

PCL Services Agreement - Consultancy

This Services Agreement ("the Agreement") is between:

PayrollCloud Limited with its registered office at International House, 12 Constance Street
London E16 2DQ (known as "PCL")

And _____

(Known as "CUSTOMER"), together the Parties

The effective date of this agreement shall be: _____

Signed for and on behalf of:

CUSTOMER:

Signed for and on behalf of:

PCL:

Signed:

Signed:

Name:

Name:

Title:

Title:

Date:

Date:

1 DEFINITIONS

1.1 "Statement of Work" shall refer to a document that outlines the Services, Deliverables, Acceptance Criteria, Charges, Payment Schedule, Solution Architecture, Project Plan, and any associated Order Form in the standardized format of PCL, which, upon endorsement by the Parties, establishes a Work Package. An illustrative example is appended to this contract as Appendix A.

1.2 "Solution Design" shall denote the document that details the comprehensive technical or functional specifications that PCL and the CLIENT have agreed upon.

1.3 "Project Plan" shall indicate the document that specifies the schedule and the resource commitment required from both Parties to execute the Services and produce the Deliverables as described in the Statement of Work.

1.4 "Contract" refers to this present document along with any schedules or appendices attached, which forms a legally binding agreement when signed by duly authorized representatives from each Party.

1.5 "Order Form" shall refer to the document that outlines the provisions for the Services, including Third-Party Software, incorporating this Contract's terms and which are exemplified in Appendix B attached to this Contract.

1.6 "Consulting Day" shall represent a standard workday consisting of 7.5 hours from 9.00 am to 5.30 pm, including a one-hour interval for lunch, from Monday to Friday, not counting UK public holidays.

1.7 "Confidential Information" encompasses all information procured by the Parties during the discussions leading to or in the enactment of this Contract in any form or medium (whether oral or written), which is either marked or intimated to the recipient as confidential, or which conventionally would be regarded as confidential. This includes, but is not limited to, business strategies, fiscal details, sensitive pricing information, and information as per Clause 12.13.

1.8 "Services" shall imply work carried out in accordance with the Statement of Work and Solution Design.

1.9 "Deliverables" shall constitute any documentation, concepts or know-how, custom software, software configurations, associated reports, specifications, and user manuals devised by PCL in the process of delivering the Services.

1.10 "Materials" shall mean any designs, specifications, instructions, software, data, or similar documents provided by either Party under this Contract to the other for the purpose of performing the Services.

1.11 "Charges" shall mean the fees and expenses as further delineated in Clauses 3.1 and 3.2 and as outlined in the Payment Schedule or Order Form.

1.12 "Go Live" for a Deliverable shall be defined as the deployment of said Deliverable by more than one business or technical user in the live operational environment, unless otherwise described in a Statement of Work.

1.13 "Payment Schedule" refers to a document that is part of a Statement of Work or Order Form that outlines the agreed-upon payment structure for the Work Package, supplementing or supplanting Clause 3.

1.14 "Acceptance" takes place as per the processes detailed in Clause 9 of this contract.

1.15 "Third Party Software" denotes any software included in the overall transaction that is sourced from a third party related to this Contract, or supplied by the CUSTOMER or PCL, and employed to execute the Services stipulated in the Contract.

1.16 "Work Package" constitutes a suite of Services and Deliverables managed by a duly sanctioned Statement of Work, which PCL will periodically supply to the CUSTOMER.

1.17 "Authorized Signatories" are individuals who are intermittently authorized to sign off on Statements of Work.

1.18 "PCL" represents PCL Limited, along with its subsidiaries, parent company, or any subsidiaries of its parent company. A subsidiary is a company that is under the control of another company, termed as the "parent company," if it holds a majority of the voting rights, can appoint or remove a majority of directors, or alone, or together with others, controls a majority of the voting rights under an agreement.

1.19 "CUSTOMER" refers to the client entity and any of its subsidiaries or parent companies, defined in the context of control as per the same criteria specified for PCL.

1.20 "Acceptance Criteria" includes the requisite tests that Services and Deliverables must pass to meet the Acceptance as outlined in Clause 9.

1.21 "Program Plan" is the CUSTOMER's strategy for deploying the Work Package, which encompasses, but is not limited to, a training schedule, communication strategy, and other necessary activities for implementation.

1.22 "Dispute Resolution Procedure" is the protocol outlined in Clause 11.

1.23 "Expenses" are the justifiable costs for lodging, travel, and maintenance incurred while performing the Services.

1.24 "Payment Milestone" is a financial obligation of the CUSTOMER, triggered by the attainment of a Deliverable by PCL as described in a Payment Schedule.

1.25 "Acceptance Certificate" is PCL's standard acknowledgment form for completed Deliverables, as attached in Appendix C.

1.27 "Key Roles" are crucial positions filled by staff from either Party, identified and agreed upon as vital for the effective delivery of Services.

1.28 "Software Programs" refers to software that PCL offers for sale, where PCL is either the lawful proprietor or acts as a reseller on behalf of a third party.

1.29 The content within this Contract shall be interpreted as follows:

1.29.1 The term "writing" and related expressions shall encompass communications conveyed through facsimile, email, or similar electronic methods.

1.29.2 Any mention of a statute or statutory provision implies a reference to that law or provision as updated or reenacted at the relevant time.

1.29.3 "This Contract" or references to any other contracts or documents cited herein shall mean this Contract or such other contracts or documents as they may be altered, expanded, augmented, refined, or legally amended over time, inclusive of all appendices.

1.29.4 Any reference to 'Clauses' and 'Appendices' pertains to those within this Contract, and any mention of 'Sub-Clauses' and 'Paragraphs' relates to those within the referenced Clause or Appendix unless specified otherwise.

1.30 For the purpose of this Contract:

1.30.1 Any commitments made by any Party that constitutes more than one individual or entity are considered to be collectively and individually binding.

