

***Terms and Conditions for the Supply of Managed Services and Outsourcing to be supplied by My Digital Accounts Limited ("My Digital")***

These terms were last updated on March 2<sup>nd</sup> 2026, if you would like to review previous versions please contact Compliance@mydigitalaccounts.com

**Agreed terms**

**1. Interpretation**

1.1 The following definitions and rules of interpretation apply in this agreement (unless the context requires otherwise).

**Acceptable Use Policy:** My Digital Group's acceptable use policy as displayed on the Website from time to time.

**Ad Hoc Services** - means Services requested by the Customer from time to time that are outside the agreed scope of Payroll Processing or Outsourced FTE services, and which are provided on a discretionary basis, subject to the My Digital's agreement, and charged at My Digital's standard rates or as otherwise agreed in writing.

**Affiliate:** any other company which is an associate of the Customer, including all subsidiaries, holding companies and subsidiaries of holding companies, and includes any other companies with whom the directors of the Customer are associated as either directors, employees or as shadow directors (such judgement to be made using reasonable judgement by My Digital).

**Billing Period:** each calendar month.

**Business Day:** a day, other than a Saturday, Sunday or public holiday in England, when banks in the City of London open for normal banking business.

**Customer:** The person or organisation purchasing services from the supplier as outlined on the Schedule of Services

**Customer Business Systems:** the information technology and communication systems, including networks, hardware, software and interfaces owned by, or licensed to, the Customer, or any of its agents or contractors.

**Customer Property:** all documents, books, manuals, materials, records, correspondence, papers and information (on whatever media and wherever located) relating to the business or affairs of the Customer or its customers and business contacts, and any equipment, keys, hardware or software provided by the Customer to My Digital in connection with the Services (including the items provided pursuant to clause 5).

**Customer Representative Email Address:** The email address outlined on the Schedule of Services for Customer communication or other such email address which the parties have mutually agreed in writing.

**Commencement Date:** the date outlined on the Schedule of Services.

**Confidential Information:** means, in relation to each party, information in whatever form (including, without limitation, in written, oral, visual or electronic form or on any magnetic or optical disk or memory and wherever located) relating to the business, customers, clients, suppliers, products, affairs and finances of that party for the time being confidential to that party and their trade secrets including, without limitation, technical data and know-how relating to that party or any of its suppliers, customers, clients, agents, distributors, shareholders, management or business contacts and including (but not limited to) information that is developed by that party in the course of carrying out or in connection with this agreement, whether or not such information (if in anything other than oral form) is marked confidential.

**Consumer Prices Index:** My Digital operates across 2 geographies and therefore the following terms may apply:

- a) **UK Consumer Prices Index:** the Consumer Prices Index (**UK CPI**)(all items)(United Kingdom)
- b) **India Consumer Prices Index:** the All India Consumer Prices Index (**India CPI**)(all items)(India)

**Data:** any data provided by the Customer and which is processed by My Digital in the performance of the Services (or any of them).

**Data Protection Legislation:** all applicable data protection and privacy legislation in force from time to time in the UK including the General Data Protection Regulation ((EU) 2016/679) (**UK GDPR**), the Data Protection Act 2018 (and regulations made thereunder) or any successor legislation, and all other legislation and regulatory requirements in force from time to time which apply to a party relating to the use of personal data (including, without limitation, the privacy of electronic communications).

**Documentation:** the document(s) made available to the Customer by My Digital online (which can be accessed at the Website) or which are otherwise made available to the Customer and which set out a description of the Services and the user instructions for the Services.

**Fees:** the sums payable for the provision of the Services as specified in clause 7 and which shall be calculated on the basis outlined on the Schedule of Services and Schedule 1.

**Force Majeure Event:** an event, circumstance or cause beyond either party's reasonable control, including but not limited to (a) acts of God, flood, drought, earthquake or other natural disaster, (b) terrorist activity, (c) shortage of raw materials, (d) epidemic or pandemic, (e) power or fuel, failures, (f) delays in the banking or payment collections or payment transfer systems, (g) any breakdown of plant or machinery, (h) any failure of any computer software or hardware, (i) any interruption or failure in a communications network, (j) nuclear, chemical or biological contamination or sonic boom, (k) any law or any action taken by a government or public authority, including imposing an export or import restriction, quota or prohibition, or failing to grant a necessary licence or consent, or (l) non-performance by suppliers or sub-

contractors (other than by companies in the same group as the party seeking to rely on the clause).

**Inflationary Increase:** prices or payments under this agreement including, but not limited to, the Fees, will be adjusted annually, on 1<sup>st</sup> April in each Year and as further specified in clause 7.8. in accordance with either UK CPI or India CPI for the prior year ending 31 December.

