person: In relation to (i) an individual, the individual's husband, wife, civil partner, child, step-child, brother, sister, uncle, aunt, nephew, niece, former husband or wife, relative of the individual's husband or wife, any body corporate of which the individual is a director or member and any employee or partner of that individual or that body corporate; (ii) a body corporate (including an LLP), any body corporate of which that body is a director or member, any body corporate in the same group as that body, any employee or partner of that body or of any body corporate in the same group; and (iii) a partnership, any body corporate of which the partnership is a director, any employee or partner in the partnership and any person who is a Connected Person to a partner in the partnership.

Controller: Controller has the meaning given to that term in the GDPR.

Credit Limit: The maximum aggregate Invoice Value of Approved Debts due by an Approved Client at any time for which We will accept the Credit Risk.

Credit Risk: The risk of non-payment by an Approved Client of an Approved Debt which is within the Credit Limit for that Approved Client.

Credit Risk Events: The non-payment of an Approved Debt (i) within 180 days of its Due Date; or due to (ii) the appointment of an administrator or liquidator, receiver or trustee in bankruptcy to an Approved Client; (iii) the institution of a judicial or administrative procedure pursuant to which an Approved Client's assets and affairs are made subject to the control or supervision by a court or a person or body appointed by a court or by law for the purpose of reorganisation or liquidation of the Approved Client; (iv) the rescheduling, settlement or suspension of payment of an Approved Client's Debts; (v) the failure by an Approved Client to satisfy a judgment entered against the Approved Client after the execution of the judgment; (vi) the approval of a composition, assignment or arrangement with creditors of an Approved Client; (vii) a general moratorium decreed by the government of the country in which the Approved Client is incorporated or trading; (viii) political events, economic difficulties, currency shortages or legislative or administrative measures in the country in which the Approved Client is incorporated or trading which prevent or delay the transfer of payment of an Approved Debt; (ix) a generally binding measure taken in the country in which the Approved Client is incorporated or trading which gives the Approved Client a valid discharge of an Approved Debt; (x) the occurrence of war (except between China, France, the UK, the Russian Federation and the United States of America), revolution or riot in the country in which the Approved Client is incorporated or trading; (xi) cyclone, flood, earthquake, volcanic eruption, tidal wave or other forms of natural disaster in the country in which the Approved Client is incorporated or trading; (xii) a measure or decision taken by the government of a foreign country which in whole or in part prevents the performance of a Recruitment Contract or payment of the Approved Debt; or (xiii) the cancellation or non-renewal or an export licence or the introduction of a law which prohibits or restricts the performance of a Recruitment Contract.

Data Protection Law: Any data protection laws applicable to processing of Personal Data, without limitation, in particular the GDPR, the Data Protection Acts 1988 to 2018 and all privacy, security, and data protection laws of applicable to You or Us pursuant to this Agreement.

Debt: Any monetary obligation of a Client (including tax) due under a Recruitment Contract together with its Related Rights.

Dilutions: All credit notes, debit notes, discounts, retentions, rebates, set-off, withholding or other deductions which reduce the Invoice Value of a Purchased Debt.

Due Date: The date on which a Debt becomes payable in accordance with Your Standard Payment Terms.

Eligible Debt: A Debt (either Approved or Unapproved) due by an Approved Client which is not an Excluded Debt.

Excluded Debt: Any Debt (i) which is a Permanent Debt; (ii) due by a Client who is a Sanctions Target; (iii) due by a Connected Person to You or a Client over whom You have direct or indirect control or in whom You have a direct or indirect interest; or (iv) other Debts specified by Us.

Export Debt: A Debt due by a Client incorporated or trading outside the UK.

GDPR: The General Data Protection Regulation (EU) 2016/679 and Regulation (EU) 2016/679 as it forms part of UK domestic law by virtue of The European Union (Withdrawal) Act 2018, in each case as amended, varied or substituted from time to time.

Insolvency Proceedings: In relation to any person (i) the exercise of any distress, execution, injunction, sequestration, attachment or other legal process against assets; (ii) any proposal or convening of a meeting with a view to a composition, assignment or arrangement with or the granting of a trust deed for creditors; (iii) the convening of a meeting for the purpose of considering or passing of any resolution for winding-up or administration; (iv) the service of a notice of intention to appoint or the appointment of an administrator or a receiver; (v) the service of a statutory demand; (vi) the presentation of a petition for the administration, winding-up or bankruptcy; (vii) the making of an order for winding-up or administration or the appointment of a provisional liquidator or judicial factor; or (viii) the taking of steps towards or the coming into force of a statutory moratorium.

Insolvent: In relation to any person (i) the inability to pay debts as they fall due; (ii) ceasing to trade; or (iii) if there are any Insolvency Proceedings.

Invoice Finance Facilities: The invoice finance facilities provided by Us to You, as set out in this Proposal.