1.30.2 References to 'Parties' include their respective legal successors, heirs, and permitted delegates.

1.30.3 The term 'person' applies to any corporate body, unincorporated organization, partnership, or other recognized legal entities.

1.30.4 Terms indicating the singular also refer to the plural, and vice versa.

1.30.5 References to any gender include all genders.

1.30.6 The words 'include' and 'including' are to be interpreted without limiting the scope of any subsequent words or terms.

1.31 Headings utilized in this Contract serve merely for organizational convenience and do not influence the interpretation of the text herein.

2 Services

2.1 PCL shall furnish the Services to the CUSTOMER, who in turn shall remunerate PCL, in accordance with the stipulations of this Contract and as specified in each respective Statement of Work or Order Form.

2.2 The CUSTOMER may propose, and PCL may suggest, modifications to the Contract and any pertinent Statement of Work. Any such alterations shall be managed in line with Clause 10.

2.3 PCL reserves the authority to modify any Services or Work Package as necessary to comply with changes in applicable laws, regulations, or safety requirements, or when such modifications do not substantially alter their quality or performance. These changes will be managed according to Clause 10. It should be noted that this does not extend to the continuous support and maintenance of pre-existing Deliverables, which is subject to separate agreements beyond this Contract, its Appendices, and/or relevant Statements of Work.

2.4 The CUSTOMER is responsible for providing PCL with all essential information and ensuring the accuracy of said information concerning a Work Package in a timely manner to facilitate PCL's delivery of Services related to that Work Package.

2.5 The CUSTOMER will assume the ultimate oversight and control of a Work Package unless an alternative arrangement is specified within the relevant Statement of Work.

2.6 PCL will make reasonable efforts to complete the work by the expected completion date.

2.7 If PCL experiences additional losses or incurs extra costs, or if the scope of the Services expands due to any delay, variation, interruption, or suspension of the Services caused by the CUSTOMER, its employees, agents, or subcontractors, or due to a delay that prevents PCL from fulfilling any of its obligations under this Contract, including the prompt provision of the Service and items outlined in Clause 6, PCL entitled to such compensation shall not exceed the daily cost of time and materials and incurred expenses for maintaining the Staff assigned to the service for the duration of such delay. In such instances, PCL experiencing the loss or additional expense will promptly inform the CUSTOMER of the potential for additional costs, allowing the CUSTOMER early notice to minimize and evaluate the causes of such costs. The Parties will collaboratively take reasonable measures to reduce any costs incurred due to delays as described in this Clause. If the delays in Service delivery according to the Scope of Work are due to the CUSTOMER's fault, PCL reserves the right to adjust the payment dates as outlined in the Payment Schedule or Order Form, as well as the overall Charges.

2.8 The Parties commit to retaining the Key Roles specified in any applicable Statement of Work as necessary throughout the Services' execution. Before replacing or removing any individual assigned to such Key Roles, or the Key Role itself, each Party will consult the other, and the other's consent shall not be unreasonably withheld or delayed. It is understood that consent from the other Party is not needed when the cause for replacement or removal is beyond that Party's reasonable control, including, but not limited to, long-term illness, voluntary leave, or dismissal.

CHARGES, PAYMENT, AND TAXES

3.1 Service Fees

PCL will detail the fees for performing the Services within each Statement of Work or Order Form's Payment Schedule. In the absence of a Payment Schedule, fees will be determined solely by Clause 3. Fees might be calculated on a time-and-materials basis, with any time or day estimates provided for the CUSTOMER's budgeting and PCL's resource planning purposes considered non-binding. Alternatively, fees may be set on a fixed-price basis, with the cost predetermined for the service scope outlined in the Statement of Work. Changes to the fees will follow the process specified in Clause 10.

3.2 Incidental Costs

The CUSTOMER will cover PCL's documented Expenses incurred in the service delivery, invoiced monthly at actual cost. Any additional expenditures not categorized as Expenses require the CUSTOMER's prior approval. Unless a specific Statement of Work states otherwise, the following guidelines apply to necessary Expenses:

- Train travel excludes first-class unless strictly necessary.
- Mileage is reimbursable at 45p per mile.
- Air travel is economy class unless the journey exceeds 4 hours.
- Hotel stays are capped at [£200] per night.
- Daily meal and subsistence limits are [£40].
- A fixed per diem rate may be agreed upon by the parties.

3.3 Invoicing and Payment

3.3.1 With an agreed Payment Schedule in the Statement of Work or Order Form:

- a) PCL will issue invoices according to the Payment Schedule, tied to Payment Milestones.
- b) Fees are due within 10 days of the invoice date.

3.3.2 Without an agreed Payment Schedule:

- a) PCL will bill the CUSTOMER monthly in arrears for time spent and Expenses.
- b) Charges are due within 30 days of the invoice date.

3.4 Overdue Payments

Amounts owed by the CUSTOMER to PCL under this Agreement that are not disputed and not paid per Clause 3.3 are considered overdue. PCL may, while preserving its other rights for non-payment by the CUSTOMER, take actions including: (i) suspending the delivery of Services (or any part thereof) until full payment is received; (ii) halting any other services provided to the CUSTOMER under any other contract between PCL and the CUSTOMER until full payment under this Agreement is made; and/or (iii) imposing a late payment fee. This late fee accrues daily from the expected payment date until full settlement (including interest), at a rate of 2% above the current LIBOR rate. The CUSTOMER acknowledges that service suspension under (i) or (ii) does not relieve them of their payment duties or other contractual obligations, nor will it constitute a breach of contract by PCL or entitle the CUSTOMER to any legal recourse or service credits.

