



Marston's PLC

MARSTON'S PAYROLL BUREAU TERMS AND CONDITIONS OF BUSINESS (2007 Edition)

The following terms and conditions of business ("Terms and Conditions") apply to the provision by Marston's PLC (the 'Company') of a web based payroll bureau service (the 'Service') to those third parties who shall accept these Terms and Conditions for the provision of the Service (the 'Client').

Recital

The Company shall provide the Service whereby the Client shall provide information on the Client's employees to the Company to enable payroll computations, to include gross pay, net pay and voluntary deductions to be calculated by the Company. Such calculations shall then be sent back to the Client via a web based payroll portal (the 'Portal').

TERMS AND CONDITIONS OF BUSINESS

1. CLIENT OBLIGATIONS

1.1 The Client must accurately provide, in the appropriate areas of the Portal, for each weekly paid employee:

- i. All hours for payment relevant to the week to be paid.
- ii. All new starter details.
- iii. All leaver details.
- iv. All holiday pay details.
- v. All sick pay details including dates of sickness.
- vi. Any changes to personal details e.g. address.

by 11.00am each Monday throughout the duration of the provision of the Service by the Company.

1.2 All paper forms in respect of each weekly paid employee to be received by the Company by 11.00 am on Monday morning. These to include (by way of example and not limited to);

- i. P45's for new employees.
- ii. Medical notes
- iii. Maternity forms (MATB1).
- iv. Any Court Orders to be observed

1.3 The Client must accurately provide, in the appropriate areas of the Portal, for each monthly paid employee;

- i. All hours for payment relevant to the week to be paid.
- ii. All new starter details.
- iii. All leaver details.
- iv. All holiday pay details.
- v. All sick pay details including dates of sickness.
- vi. Any changes to personal details e.g. address.

by 11.00am on the 20th day of each calendar month (or the previous normal business day if the 20th day of the month falls on a Bank Holiday or weekend) throughout the duration of the provision of the Service by the Company.

1.4 All paper forms in respect of each monthly paid employee to be received by the Company by 11.00 am on the 20th day of each calendar month (or the previous normal business day if the 20th day of the month falls on a Bank Holiday or weekend). These to include (by way of example and not limited to);

- i. P45's for new employees.
- ii. Medical notes
- iii. Maternity forms (MATB1).
- iv. Any Court Orders to be observed

1.5 The Client must, upon receipt from the Company, check all payslips and reports to ensure accuracy of the data processed by the Company. Any errors should immediately be notified to the appropriate administrator within the Company's payroll bureau team.

1.6 The Client hereby confirms the appointment of the Company as its agent for the purpose of processing the Client's employee payroll and dealing with any applicable third parties including (by way of example and not limitation) H M Revenue & Customs ('HMRC') provided always that the Company, in acting as such agent, shall not incur (without prejudice to any other provisions of these Terms and Conditions) any liability to any employees of the Client or any other third parties in any capacity whatsoever whether as agent or principal.

2. COMPANY OBLIGATIONS

The Company will check to confirm that the Client has submitted all data due to be processed for each relevant period via the Company's Portal.

The Company will contact the Client by telephone or by any other reasonable means if data has not been received from the Client by the agreed time and will seek to ensure all relevant data is received after prompting the Client to complete the web based payroll system and/or submit papers through the post. If the Client is unable to access their computer, or there is any other reason that prevents the transfer of data via the Portal, then the Company will seek any other reasonable means available to obtain the Client's data for processing, i.e. by phone or by fax.

The Client's data for the relevant period will be transferred by the Company onto the payroll system by no later than 12.30pm on each Monday in respect of weekly paid employees and 12.30pm on the 20th day of each month in respect of monthly paid employees.

2.3 The Company will, as appropriate, process the Client's data through the Company's payroll system:

- i. Up to Gross Pay Calculations.
- ii. Gross to Net Calculations including all statutory and voluntary deductions, to produce Net Pay.
- iii. Produce Standard Reports for (a) Payslips (b) Gross to net analysis report by individual (c) Monthly HMRC report to complete P30b payment over book, coinage listing for cash paid employees.

2.4 All payroll reports including payslips will be sent electronically to the Client via the Company's Portal by the Thursday afternoon, following provision on the Monday of the relevant data by the Client, at the latest. The Company cannot guarantee exact timescales.

2.5 Queries from the Client arising from the processed data and reports will be dealt with in a timely manner by the Company's payroll bureau team.

2.6 All tax year end processing will be returned electronically to HMRC which will include P35, P14, P60 and sent by the due date as set by HMRC. An electronic file will be produced for the Client at the same time.

2.7 The Company will treat all employee data received from the Client in strict confidence, with full reference to applicable data protection legislation from time to time.

2.8 The Company will only respond to queries from the Client, HMRC or third parties which are relevant to the processing and administration of the Client's payroll.

3. PORTAL AVAILABILITY

The Portal will not be available to the Client between the approximate hours of 12.30am Monday to 3.00pm Tuesday.

4. BANK HOLIDAYS

The procedures for Bank Holidays remain the same for the Client, with the exception that availability of the Portal will be delayed until Wednesday 3.00pm.