Invoice Value: The amount of a Debt (including tax) invoiced to a Client or specified in an approved Time Sheet.

Liabilities: Any sum (present, contingent or future) payable by You to Us whether or not under the Agreement, including any amount repayable to Us as a result of Our exercising Recourse or a reduction in the Purchase Price of a Purchased Debt.

LLP: A Limited Liability Partnership incorporated and registered under the Limited Liability Partnerships Act 2000.

Minimum Retention: £1,000.

Outstanding: The amount of a Debt which is unpaid.

Permanent Debt: A Debt due for the introduction of a Candidate to an Approved Client which results in the employment of the Candidate by the Approved Client on a permanent basis.

Personal Data: Personal data has the meaning given to that term in the GDPR.

Proposal: This proposal in respect of the Invoice Finance Facilities provided by Us to You.

Public Client: Any state, government department, local authority, institution or organisation which cannot be declared Insolvent.

Purchased Debt: An Eligible Debt assigned to Us under the Agreement.

Purchase Fee: The charge for Our Recruitment Services and the cost of Our purchasing each Purchased Debt from You at a discount.

Purchase Price: The amount payable by Us to You to purchase each Purchased Debt calculated in accordance with Conditions 24 and 25.

Recourse: Our right to require You to indemnify Us for the amounts specified in Condition 56.

Recourse Percentage: 10% of the Outstanding amount of an Approved Debt after deduction of (i) the VAT element of the Approved Debt and (ii) the amount of an Approved Debt which is in excess of the relevant Credit Limit.

Recruitment Contract: A contract between You and a Client pursuant to which a Candidate is placed by You in a temporary or consultancy position with the Client.

Related Rights: Your rights in relation to a Purchased Debt or under a Recruitment Contract to (i) interest; and (ii) monies recoverable under an insurance policy or guarantee and indemnity.

Remittance: Any form of payment tendered by an Approved Client to You, Your agents or to Us in or towards the discharge of a Purchased Debt, including monies recovered under a credit insurance policy or a dividend payable in respect of a Purchased Debt.

Remittance Account: Each bank account detailed in the Proposal into which all Remittances must be paid.

Reserve: An amount retained by Us from the Purchase Price of Purchased Debts due to You to cover Dilutions and/or Liabilities.

Sanctions Target: A person who is domiciled in any country which is subject to a financial sanctions regime or has been designated as a sanctions target by the European Union, the UK or the United States of America.

Scottish Debt: A Debt owned by a Client domiciled or carrying on business in Scotland or arising under a Recruitment Contract governed by Scots Law.

Security: Any charge, mortgage, trust, security assignment, set-off right, tracing right or other security interest granted by You in favour of any person.

Software: The software owned by Us or any holding company or subsidiary of Ours or any third party which is used in the provision of Sonovate's Portal.

Sonovate's Portal: Our on-line electronic data transmission system.

Termination Events: The circumstances detailed in Condition 63.

Time Sheet: The documentary record submitted by a Candidate of hours worked by the Candidate for an Approved Client under a Recruitment Contract or a statement of work or other suitable evidence of the complete performance of the Recruitment Contract to a defined stage or milestone detailed in the Recruitment Contract, as confirmed by the Approved Client.

UK: The United Kingdom of Great Britain and Northern Ireland and the Channel Islands and the Isle of Man.

UK Debt: A Debt due by a Client incorporated or trading in the UK.

Unapproved Debt: A Purchased Debt or part of a Purchased Debt (i) which is disputed; (ii) from which the Approved Client makes a deduction for settlement discount, withholding tax, tax due under the Construction Industry Scheme or other tax associated with the employment of Candidates or any other lawful deduction; (iii) which does not comply with all warranties and undertakings set out in the Agreement; (iv) due by an Approved Client for whom no Credit Limit is established or the Credit Limit is withdrawn; (v) which is a Commencement Debt whose Due Date has passed at the Commencement Date; (vi) which is not paid because (a) at any relevant time, You do not have the necessary licence or performance of the Recruitment Contract is a breach of any applicable law or regulation or (b) of a nuclear explosion or contamination, whatever its origin; (vii) due by an Approved Client which is a Public Client; or (viii) any other Purchased Debt that is not an Approved Debt.

Unprotected Debt: A Purchased Debt or part of a Purchased Debt for which We will not accept the Credit Risk, being the sum of: (i) the VAT element of an Approved Debt; (ii) the amount of an Approved Debt which is in excess

of the relevant Credit Limit; and (iii) the greater of either (a) the Minimum Retention or (b) the Recourse Percentage which becomes due by You to Us following the occurrence of a Credit Risk Event.



Sonovate Ltd
4th Floor Golate House, 101 St. Mary Street,
Cardiff, Wales, CF10 1DX

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