3.5 Consulting Day Adjustments

3.5.1 PCL may adjust the Consulting Day to accommodate the CUSTOMER's special needs, subject to the CUSTOMER's agreement (which should not be unreasonably withheld), and may charge additional fees for hours worked beyond the standard 7.5 hours (excluding the initial 30 minutes) as follows:

- a) Weekday overtime is charged at 125% of the standard hourly rate, as defined in the Statement of Work.
- b) Weekend and UK public holiday work is charged at 175% of the standard hourly rate, as outlined in the Statement of Work.

3.6 Taxes and Levies

Quoted charges exclude any taxes or duties. The CUSTOMER is liable for all additional taxes or duties that PCL must pay or collect related to providing Software Programs or Services. VAT, where applicable, is added at the current rate at the time of invoicing. Taxes on PCL's income are exempt from this clause.

3.7 Purchase Orders

The CUSTOMER is required to issue a purchase order matching the details on the applicable Order Form. In situations where the CUSTOMER typically does not issue purchase orders, signing the Order Form is mandatory. Orders for Software Programs from PCL constitute a distinct Work Package, complete with its Order Form and Payment Schedule.

4 TERM AND TERMINATION

4.1 Duration

4.1.1 This Contract becomes effective from the Effective Date and remains in force until all Services are completed or terminated by any Party in accordance with Clauses 4.2, 4.2.1, and 4.2.2.

4.2 Termination Due to Breach

A Party may end this Contract if the other Party significantly violates the terms, following a written notification that outlines the breach and if the breach, when fixable, remains unaddressed within 30 days after receiving the notice. Extension of the rectification period shouldn't be unreasonably denied if the breaching Party starts addressing the issue within the 30-day notice period and earnestly attempts to resolve the breach.

4.2.1 Termination Due to Insolvency

A Party may instantly terminate this contract without any notice or termination fee if the other Party experiences any of the following: a) a resolution for its liquidation is being considered, b) it opts for a creditor's voluntary agreement, c) an administrator is appointed, d) faces a solvency petition, or e) undergoes any similar event as per Scottish law.

4.2.2 Termination at Will

Additionally, the CUSTOMER is entitled, unless otherwise specified in the Statements of Work, to terminate any or all Work Packages at will by providing PCL with a minimum of 60 days of written notice. Termination for Convenience does not prevent PCL from achieving a milestone. If the 60-day notice impedes reaching a milestone, then the termination date will be adjusted to the required number of working days to achieve the milestone plus an additional 10 working days.

4.3 Consequences of Termination

Upon termination of this Contract and/or any Work Packages, the rights and duties under Clauses 3.3, 3.4, 3.5, and 4.3, as

well as Clauses 5, 6, and 7, persist, alongside any other provisions stated or inherently intended to survive the termination. This does not impact any accrued rights or responsibilities incurred, including payment obligations. Ending this Contract and/or Work Packages doesn't preclude either Party from seeking other legal remedies, including injunctive relief, nor does it absolve the CUSTOMER from settling all undisputed and owed Charges accrued before termination. Ending an individual Work Package does not influence the continuation of this Contract or any other Work Packages.

4.3.1 Upon termination under Clause 4, PCL, in coordination with the CUSTOMER, will finalize such Services and Deliverables during the notice period as mutually deemed feasible, allowing the applicable Work Packages to be transferred to the CUSTOMER for future completion.

4.3.2 If this Contract is terminated for any reason, each Party must immediately return any properties, including but not limited to Materials and Confidential Information, belonging to the other Party.

4.3.3 If PCL terminates this Contract under Clauses 4.2 or 4.2.1, the CUSTOMER acknowledges that PCL is entitled to end any other contracts with the CUSTOMER, without liability, at its discretion by providing written notice. The CUSTOMER accepts that ending any additional agreements under this clause does not entitle them to any legal remedies against PCL.

4.4 Cancellation of Scheduled Services

4.4.1 PCL retains the right to charge for scheduled Services outlined in a Statement of Work or Order Form (or as part of a Work Package) cancelled by the CUSTOMER with less than 14 days' written notice.

5 INDEMNITY, WARRANTY, AND LIABILITY

5.1 Indemnity

5.1.1 When either Party to this Agreement ("Provider") supplies Materials, it will defend and indemnify the receiving Party ("Recipient") against claims that any Material provided by the Provider and utilized by the Recipient as allowed by this Agreement infringes any third party's copyright or patent, assuming that: (a) the Recipient informs the Provider in writing within 30 days of the claim; (b) the Provider exclusively manages the defense and any settlement discussions; and (c) the Recipient furnishes the Provider (at the Provider's cost) with all necessary cooperation, information, and authorization to conduct the defence. The Provider will reimburse the Recipient for all reasonable costs incurred in providing such assistance.

5.1.2 Should any Material be adjudged or suspected by the Provider to infringe on any third party's copyright or patent, the Provider may, at its own expense: (a) alter the Material to make it non-infringing or provide a non-infringing substitute ensuring equivalent performance and functionality; (b) secure for the Recipient the right to keep using the Material; or (c) request the return of the infringing Material from the Recipient and cancel all related rights. If this return significantly hampers either Party's fulfilment of this Agreement, either Party may terminate the Services as per Clause 4. If the CUSTOMER is the Recipient, upon such termination, the CUSTOMER is entitled to a refund of all fees paid for the affected portion of the Material, or if the infringement makes the entire Work Package unusable, all fees paid for that Work Package.

5.1.3 The Provider is not liable for infringement claims arising from: (a) the Recipient's use of an outdated or modified version of the Material when using a newer, unmodified version would have avoided infringement, provided the replacement Material maintains equivalent performance and functionality; or (b) any information, design, specification, instruction, software, data, or Material not supplied by the Provider.

5.2 Warranties

5.2.1 PCL guarantees it owns or has the right to use all intellectual property in all Materials used in accordance with the Services and, barring Clause 7.3, will perform the Services with competent skill and care in line with prevailing industry standards for computer software services. Except as lawfully permitted, all other warranties and conditions, whether expressed or implied, are explicitly excluded, including implied warranties of merchantability, satisfactory quality, and fitness for a particular purpose.