**Initial Contract Term:** the initial term of the contract as set out in the Schedule of Services.

**Intellectual Property Rights:** patents, utility models, rights to inventions, copyright and neighbouring and related rights, moral rights, trademarks and service marks, business names and domain names, rights in get-up and trade dress, goodwill and the right to sue for passing off or unfair competition, rights in designs, rights in computer software, database rights, rights to use, and protect the confidentiality of, confidential information (including know-how and trade secrets) and all other intellectual property rights, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world.

**My Digital:** My Digital Accounts Limited (Company Number: 15103537)

**My Digital Business Systems:** means the proprietary software platforms, tools, or systems owned or licensed by My Digital or its Affiliates and used by My Digital to deliver the Services.

**Minimum Subscription Fee:** where set out in the Schedule of Services, the minimum monthly Fees payable by the Customer to My Digital as such fee is set out in the Schedule of Services.

**My Digital Group:** means My Digital Accounts Limited (company number 09514480) and any company that is a subsidiary or holding company of My Digital Accounts Limited from time to time, including (but not limited to) My Digital Accounts Limited (Company Number 5103537), which is the entity providing the Services under this Agreement.

**Outsourced FTE -** means a full-time equivalent personnel resource supplied by My Digital to the Customer to deliver ongoing operational, administrative or technical support, where such resource remains employed or engaged by the My Digital, and performs services for the Customer in the United Kingdom in accordance with the agreed scope on the relevant Schedule of Services, service levels and supervision arrangements.

**Payroll Completion:** Once the Customer has approved the output documents produced by My Digital for the provision of Payroll Processing for the relevant Payroll Period.

**Pay Date:** the date on which wages or salaries are paid to workers for the relevant Payroll Period.

**Payroll Period:** The specific period of time for which pay is calculated, representing the start and end dates during which work is performed and earnings are accrued. This could be Weekly, Fortnightly, or Monthly.

**Payroll Processing** – means the provision of payroll services in the United Kingdom, including:

- calculating gross-to-net pay, statutory deductions and employer liabilities
- producing payslips and payroll reports
- making Real Time Information (RTI) submissions to HMRC
- preparing end-of-year payroll returns, all in accordance with Applicable Law and the Customer's instructions.

**Payroll Processing Date:** The date on which payroll calculations are completed and finalised for payment.

**Resources:** the personnel (which shall include any Substitute), tools, or methods used in delivering the Services. My Digital shall be solely responsible for determining Resources required for delivering the Services. The Customer shall have no authority over, or responsibility for, line management of such personnel.

**Relief Events:** the following events:

- (a) any failure by the Customer to comply with its obligations under this agreement;
- (b) any error or malfunction in the Customer Business Systems or any other software, hardware or systems necessary for the provision or use of any of the Services for which My Digital is not responsible or any failure by the Customer, its agents or contractors (including any existing service provider) to obtain sufficient support and maintenance, as required, for any software, hardware or systems for which My Digital is not responsible;
- (c) any failure by the Customer or its agents or contractors (including any existing service provider) to provide any information, co-operation or instructions to My Digital which is reasonably required by My Digital for the proper performance of its obligations under this agreement.

**Schedule of Services:** the Schedule of Services signed by the parties setting out details of the contract and containing the Customers consent to these Terms and which includes, but is not limited to, the following:

- (i) details of the Initial Subscription Term
- (ii) a Unique Identification Number;
- (iii) the number and/or designated skill level of the applicable Resource(s);
- (iv) the charge rate for each applicable Resource; and
- (v) the basis on which the Fees in relation to that Schedule of Services will be calculated

**Service Period:** the duration during which My Digital provides the Services specified in a particular Schedule of Services. The Service Period for each Schedule of Services shall:

- commence on the **Commencement Date** as stated in the relevant Schedule of Services; and
- end on the **Service Period End Date** which is the earlier of:
  - a) if applicable, the Service Period End Date specified in the Schedule of Services; or
  - b) the date specified in a written notice of termination of Schedule of Services served by either party, provided that:
    - i. such notice is given in accordance with clause 16, and
    - ii. the termination does not take effect before the end of the **Initial Contract Term**, if such a term is set out in the Schedule of Services.

**Services:** the professional services to be provided by My Digital to the Customer as described in each Schedule of Services or Documentation, which may include any deliverables activities, or milestones as defined and agreed between the parties.

**Services Software:** the software developed by My Digital for the Customer pursuant to the Services to be provided under this agreement.

**Source Code:** the source code of the software to which it relates in the language in which the software was written together with all related flow charts and technical documents.

**Substitute:** a replacement for a Resource appointed under the terms of clause 5.2.

**Supplier:** My Digital Accounts Limited (Company Number: 15103537), a subsidiary of My Digital Accounts Limited, and part of the My Digital Group, whose registered office is at Suite 1bb, Landmark House, Station Road, Cheadle Hulme, SK8 7BS.

