

**ANNEX 1 – EOR SERVICES**

This Annex 1 for EOR Services forms an integral part of and should be read in conjunction with the TopSource Worldwide Group Service General Terms and Conditions which shall regulate the services contained under this Annex 1 in relation to any aspects not specifically covered hereunder.

Annex 1 covers all the specific terms and conditions applicable to EOR SERVICES.

1. INTERPRETATION

The following definitions and rules of interpretation apply in these Conditions.

1.1 Definitions:

- a) Consultant:** TopSource's employee as selected by the Client to fulfil any Function and who will be engaged solely to provide the Consultant Services for the Client for the Services Period (save as otherwise agreed in writing in accordance with these Conditions).
- b) Consultant Services:** the services to be performed by the relevant Consultant as detailed in the Employment Agreement.
- c) Employment Agreement:** a local contract of employment in the Territory detailing all terms of the relevant Consultant's employment with TopSource, including the Consultant Services, each such Employment Agreement to be for an indefinite period and subject to any labour laws
- d) Employment Cost:** means all costs, expenses, charges and contributions arising or accrued in connection with the contract of employment or its termination including, without limitation, all remuneration, emoluments, salaries, wages, bonus, commission, benefit costs, holiday pay, notice pay, redundancy pay, taxation and national insurance contributions and contributions to retirement benefit schemes the sum referred to as such shall be agreed in writing by the Parties according to the statutory requirements of the Territory and specific requirements of the Client.
- e) Employment Service:** means:
- (i) preparation of the Employment Agreement for the relevant Consultant;
 - (ii) entering into such Employment Agreement with the Consultant;
 - (iii) assignment of such Consultant to perform the Consultant Services; and
 - (iv) the provision of, and agreement with the relevant Consultant of, any applicable performance improvement plans, disciplinary actions, terminations and salary together with any other services as the Client shall reasonably require in relation to the measurement of the performance by any Consultant of the Consultant Services.
- f) EOR:** means Employer of Record.
- g) Fees:** the fees for the supply of the Services detailed in the Order for Services Form and payable by the Client in accordance with clause 6 (Fees and payment) which will include the following categories:
- (i) **Ad-Hoc Services Fee:** such sum as reflects any out of scope Service required in writing by the Client including but not limited to any administration costs (including but not limited to sourcing and management of any specific benefits and/or insurance that the Client requires to be included as part of the Services) and travel/work permit associated fees, management of visa applications for the Client's Consultants as required and, where applicable, work permit applications.
 - (ii) **Annual Services Fee:** such fee as includes but is not limited to, as applicable, the preparation and filing of annual payroll tax returns; preparation and distribution of annual payroll records to and for each Consultant; management of annual bonuses, management of benefits, and equivalent completion work.
 - (iii) **Consultant Fee:** the estimated total cost of employment of the applicable Consultant provided by TopSource from time to time, including but not limited to the applicable gross salary, applicable holiday allowance, accruals of statutory benefits and severance payments together with any non-statutory benefits and/or allowance requested and approved by the Client.
 - (iv) **Deposit:** the amount required from time to time to cover payroll, termination notice period and severance pay liabilities for the Consultants, being the greater of one (1) month of Consultant Fees or as determined under the relevant SOF and such higher amount as reflects local territory rules, the contractual notice period of the Consultant and any other factor reasonably required by TopSource (including but not limited to the length of employment of the Consultant and/or statutory changes in the applicable local employment regulations).
 - (v) **Implementation Fee:** the one-time payment for onboarding any Consultant (whether at the Commencement Date or at any time during the term of this Agreement, as applicable) and in any role (which may consist of the drafting of employment contract(s), access to any applicable Online Services and/or set-up fees for Consultant payroll arrangements), payable upon signing of the Order for Services Form and included within the first invoice to the Client.
 - (vi) **Monthly Services Fee:** the fee applied by TopSource for the provision of the Services in the amount as specified in the Order for Services Form and related to the Scope of Services, such fees to be subject to an annual increase annually in line with the UK's Retail Price Index.
 - (vii) **Off-Boarding Fee:** such sum as is detailed in the Order and/or as communicated to the Client by TopSource in writing, and is payable in the event that TopSource is required to provide additional support to migrate payroll and benefits information in cases
 - 1) the Client wishes to transfer the provision of the Services from TopSource to any other party (including for these purposes to an alternative EOR service provider and / or to the Client and / or to any Group Company of the Client); and/or
 - 2) The Client wishes to terminate, under any circumstances, the employment of a Consultant.