5.2.2 PCL commits to ensuring its personnel adhere to the CUSTOMER's usual practices when Services are rendered on the CUSTOMER's premises, comply with all applicable laws and regulations, including health and safety laws, and strive to minimize disruption to the CUSTOMER's operations. The CUSTOMER must inform PCL of any specific health and safety requirements before approving a Statement of Work. The CUSTOMER is responsible for providing training and equipment for PCL personnel to comply.

5.2.3 Both Parties agree that their respective personnel involved in this Agreement will possess suitable skills and experience for their assigned tasks.

5.2.4 PCL does not guarantee that the Deliverables will operate without interruptions or errors.

5.2.5 PCL is not accountable for the performance of any Third-Party Software included in the Services and will not fix any bugs, errors, or omissions in such software. Delays caused by Third Party Software issues do not exempt the CUSTOMER from paying undisputed charges as per the Payment Schedule or, in its absence, as outlined in Clause 3.

5.3 Limitation of Liability

5.3.1 This Agreement does not limit liability for personal injury, death due to negligence, or fraudulent misrepresentation

5.3.2 PCL will compensate the CUSTOMER for legally required payments for loss or damage to the CUSTOMER's tangible property caused by PCL employees, up to £1,000,000 per event or series of related events.

5.3.3 Neither Party will be liable for indirect or consequential losses; loss of revenue, profits, business, goodwill; loss of, damage to, or corruption of data; or loss of availability stemming from or related to the Services or this Agreement, whether or not advised of such potential loss. Following Clauses 5.3.1, 5.3.2, and 5.3.3, PCL's total liability arising from or related to the Services or this Agreement is capped at £1,000,000.

5.3.4 PCL shall not be held liable for any breaches of this Agreement to the extent that such breaches are directly caused by the CUSTOMER or its agents, representatives, subcontractors, or staff failing to fulfil their obligations under this agreement.

6 CUSTOMER COMMITMENTS

6.1 If any tasks or Services are scheduled at the CUSTOMER's location, the CUSTOMER, given that PCL staff adhere to the CUSTOMER's reasonable security protocols, must grant PCL adequate access to the areas where the Services are to be conducted. Furthermore, the CUSTOMER should furnish appropriate office space and amenities for PCL personnel as necessary for the execution of the Services.

6.2 The CUSTOMER will supply PCL with all required cooperation, data, equipment, and support deemed reasonably necessary by PCL to fulfil its contractual duties. This includes access to appropriately configured computing resources as requested by PCL, provided PCL gives the CUSTOMER reasonable notice in line with the nature of the requested computing resources. The assignment of dedicated resources and personnel from both the CUSTOMER and PCL for the project will be formally agreed upon in the Solution Design and noted in the relevant Statement of Work or Order Form.

6.3 The CUSTOMER must ensure that any location PCL employees or agents access for service delivery strictly adheres to health and safety standards, other relevant laws or regulations, and industry norms, safeguarding such individuals from undue risk or safety hazards. The CUSTOMER will cover PCL against any claims by employees or agents stemming from such incidents, provided PCL meets its responsibilities as outlined in Clauses 5.2.2 and 5.2.7.

6.4 The CUSTOMER is obliged to secure its data, implementing a daily backup strategy before and throughout the Service provision. The responsibility of data restoration, in case of data loss or corruption, falls on the CUSTOMER unless the loss results from PCL's negligence or failure, in which scenario PCL's responsibility is confined to the recovery (when feasible) of data not typically covered by regular backup procedures.

6.5 The CUSTOMER is accountable for the accuracy of data provided to PCL, including data migration and cleansing tasks, and bears all direct outcomes of any inaccuracies in such data. PCL does not guarantee the data's integrity post-migration or similar processes, especially concerning errors attributable to the CUSTOMER.

6.6 The CUSTOMER acknowledges that when software (and/or hardware) and consultancy services are bundled as a solution, there is distinct value derived separately from both the software (and/or hardware) and the consultancy services rendered.

7 PROPRIETARY RIGHTS

7.1 Acknowledging all pre-existing intellectual property rights, PCL grants the CUSTOMER, upon full payment and adherence to the licensing terms herein, a perpetual, non-exclusive, royalty-free license to utilize the Deliverables. This usage right extends to modifying, copying, and sublicensing the Deliverables.

7.2 Any PCL software developed prior to this Agreement and incorporated into the Services remains the exclusive property of PCL.

7.3 Except as specified in Clause 7.7, nothing within this Agreement restricts PCL from generating new ideas, concepts, know-how, or enhancing its procedures library from the CUSTOMER's deliverables.

7.4 With mutual consent, the CUSTOMER, upon an agreed payment, reserves the right to purchase intellectual property rights for specific Deliverables ("CUSTOMER Owned Deliverables"). PCL guarantees it will not utilize these CUSTOMER Owned Deliverables in its business operations without the CUSTOMER's prior written consent.

8 THIRD PARTY SOFTWARE

8.1 Software Acquisitions from Third Parties

The CUSTOMER can procure any third-party Software Programs through PCL by submitting a distinct purchase order to PCL. Upon receiving such an order, PCL will source the third-party Software Programs from the designated vendor. The CUSTOMER acknowledges that any purchase order for third-party Software Programs sent to PCL is binding once issued.

8.2 The CUSTOMER is tasked with acquiring any third-party Software Programs necessary for PCL to deliver the Services as outlined in any Statement of Work, Order Form, or Solution Design.

9 ACCEPTANCE AND PROCEDURES

9.1 Acceptance Procedures

9.1.1 Upon completing the Services or a portion thereof, PCL will provide the CUSTOMER with a test version of the Deliverables. The CUSTOMER will then proceed with acceptance based on the procedures outlined in Clauses 9.1.2 to 9.1.9.