5. PAYMENT FOR SERVICES

5.1 The charge to the Client for the Service will be £1.00 plus VAT per payslip produced each week in respect of weekly paid employees and £1.00 plus VAT per payslip produced on a monthly basis in respect of monthly paid employees.

5.2 Payment of the Company's invoice by the Client will be net for settlement or otherwise within fourteen days.

5.3 If any payment is not received by the Company when due, or where a cheque or standing order or direct debit is not met, the Company may at its discretion refuse to provide all or any part of the Service unless and until payment is satisfied.

5.4 If any money due remains unpaid for more than 28 days, all liability of the Company to the Client will cease and the provision of the Service will (without prejudice to any liability on the part of the Client to the Company) be deemed cancelled.

6. TERM AND TERMINATION

6.1 The duration of these Terms and Conditions shall be as agreed between the Company and Client from time to time, but shall be for a minimum of one calendar year after any free lead in period agreed between the Company and the Client. Once the initial one calendar year duration has been completed then the agreement between the Company and the Client can be terminated by either party so long as one month's written notice is provided by the terminating party to the other.

6.2 Either party may forthwith terminate this agreement by written notice to the other in any of the following events:-

6.2.1 If any other party commits a material breach of these Terms and Conditions or any agreed schedule/agreement between the parties and where such breach is capable of remedy, fails to remedy such breach within 30 days from the service on the other of a written notice specifying the breach and requiring it to be remedied; or

6.2.2 If the Client is a Company and there is a "Company Insolvency Event" which shall mean in relation to a Company that:

6.2.2.1 it is deemed unable to pay its debts as defined in Section 123 of the Insolvency Act 1986 (the "Insolvency Act") or

6.2.2.2 a proposal is made for a voluntary arrangement under the Insolvency Act or a petition is presented for an administration order under the Insolvency Act or an application is made for the appointment of an administrator or any such

petition or application is contemplated or resolved or a receiver or an administrative receiver or manager is appointed whether under the Insolvency Act or otherwise or

6.2.2.3 it goes into liquidation as defined in Section 247(2) of the Insolvency Act other than a voluntary winding-up solely for the purpose of amalgamation or reconstruction whilst solvent or

6.2.2.4 a provisional liquidator is appointed under Section 135 of the Insolvency Act or

6.2.2.5 a proposal is made for a scheme of arrangement under Section 425 of The Companies Act 1985

If the Client is an individual or individuals and there is an "Individual Insolvency Event" in respect of an individual which shall mean in relation to an individual that:

6.2.2.6 an application is made for an interim order or a proposal is made for a voluntary arrangement under the Insolvency Act or

6.2.2.7 a bankruptcy petition is presented to the Court or circumstances of the Borrower are such that a bankruptcy petition could be presented under Part IX of the Insolvency Act or

6.2.2.8 the Client enters into any form of deed of arrangement or compromise with any creditors.

6.3 The termination of these Terms and Conditions on whatever basis shall not prejudice or affect any right of action or remedy which shall have accrued or shall thereafter accrue to any party.

6.4 In the event of the termination of these Terms and Conditions the Company and the Client shall co-operate with each other as necessary and on as prompt a basis as possible to ensure the smooth handover of all relevant information in relation to the Client's payroll provided always that the obligation on the part of the Company hereunder shall not apply unless and until all payments due to the Company from the Client in relation to the provision of the Service shall have been settled and any other obligations on the part of the Client to the Company hereunder complied with.

7. LIABILITY

The Company undertakes to process all data provided by the Client as per the obligations within these Terms and Conditions, however, if errors occur during the processing of this data either by negligence or mistake on the part of the Company, any liability claims shall be restricted to the total cost of the correction of such errors.

8. CONFIDENTIAL INFORMATION

Neither the Client nor the Company shall disclose the know how and/or trade secrets of the other party, nor use such information otherwise than for the permitted purposes of the Service.

9. INTELLECTUAL PROPERTY RIGHTS

The Company shall retain all ownership, copyright and other intellectual property rights in everything developed, designed or created in relation to the provision of the Service, including, but not limited to, systems, methodologies, software, know-how and working papers.

10. ASSIGNMENT

Neither the Client nor the Company shall be entitled to assign the benefit or delegate the burden of these Terms and Conditions (whether in whole or in part) without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed provided that such consent will not be required in the case of an assignment by any party to another group undertaking of that party.

11. GENERAL

11.1 No variation to these Terms and Conditions shall be effective unless recorded in writing and duly-signed by each of the parties.

11.2 Any internal or external communications made by either party in relation to these Terms and Conditions shall be agreed in advance between the parties.

12. NOTICE

Any notice or other communication given under these Terms and Conditions or any agreement between the parties shall be given in writing and shall be deemed to have been duly served on if it is hand delivered at the registered office or place of business of that party (with delivery deemed to have received immediately at time of delivery) and signed for on behalf of the receiving party or posted pre-paid first class post to the registered office (with delivery deemed to have been received two business days following posting).

13. WAIVER

No delay or failure by either party in exercising or pursuing any claim right or remedy arising under these Terms and Conditions and any agreed agreement between the parties or from any breach by a party of any of its obligations shall operate or be construed as a waiver thereof. The rights and remedies provided by these Terms and Conditions may only be waived by written agreement between the parties.