h) HR Process: means any process related to the employment relationship between TopSource and the Consultant, including but not limited to: i) offer letters and/or employment agreements; ii) salary increase, promotions or change of job title/positions notifications; iii) performance improvement plans; iv) any kind of termination of employment; v) payment of bonuses and expenses; vi) management of any benefits provided to the Consultant within the terms of the employment agreement; vii) any kind of grievances process initiated by the Consultant; viii) any investigations initiated by TopSource related to a misconduct of the Consultant.

l) In Country Guidance: any material issued by TopSource and/or any Affiliate detailing any applicable guidance and/or HR procedures to be followed by the Client in the applicable Territory.

j) Initial Term: the period of not less than 6 months during which this Agreement will need to remain in force and cannot be terminated for convenience by the Client.

k) Local Entity: a legal entity partly or wholly owned by the Client and registered and established in the Territory to fulfil a role broadly similar to the performance of the Consultant Services and / or the Services in the Territory.

l) MTA: "Mutual Termination Agreement" the settlement to be agreed with the Consultant when there are no grounds to terminate the employment of any Consultant in accordance with the applicable laws in which case TopSource will only be able to terminate the employment with the Consultant via a mutual termination agreement subject to Client's approval.

m) Online Service: TopSource's Portico EoR and/or alternative online platform providing access to human resource data or supplier and customer data through an online portal accessed with User IDs and passwords.

n) Problem: a performance concern, disciplinary issue, or other grievance in relation to the performance by a Consultant under the Consultant Services.

o) Services: the services, including the Employment Service, supplied by TopSource to the Client as set out in the Order for Services Form.

2. SERVICES

This Annex covers the EOR services as detailed under the specific Order and as regulated by the Conditions and this Annex.

3. CLIENT'S OBLIGATIONS

3.1 The Client shall:

3.1.1 co-operate with each Consultant, TopSource, any Delivery Partner and their respective employees, agents, consultants and subcontractors in all matters relating to the Services and / or the Consultant Services;

3.1.2 provide each Consultant, TopSource, any Delivery Partner and their respective employees, agents, consultants and subcontractors with:

- (a) access to such facilities as are reasonably required in order to supply the Services and / or the Consultant Services;
- (b) such information and materials as may be reasonably required in order to supply the Services and / or the Consultant Services, and ensure that:
 - (i) such information is complete and accurate in all material respects; and
 - (ii) any change to such information (including but not limited to payrolls, expense policies or terms and conditions of employment) is promptly notified to TopSource, any Delivery Partner and their respective employees, agents, consultants and subcontractors;

3.1.3 treat the Consultants in a suitably professional manner in any dealings with them and in accordance with good business practice, ensuring a safe working environment and follow TopSource's guidance regarding the applicable health and safety regulations, remote work, travel policies and any HR Process and recommendations. For the avoidance of doubt the Client hereby acknowledges and agrees that any HR Processes related to the Consultant shall be strictly initiated and communicated in writing to the Consultant solely by TopSource upon Client's instructions. The Client shall cooperate with TopSource and follow TopSource given guidance on any HR Process.

3.1.4 in case of Client's request the Consultant under the EOR services to work on site, the Client shall: i) provide TopSource with the relevant risk assessment and health and safety guidelines applicable to the premises of work.

3.1.5 inform the Consultant about the nature of the Consultant's appointment and the relationship between TopSource and the Client before the Commencement Date and procure that the Consultant will cooperate with the onboarding process.

3.1.6 manage and direct the day-to-day workload of the Consultants within the parameters of the Function and under no circumstances:

- (c) instruct, request, entice or otherwise endeavour to persuade a Consultant to take any action which could reasonably be considered to be to the detriment of TopSource or TopSource's business; or
- (d) (during the period from the Commencement Date and expiring 6 months after the expiry or termination of the Agreement) solicit or entice away from TopSource or employ or attempt to employ any person who is, or has been, engaged as an employee (excluding any Consultants), consultant or subcontractor of TopSource in the provision of the Services;

3.1.7 provide accurate absence information (including but not limited to, annual leave, sick leave, maternity leave, paternity leave, parental leave,



compassionate leave and/or any other applicable absence information of similar nature) related to the Consultant, promptly, as instructed by TopSource in writing from time to time.