9.1.2 The CUSTOMER is to rigorously test the Deliverables to verify their compliance with the Solution Design and the predefined Acceptance Criteria.

9.1.3 If the Deliverables meet the Solution Design and Acceptance Criteria in all significant respects, they will be considered as having passed the Acceptance Test. The CUSTOMER will formally acknowledge this by signing the Acceptance Certificate (found in Appendix C) and notifying PCL within 30 days of receiving the Deliverables test version from PCL, unless a different timeframe is mutually agreed upon and recorded in the relevant Statement of Work.

9.1.4 Should the Deliverables, or any part thereof, fail to meet the Solution Design and Acceptance Criteria, the CUSTOMER must notify PCL, detailing the Deliverables' deficiencies. This notification must occur within 30 days of receiving the Deliverables test version from PCL, except when a different agreement is reached and noted in the corresponding Statement of Work.

9.1.5 If the CUSTOMER is unable to conduct tests on the Deliverables or meet its obligations under Clauses 9.1.3 and 9.1.4, it must, acting reasonably, inform PCL in writing within 7 days of receiving the

Deliverables. The Acceptance Test will be paused accordingly, with any resulting delays addressed as per Clause 2.7.

9.1.6 Absence of feedback from the CUSTOMER regarding acceptance according to Clauses 9.1.3, 9.1.4, or 9.1.5 will result in the Deliverables being considered accepted by the CUSTOMER.

9.1.7 If there is a dispute over the acceptance of the Deliverables, both Parties will resort to an independent body like the Centre for Effective Disputes Resolution (CEDR) for an expert determination to reassess whether the Deliverables meet the Solution Design and Acceptance Criteria. The expert's decision will be final, including decisions regarding the cost distribution of this determination.

9.1.8 Following the CUSTOMER's feedback as per Clause 9.1.4 or the outcome of Clause 9.1.7, PCL will undertake additional Services within 30 days to align the Deliverables with the Solution Design and Acceptance Criteria. If PCL fails to rectify the Deliverables within three attempts (each not exceeding 30 days), enabling them to meet the criteria, then the CUSTOMER may terminate the Agreement according to Clause 4. In such an event, the CUSTOMER is entitled to a refund of all payments made for the non-compliant Deliverables or, if these failures make the entire Work Package unusable, for the entire Work Package.

9.1.9 For clarity, the Go Live of any Deliverable is tantamount to its Acceptance.

10 CHANGES

10.1 Change Control Procedures

10.1.1 The procedure for initiating changes to this Agreement, any Work Package, Order Form, or the Services is detailed in Appendix D.

10.1.3 PCL will inform the CUSTOMER in writing within ten business days of receiving a written request for change or after proposing a written change, about any fees, costs, expenses, and the time needed to assess the impact of the proposed change on this Agreement. If the CUSTOMER authorizes PCL in writing to proceed with this assessment, the Agreement will be adjusted accordingly.

10.1.4 The outcome of this assessment will be a detailed report to the CUSTOMER, outlining the implications of the proposed change on fees, the payment schedule, and other aspects of the Agreement, including potential changes to delivery dates and CUSTOMER-provided Services, if the change is implemented.

10.1.5 PCL may bill for the costs and expenses incurred during the assessment of a change requested or approved by the CUSTOMER, whether or not the change is eventually adopted. However, PCL will not charge for assessing a proposed change unless the CUSTOMER later approves it.

10.1.6 If the CUSTOMER decides to proceed with the change after reviewing the assessment, it must notify PCL in writing within ten business days of receiving the assessment. If both parties agree, the Agreement is considered amended accordingly.

10.1.7 Until a change is formally agreed upon in writing by both PCL and the CUSTOMER, PCL will continue to deliver and be compensated for the Services as if the change had not been proposed, unless otherwise arranged.

10.1.8 A change becomes an official amendment to this Agreement once it is documented in writing and signed by authorized representatives of both parties.

11 DISPUTE RESOLUTION PROCEDURE

11.1 Dispute Resolution

11.1.1 In case of disagreements during this Agreement, either Party may call for an urgent meeting by providing at least 5 days' written notice, ensuring that at least their Service Managers attend any such meetings convened under this clause.

11.1.2 Meeting participants will earnestly attempt to settle any disputes. If a dispute remains unresolved, either Party may escalate it to senior officers of both Parties, who shall engage in good faith to resolve the dispute within 14 days of the notice. Failing resolution, the Parties will engage in an Alternative Dispute Resolution (ADR) process with a mediator from an independent entity like CEDR, as mutually agreed, to facilitate negotiations.

11.1.3 Participation in the mediation process is mandatory, though its outcomes are not binding. All discussions related to the dispute will be confidential and without prejudice to future legal proceedings. Legal action or arbitration cannot be initiated until 21 days after mediation fails to produce a binding settlement, marking the end of the Dispute Resolution Procedure.

11.1.4 Should a settlement be reached with the mediator's help, it will be documented, signed by authorized representatives of both Parties, and become binding.

11.1.5 Each Party will cover their own legal costs related to the Dispute Resolution Procedure, but mediation costs will be shared equally.

11.1.6 During the dispute resolution process, any payment obligations related to the dispute will be deposited into an interest-bearing account in both Parties' names at a bank. This deposit constitutes full discharge of the payment obligations under this Agreement until the dispute is resolved. Upon resolution, the deposited sum and any accrued interest will be distributed according to the outcome of the mediation or legal proceedings, with interest divided proportionally based on the principal sum division between the Parties.

12 GENERAL

12.1 Confidentiality

Both Parties may exchange information considered confidential ("Confidential Information"). Confidential Information does not include information that:

(a) Enters the public domain without a breach by the receiving Party; (b) Was already lawfully in the receiving Party's possession before receiving it from the disclosing Party without confidentiality restrictions; (c) Is received from a third party without breach of any confidentiality obligation; (d) Is independently developed by the receiving Party; or (e) Is disclosed as required by law.