3.2 The Client agrees that:

3.2.1 any benefits required under the Applicable Laws of the Territory, or any supplemental benefits that the Client wishes to provide to each Consultant, shall be provided by TopSource at the Client's expense; and

3.2.2 has read and shall comply with the In Country Guidance.

4. CONSULTANTS

4.1 Each Employment Agreement shall be subject to the Client's prior approval (such approval not to be unreasonably withheld or delayed).

4.2 In accordance with clause 3.1.3 above, the Parties acknowledge and agree that the Client shall refrain from performing any aspect of the Employment Services which shall be performed exclusively by TopSource unless the parties agree in writing otherwise.

4.3 In the event that the Client becomes aware of a Problem, the Client shall promptly notify, within five (5) Business Days, TopSource of the same (including sufficient detail for TopSource to be able to investigate the Problem) and shall instruct TopSource to either:

4.3.1 work with the Consultant in conjunction with the Client's nominated representative to seek to resolve the Problem, TopSource shall advise the Client when a performance improvement plan is requested to solve the Problem, (provided always that, if the Problem is not resolved to the Client's reasonable satisfaction within the timelines established by the Applicable Laws of the Territory, the provisions of clause 4.3.2 shall apply); or

4.3.2 (subject always to the Applicable Laws of the Territory, including as to showing due cause for the same) terminate the relevant Employment Agreement providing the Consultant the statutory notice period according to the Applicable Laws.

4.4 In the event that the Client instructs TopSource to terminate the employment with the Consultant, TopSource shall take such steps as are required to verify whether such termination is permitted under the Applicable Laws of the Territory, and TopSource shall conduct such termination provided always that the Client shall first pay to TopSource:

(a) the Services Charge applicable to the notice period referred to; and

(b) any statutory payments due to the Consultant as defined by the employment laws of the Territory;

4.5 In the event that TopSource confirms to the client that the termination of the employment is not permitted, TopSource shall (after first confirming the Client's decision to terminate the Services) carry out such termination and the Client shall cover any cost related to the requested termination and cover any proven legal fees and damages directly arising out of or connected with the employment agreement being terminated without permitted grounds. For the avoidance of doubt the client shall cover:

(a) Any applicable redundancy, severance pay, and/or unfair dismissal statutory payments, pay in lieu of notice, and payment in lieu of accumulated holiday entitlement; and

(b) If required by the applicable Law, in case of fixed term employment agreements to cover the Consultant's wages for the balance of the original term agreed in the Employment Agreement; and

(c) Any proven costs, TopSource incurs as a result of the instruction of the Client to terminate the employment without legal grounds including but not limited to all reasonable legal fees of the Consultant and TopSource, award from competent authority, or appropriate and reasonable severance package will need to be detailed in the MTA subject to the approval of the client.

4.5.1 Except in a case of resignation by a Consultant, when the Client wishes to early terminate this Agreement due to a transfer to a different provider or to Client's own entity, the Client acknowledges and agrees that TopSource Monthly Service Fee, shall cover the entire notice period of 90 days regardless of any shorter notice period applicable to the termination of the employment contract as provided under clause 4.6 below.

4.6 The Client shall give TopSource a minimum of 90 (ninety) days written notice or observe the notice period set out in the relevant Employment Agreement (whichever is the shortest which cannot however be shorter than the statutory notice period for TopSource to terminate the employment contract with the Consultant) following which TopSource will immediately commence procedures to terminate the relevant Consultant's employment;

4.7 The parties acknowledge and agree that:

4.7.1 the Consultants are employees of TopSource and TopSource shall remain solely responsible for the administration of all salary, tax, National Insurance (or similar local tax), and other employment related financial matters arising in relation to the Consultants whilst they are employed by TopSource, (and shall indemnify the Client in respect of any demands relating to any payroll miscalculation as a result of the engagement of Consultants under this Agreement);

4.7.2 the Client remains solely and fully liable for any action taken by the Consultant under the Client's instruction or direction during the course of them performing the Consultant Services and shall cover any cost suffered by TopSource arising out of or related to any such action taken by a Consultant under the Client's instruction or direction.

4.7.3 neither Party shall take any action or instruct, persuade, entice, or otherwise influence the Consultant to take any action which:

(a) would be illegal under English Law; or

(b) is illegal under the local laws of the Territory; or



(c) is in breach of the terms of the Agreement or of any third party's intellectual property rights; or

(d) would cause any Consultant to be in breach of the terms of its Employment Agreement; and

(e) each Party (**Indemnifying Party**) shall indemnify, defend, and hold harmless the other Party (**Indemnified Party**) from and against any and all third party claims, damages, losses, liability, causes of action, judgment, costs or expenses (including reasonable attorney's fees) asserted against or suffered by the Indemnified Party arising out of or related to a breach of the Indemnifying Party's obligations set forth in this clause 4.7.3 (to the extent not caused or contributed to by an unlawful, negligent or willful act or omission of the Indemnified Party).

4.8 TopSource confirms that it has in place satisfactory levels of insurance coverage and policies in effect during the duration of this Agreement with reputable insurance companies. Upon Client's request TopSource shall provide the relevant insurance details.

4.9 In the event that any legal determination regarding a Consultant under the Agreement is required (or any aspect of the applicable Employment Agreement, including but not limited to: tax benefits applicable to the Consultant in the Territory, specific requests for Intellectual Property clauses within the Employment Agreement, immigration matters, legal fees and/or costs related to termination disputes), TopSource will engage the services of suitably qualified independent legal professionals in the Territory to provide written legal advice of such determination, provided always that such determination shall not reduce or mitigate the Client's obligations in relation to the termination of the employment of any Consultant under this clause 5 or as detailed elsewhere in these Conditions. The parties acknowledge and agree that any costs relating to the engagement of any such independent legal professionals shall be approved in advance by the Client and borne in full by the Client.

4.10 The Client acknowledges and accept that any termination of the employment shall be undertaken exclusively by TopSource as employer of the Consultant, and the Client shall refrain to communicate any termination intention, or disciplinary action to the Consultant without the involvement and agreement of TopSource.

5. FEES AND PAYMENTS

5.1 The Client acknowledges and agrees that all Fees are subject to amendment if there are changes:

5.1.1 to the Client's requirements for the Services (such changes to requirements and the amended Fees to be subject to prior written agreement, such agreement not to be unreasonably withheld or delayed); and / or

5.1.2 in market conditions in the Territory in respect of which TopSource may amend the Fees on thirty (30) days written notice to the Client to reflect any increase on the Consultant Fee in the event that the total employment cost increases as a consequence of:

(a) a change in the employment regulations of the applicable country of employment; and / or

(b) any increase in the cost to TopSource of the provision of the Services.

5.2 All fees shall be invoiced in the relevant local currency in the Territory unless otherwise agreed by the parties in writing. The exchange rate shall be set by Ebury at the time of the relevant transaction or by such other exchange rate data provider or bank exchange rate, as determined by TopSource in its sole discretion from time to time.

5.3 Unless otherwise stated in the Order, the Client shall pay the Deposit, and any subsequent Deposit in full and in cleared funds to a bank account nominated in writing by TopSource within 7 days of receipt of the relevant invoice from TopSource and in any event before the starting date of the Employment Agreement with the Consultant in accordance with the specification of the Order Form. The Deposit is required to cover payroll and severance pay liabilities for Consultants and is an amount payable per Consultant. The Deposit is dependent upon local territory rules, contractual notice period of the Consultant and is subject to increase where the Client requires an increased number of Consultants under the Agreement. If:

5.3.1 termination and / or expiry of this Agreement gives rise to any costs and / or liability for TopSource (including but not limited to any costs of terminating any applicable Employment Agreement); and / or

5.3.2 the Client: fails to pay any Fees in accordance with the Agreement, TopSource shall be entitled to apply any Deposit amounts (i.e. whether or not such Deposit amount is related to the specific services with the overdue invoice) paid by the Client against such default. The Client shall pay to TopSource any sums deducted from the Deposit within seven (7) Business Days of written demand for the same.