Both Parties commit to keeping the other's Confidential Information confidential during the service provision and for three years thereafter.

12.2 Party Relationship

PCL operates as an independent contractor under this Agreement, which does not create a partnership, joint venture, or agency relationship between the Parties. Each Party is solely responsible for compensating its employees and for all related taxes.

This Agreement and related issues shall be governed and interpreted according to Scottish Law, with Parties agreeing to the jurisdiction of the Court of Sessions in Edinburgh for dispute resolution.

12.4 Notice Delivery

All required notices, including address changes, must be in writing and will be considered duly given when sent by special delivery mail to the address listed in the Statement of Work (if to CUSTOMER) or to PCL's address in the Statement of Work (if to PCL).

12.5 Severability

Should any part of this Agreement be found invalid or unenforceable, the remainder of the Agreement remains effective and enforceable.

12.6 Waiver

The delay or failure of either Party to exercise any rights under this Agreement does not waive those rights. A waiver of any breach does not waive any subsequent breach.

12.7 Use of Subcontractors

PCL may engage subcontractors or entities approved by the CUSTOMER ("Approved Subcontractors"). PCL will ensure all Approved Subcontractors entering any work for PCL under this Agreement have suitable agreements in place, guaranteeing they possess

the necessary skills and experience for their assigned tasks.

12.8 Force Majeure

Should either Party's performance under this agreement be delayed, hindered, or prevented due to reasons beyond reasonable control (a "Force Majeure Event"), upon prompt notification to the other Party, such obligations will be suspended until the Force Majeure Event is resolved. Both Parties will endeavour to mitigate the causes of delay. If the Force Majeure Event persists for 3 months, either Party may terminate this agreement with 14 days notice, in accordance with Clause 4.

12.9 Entire Agreement

This Agreement, including any Appendices and Statements of Work, constitutes the full agreement between the Parties, superseding all prior agreements, representations, or discussions regarding the Services.

12.9.1 Each Party confirms that they have not relied on any statement, representation, assurance, or warranty other than those set out in this Agreement and the Statements of Work when entering into this Agreement.

12.9.2 Neither Party shall seek any remedy for any untrue statement made by the other upon which they relied when entering into this Agreement, except for breach of contract. This does not exclude liability for fraudulent misrepresentations or acts.

12.10 Amendments

This Agreement, any Statement of Work, Solution Design, or Project Plan can only be modified in writing, signed by authorized representatives of each Party, as outlined in Clause 10. The terms of this Agreement and any applicable Statements of Work or Order Forms supersede any customer purchase order terms and conditions.

12.11 Third Party Rights

This Agreement benefits only the Parties involved and their successors and permitted assignees. No third party may enforce any terms of this Agreement under The Contracts (Rights of Third Parties) Act 1999 or similar legislation.

12.12 Precedence

Should any conflict arise between this Agreement and its Appendices or an executed Statement of Work, the Statement of Work terms take precedence. This Agreement is written in English, and the English version prevails over any translations.

12.13 Data Protection

For clause 12.13, terms like Controller, Data Subject, International Organisation, Personal Data, Personal Data Breach, Processor, and processing shall hold the meanings provided in applicable Data Protection Laws, which include:

the GDPR;

the Data Protection Act 2018;

any laws enacting or implementing the above;

any laws that replace, extend, re-enact, consolidate, or amend the aforementioned.

GDPR means the General Data Protection Regulation, Regulation (EU) 2016/679;

Protected Data refers to Personal Data received by PCL from or on behalf of the Customer in the course of fulfilling PCL's obligations under this Agreement.

Sub-Processor denotes any agent, subcontractor, or third party (excluding its employees) engaged by PCL for conducting processing activities on the Customer's behalf concerning the Protected Data.

Compliance with Data Protection Laws

12.13.2 The parties acknowledge that for the processing of Protected Data under this Agreement, the Customer acts as the Controller, and PCL serves as the Processor. The Customer must always adhere to Data Protection Laws regarding the processing of Protected Data. The Customer ensures that all its instructions to PCL concerning Protected Data (including those within this Agreement) comply with Data Protection Laws. This Agreement does not absolve the Customer of any responsibilities or liabilities under Data Protection Laws.

12.13.3 PCL will process Protected Data in accordance with the duties Data Protection Laws and this Agreement impose on it.

Instructions

12.13.4 PCL will:

- (a) process Protected Data solely as per this Agreement unless different processing instructions are mutually agreed in writing; or required by law (PCL will inform the Customer of such legal requirements before processing, unless the law prohibits this on significant public interest grounds); and
- (b) promptly notify the Customer and stop providing the relevant Services if it believes any Customer instructions may breach Data Protection Laws until amended instructions, which are lawful, are agreed upon.

Security

12.13.5 Considering technological advancements and the nature of processing, PCL will implement and maintain technical and organisational measures, as detailed in Part B of Appendix E, to safeguard Protected Data from accidental or illegal destruction, loss, alteration, unauthorized disclosure, or access.

Sub-processing and Personnel

12.13.6 PCL will:

- a) not allow Protected Data processing by any third party (other than PCL's or its Sub-Processors' employees within their employment duties under a binding confidentiality obligation) without prior written consent from the Customer;
- b) ensure each Sub-Processor agrees to a written contract with obligations mirroring those in this clause before processing Protected Data, enforceable by PCL, and guarantee Sub-Processor compliance;
- c) accept full liability to the Customer for all acts and omissions of each Sub-Processor as if they were PCL's own; and

d) ensure all individuals authorized by PCL or any Sub-Processor to process Protected Data are contractually bound to confidentiality.