5.4 TopSource shall invoice the Client, and the Client shall pay each invoice submitted by TopSource, as detailed in the Order for Services Form. Time for payment shall be of the essence of the Agreement. The Client acknowledges and agrees that any failure to make payment and / or any late payment of any fees may cause significant financial hardship to TopSource which may result in TopSource being unable to meet the Consultant fee and accordingly the Client shall indemnify TopSource against all loss or damage that results from any such failure and / or late payment of any invoice under the Agreement.

5.5 Any remaining Deposit will be returned to the Client following termination and / or expiry of this Agreement.

6. INTELLECTUAL PROPERTY RIGHTS

6.1 All Intellectual Property Rights created by the Consultants in performing the Consultant Services under this Agreement shall remain and vest in the Client and TopSource hereby assigns such rights to the Client without any additional service fee charge. The Client shall approve and cover any cost related to the transfer of any Intellectual Property Rights where any deeds, administrative or judicial procedure and/or external counsel's legal fees are necessary in order to execute such assignment according to the Applicable Law, TopSource shall not take any action without the Client's approval of these potential costs (such approval not to be unreasonably withheld or delayed).



- 6.2 The Client shall cover any proven costs and damages resulting from or in connection with any claim brought by a third-party against TopSource alleging that any aspect of the Consultant Services infringes a third-party patent, copyright, or similar right, to the extent that any such infringement is caused by the Client direct instructions.

7. LIABILITY

- 7.1 The Parties hereby acknowledge and agree that the provisions contained under this clause 7 in this Annex shall supersede the liability provisions under clause 8.4 contained under the Conditions.
- 7.2 The Parties acknowledge and agree that the Client's maximum aggregate liability shall be limited to 100% (one hundred) of the approved total Employment Cost, the Monthly Services Fee, any relevant and applicable termination cost and any proven damages suffered by TopSource arising directly from Client Default or breach of its obligations.
- 7.3 The Parties acknowledge and agree that TopSource maximum aggregate liability under the Agreement shall be limited to 125% (one hundred and twenty five percent) of the Monthly Services Fees paid and payable by the Client in respect of the element of the Services that is the subject of the liability during the twelve (12) month period immediately prior to such liability arising.

8. TERM AND TERMINATION

- 8.1 Following an Initial Term of six (6) months from the date of signature of the Order ("Commencement Date") and without affecting any other right or remedy available to either Party:
- 8.2 subject to clause 4.6 either Party may terminate this Agreement by giving the other Party 90 (ninety) days written notice. Upon expiry of the Initial Term the Parties agree that the present Agreement shall not create any financial obligation from the Client toward TopSource without an active Consultant under the relevant Order for Services Form for each specific services in place.
- 8.3 Regardless of the termination notice period of this Agreement, the Client hereby acknowledges and agrees that any obligations of the Client relating to the Consultant Fee in accordance with the terms of this Agreement shall remain in full force and valid until the date of the effective termination of the Employment Agreement with the relevant Consultant in accordance with the applicable local employment laws of the country of service.

9. CONSEQUENCES OF TERMINATION

- 9.1 On termination or expiry of the Agreement the Client shall:
- 9.1.1 immediately pay to TopSource:
- (a) all of TopSource's outstanding unpaid invoices and interest;
 - (b) any Fees and / or costs and / or liabilities that accrue from the period commencing on the date of service of the termination notice until the date of termination of the applicable Employment Agreement with the applicable Consultant pursuant to any applicable laws and/or in accordance with any MTA and / or any other liability pursuant to clause 4.5; and
 - (c) in respect of Services supplied for which no invoice has been submitted in relation to which TopSource shall submit an invoice, which shall be payable by the Client immediately on receipt;
- 9.2 The Client acknowledges and agrees that should the Client request TopSource to transfer the employment of the Consultant to the Client's Local Entity or to a different service provider selected by the Client, and subject to such transfer being permitted under the applicable employment laws of the Territory of the Services, the Client shall follow any statutory regulations applicable to such transfer as advised by TopSource. The Client further agrees to cooperate with TopSource and to cover any cost directly arising from such transfer as detailed in the Order.