Assistance

12.13.7 At the Customer's expense, PCL will:

a) assist the Customer in fulfilling its obligations under Articles 32 to 36 of the GDPR (and similar obligations under applicable Data Protection Laws), considering the processing's nature and available information to PCL; and

b) help the Customer, to the extent feasible, in fulfilling Data Subjects' rights under Chapter III of the GDPR (and similar obligations under applicable Data Protection Laws) concerning Protected Data, utilizing suitable technical and organizational measures.

International Transfers

12.13.8 PCL shall not process or transfer, directly or indirectly, any Protected Data to countries outside the European Economic Area (EEA) or to any International Organization without the Customer's prior written consent.

Audits and Processing

12.13.9 In line with Data Protection Laws, PCL will provide the Customer with any necessary information in its possession or control to show PCL's compliance with its obligations under this clause and to demonstrate adherence to Article 28 of the GDPR (and any similar Data Protection Laws), facilitating audits, including inspections, by the Customer (or an auditor appointed by the Customer), limited to one audit request in any 12-month period.

Breach Notification

12.13.10 PCL will inform the Customer without undue delay, within 72 hours of becoming aware, in writing of any Personal Data Breach concerning Protected Data.

Deletion/Return

Upon this Agreement's termination or expiry, PCL will, at the Customer's direction, return or securely dispose of the Protected Data (and then promptly delete all existing copies) except where the law requires PCL to store the Protected Data.

12.13.12 The Parties acknowledge that fulfilling obligations under the Data Protection Act 1998 does not constitute a breach of confidentiality owed to the other Party.

12.13.13 PCL agrees to indemnify the Customer against any direct losses incurred as a result of any claim, investigation, or allegation that PCL or any resource provided by PCL has breached its obligations under clause 12.13.

12.14 Non-Solicitation

During the Term and for twelve months thereafter, neither Party will solicit for employment or engagement any staff or Sub Contractors of the other Party involved in the Service provision or this Agreement's work without written consent. This clause does not prevent staff from applying to public job advertisements. A breach of this clause incurs a £25,000 fee payable by the breaching Party.

12.15 Assignment

Assignment of this Agreement by either Party requires the other's prior written consent, not to be unreasonably withheld.

12.16 Export Compliance

The Customer commits to fully adhering to all relevant export laws and regulations of the United Kingdom and the United States, ensuring that neither the developments nor materials from PCL are exported in violation of such laws or used for prohibited activities, including the proliferation of weapons.

APPENDIX A – STATEMENT OF WORK

1. Introduction

This Statement of Work (SOW) forms part of the Services Agreement between PayrollCloud Limited (PCL) and “XYZ” Corporation ("The Client"), located at, Manchester, UK. This document details the scope, objectives, and schedule for the implementation services of a Payroll module provided by PCL.

2. Scope of Work

- **Services Description:** PCL will provide comprehensive implementation services for the Payroll module, including system setup, configuration, data migration, user training, and go-live support.
- **Objectives:** To implement a fully functional Payroll module that integrates seamlessly with “XYZ” Corporation's existing HR and finance systems, ensuring efficient and accurate payroll processing.
- **Deliverables:**
 - Project Plan Document
 - Payroll Module Setup
 - Data Migration Report
 - Training Manuals
 - Go-Live Support

3. Timeline

- Project Start Date: April 5, 2024
- Milestones:
 - Kick-off Meeting – April 7, 2024
 - System Configuration Completion – May 15, 2024
 - User Training Sessions – June 1-5, 2024
 - Data Migration Completion – June 20, 2024
 - Go-Live – July 1, 2024
- Project Completion Date: July 15, 2024

4. Acceptance Criteria

The Payroll module will be considered accepted by The Client upon successful processing of two consecutive payroll cycles without critical issues.

5. Assumptions and Dependencies

- **Assumption:** “XYZ” Corporation will provide access to existing HR and finance systems for integration testing.
- **Dependency:** Timely feedback and approvals from “XYZ” Corporation's project team are critical for adherence to the project timeline.

6. Confidentiality and Data Protection

Both parties agree to adhere to the highest standards of data protection and confidentiality throughout the project.

7. Terms and Conditions

All services provided under this SOW are subject to the terms and conditions outlined in the main Services Agreement.

8. Approval

Signatures from both PCL and “XYZ” Corporation representatives to approve this SOW.

CUSTOMER:

PCL:

Signed:

Signed:

Name:

Name:

Title:

Title:

Date:

Date:

APPENDIX B – ORDER FORM

1. Client Information

- Client Name: “XYZ” Corporation
- Client Address: Manchester, UK
- Contact Person: Jane Doe, HR Manager
- Telephone: +44 161 000 0000
- Email: J@example.com

2. Project Information

- Project Name: Payroll Module Implementation
- Project Start Date: April 5, 2024
- Project Completion Date: July 15, 2024

3. Services Ordered

Service Description	Quantity	Unit Price	Total Price
Payroll Module Implementation	1	£45,000	£45,000

4. Payment Terms

- **Pricing:** The prices above are exclusive of VAT.
- **Payment Schedule:**
 - 30% deposit upon signing
 - 30% after system configuration completion
 - 40% upon project completion
- **Invoicing Details:** Invoices to be sent to “XYZ” Corporation's finance department at finance@Example.com.

5. Terms and Conditions

Refer to the main Services Agreement for full terms and conditions.

6. Confirmation

“XYZ” Corporation's authorization to proceed with the order as detailed above.

APPENDIX C - ACCEPTANCE CERTIFICATE

PROJECT COMPLETION: <CLIENT NAME>

CERTIFICATE OF ACCEPTANCE & SIGN-OFF

PCL has successfully fulfilled all requirements as per the original Statement of Work for the implementation of <CLIENT NAME>'s <ERP/HCM/CRM/OTHER> into Oracle Cloud Services.

This Certificate of Project Acceptance & Sign Off verifies:

1. The completion and validation of the Project Configuration Workbooks, ensuring they are current for the Production Build as of <DATE>, including:
 - a. HCM Cloud series workbooks, featuring:
 - I. HCM & Self Service, Absence Management.
 - II. Payroll AND/OR Pay Extract functionalities.
 - III. Compensation & Benefits management.
 - IV. Recruitment & Onboarding processes.
 - b. ERP Cloud series workbooks, featuring:
 - I. Procure-to-Pay, Tax, General Ledger, Fixed Assets, Accounts Receivable, Cash Management, Expense Management.
 - c. CRM/ELOQUA configuration workbooks.
2. The PRODUCTION environment <NAME> has been configured as agreed on <DATE>.
3. The TEST environment <NAME> matches the agreed configuration as of <DATE>.
4. The <3rd? NAME, e.g., DEV> environment <NAME> is in line with the configuration settled on <DATE>.
5. The completion and successful testing of all <NAME> coding and <NAME> reporting functionalities for release to the Production environment.
6. The setup of User Experience Page Personalization's for all applicable modules following Project specifications and configuration instructions.
7. Successful integration and testing of the Taleo Recruitment module with Oracle HCM Fusion.
8. PCL's satisfactory handover and knowledge transfer of ad hoc reporting capabilities as specified in <OTBI/Smartview/Financial Reporting Studio (FRS)> needed as per the SOW.
9. PCL's effective handover and knowledge transfer of all essential <Train the Trainer/Systems Administrator training/basic Configuration Maintenance Training> as outlined in the SOW.
10. PCL's comprehensive handover and knowledge transfer of all data migration and mapping tasks, <including use of the HCM Intake tool>, along with any other tools used during the Oracle Fusion implementation (e.g., HDL, PBL).
11. PCL's Service Management team has engaged with Ofqual to establish formal handover procedures (post-Hypercare) and define ongoing service delivery contacts.

Approvals:

CLIENT SRO/CIO/Director

<TITLE & NAME>

SRO, PCL

<TITLE & NAME>

Date:

The Table below lists any caveats that must be rectified by PCL, but which do not prevent the sign-off to Go Live to enable these Modules to be used on an operational basis from **<DATE>**, specifically:

No	Description	Caveat

APPENDIX D – CHANGE CONTROL FORM

Change Control Information

Change Control Details:	Information
Contract Title:	Original SOW / Contract impacted by change
Client:	Client Name
Project Name:	Project Name
Prepared by:	Project Manager
Date (DD/MM/YYYY):	Date Prepared
Document version:	V0.1 until approved
Change Request Name:	Name of Change Request
Control No. (from CR Log):	CR001
Change Request validity period	e.g. this CR is valid for 10 days from issue or dd/mm/yy
Change Type:	[Category]
Change Requester:	Details of party/person who has requested the Change

General Conditions

The Agreement, inclusive of all previously sanctioned Change Requests, will continue to be in effect without modification, except as modified by this Change Request Form.

The alterations suggested in this Change Request Form will be officially incorporated into the project only after receiving complete approval from both PCL and "The Client".

The tasks specified in this Change Request Form will begin (i) as swiftly as feasible after full endorsement and signing by both parties involved in this Change Request Form (the "Date of Approval"), or (ii) if additional resources are necessary for executing the tasks outlined in the Change Request, the Client shall provide up to 4 weeks from the issuance of a Purchase Order number by the Client for the commencement of work.

Change Impact				
Proposed Change:	•			
Change Reason:	•			
Change Impact				
Scope Impact	•			
Quality Impact	•			
Schedule Impact	•			
Budget Impact	•			
Resource Impact	•			
Assumptions	•			
Estimated effort	• T&M: Tasks, resource and days breakdown			
	Task / Activity	Resource	Days	
	Total Days			
Commercial Impact	• Total summary in table if T&M e.g.			
	Resource Type	Rate	Days	Total
	Total			
	<ul style="list-style-type: none"> • T&M or Fixed Price • Standard rate card or discounted rates • Expenses (included capped / excluded charged at cost / no expenses) • Date this Change Request expires • Is there an impact to agreed payment milestones? • Is there an impact on Managed Services schedules? • Is there an impact on Licensing and/or Subscriptions (Products)? 			

Agreement

The parties agree that the Contract shall be amended to the extent required to implement the above Change Information.

Change Authorization

Internal Reviewers		
Name	Title	Date
	Practice Lead (PM / ERP / HCM / Tech / Change / EPM)	
	IMO	
	Bid	

Change Approval

Change Approvers		
Name	Title	Signature
	PCL Head of Delivery	

APPENDIX E – DATA PROTECTION

Part A

Data processing details

Processing of Protected Data by PCL under this Agreement will adhere to the defined subject-matter, duration, nature, purposes, involving specific types of personal data and categories of Data Subjects as outlined in this Part A.

1. Subject-matter of processing: [Specify]
2. Duration of the processing: [Specify]
3. Nature and purpose of the processing: [Specify]
4. Types of Personal Data: [Specify]
5. Categories of Data Subjects: [Specify]
6. Detailed processing instructions: [Specify]

Part B

Technical and Organizational Security Measures

PCL will establish and uphold the specified technical and organizational security measures to safeguard the Protected Data:

Aligned with Data Protection Laws, considering the current technology, implementation costs, and the scope, context, and objectives of the Protected Data processing within or related to this Agreement, as well as the potential risk to individuals' rights and freedoms and the possibility of processing risks, including from accidental or illegal destruction, loss, alteration, unauthorized disclosure, or access to the Protected Data transmitted, stored, or processed in any other way, PCL will employ suitable technical and organizational security measures proportional to the risk. This includes practices specified in Articles 32(1)(a) to 32(1)(d) of the GDPR, as relevant.

END OF DOCUMENT