**Termination Date:** the date of termination of this agreement, howsoever arising.

**the contract: means:**

- a) the Schedule of Services, and
- b) these Terms.

**these Terms:** these terms and conditions as amended by My Digital from time to time

**User Licence:** the limited right granted to the Customer and its authorised users to access and use the My Digital Systems as part of the Services.

**Working Day:** a day other than a Saturday, Sunday or public holiday in England and Wales unless specified otherwise on the Schedule of Services.

**Working Hours:** the period from 9am to 5:30pm on any Working Day unless specified otherwise on the Schedule of Services.

**Year:** during the term of this agreement, each period of 12 months (or part thereof, as applicable) commencing on 1 January and ending on 31 December.

- 1.2 The headings in this agreement are inserted for convenience only and shall not affect its construction.
- 1.3 A reference to a particular law is a reference to it as it is in force for the time being taking account of any amendment, extension, or re-enactment and includes any subordinate legislation for the time being in force made under it.
- 1.4 Unless the context otherwise requires, words in the singular shall include the plural and, in the plural, shall include the singular.
- 1.5 The Schedules form part of this agreement and shall have effect as if set out in full in the body of this agreement. Any reference to this agreement includes the Schedules.
- 1.6 A reference to a holding company or a subsidiary means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the Companies Act 2006.

## **2. Varying these Terms**

Save in relation to the Fees set out in the Schedule of Services and which, subject to increase in accordance with clause 7.8, shall apply for the duration of the Initial Subscription Term, the Customer agrees that My Digital may vary these Terms from time to time and the Customer agrees to accept any changes made to these Terms as such terms can be found on the Website from time to time. My Digital may advise the Customer in writing of any proposed changes to these Terms and the Customer should ensure that it reviews the terms as found on the Website regularly so that it is aware of any changes made to these Terms.

## **3. Service Period and Schedule of Services**

- 3.1 The Customer shall engage My Digital for Services and My Digital shall make available to the Customer the Resources to provide the Services on the terms of this agreement and as per the agreed Schedule of Services.
- 3.2 For every Resource allocated by My Digital in accordance with the terms of this agreement to provide Services, My Digital shall submit a Schedule of Services and the parties shall sign the Schedule of Services.

As at the Commencement Date, the Customer has agreed to purchase the Services and which My Digital has agreed to make available to the Customer during the Initial Contract Term as set out in the Schedule of Services. Where the Customer wishes to purchase additional Services during the Initial Contract Term, it shall notify My Digital in writing and, if My Digital agrees to make available such additional Services to the Customer, My Digital shall either confirm in writing the availability of such additional Services or shall provide a Supplementary Schedule of Services in relation to such additional Services (as the case may be) detailing the additional Services agreed to be made available by My Digital to the Customer on the terms of the contract. The Fees for all Services and other services to be provided pursuant to the contract are as set out in the Schedule of Services or Supplementary Schedule of Services (as the case may be).

#### 4. The Services

- 4.1 The agreement is for the supply of Resources to provide the Services during the Service Period for such Services as more particularly described in Schedule 1, the Documentation and detailed the applicable agreed Schedule of Services. My Digital agrees to use its reasonable endeavours to procure that the Resources are available to provide the Services on each Working Day during the Service Period.
- 4.2 The parties agree that:
- (a) the Customer shall be responsible for detailing the requirements for the particular Services to be provided by My Digital at any time and from time to time during the Service Period and for utilising the Resources to provide the Services on each Working Day during that Service Period. The Customer agrees that it shall commit sufficient time and resources in order to comply with its obligations in this clause 4.2; and,
  - (b) My Digital and the Resources are professionals and shall determine the method of work appropriate to deliver the Services as communicated to them by the Customer.
- 4.3 My Digital shall use reasonable endeavours to meet any performance dates specified in a Schedule of Services or otherwise agreed with the Customer but any such dates shall be estimates only and time for performance shall not be the essence of this agreement.
- 4.4 Both parties shall inform the other as soon as reasonably practicable of any other significant matter that may arise during the Service Period relating to the Resources.
- 4.5 Where the Services provided are Outsourced FTE, and Subject to clause 6.3, the Customer agrees and acknowledges that it is obliged to pay the Fees for each Working Day during the Service Period irrespective of whether or not the Customer has required Resources to provide the Services during such Working Day.

The Customer shall also be entitled to permit the Affiliates to use the Services or any of them to the same extent as the Customer, provided always that the Customer shall at all times be responsible for the acts and omissions of such Affiliates and payment of all Fees and other amounts payable in relation to such Services (notwithstanding any agreement to invoice the Affiliates directly). My Digital shall be entitled to suspend access to the Services (or any of them) by any Affiliate upon providing written notice to the Customer.

#### 5. The Resources

- 5.1 The respective roles and responsibilities or specifications of the Resources and, where applicable, criteria concerning their requisite skills shall be set out in the applicable Schedule of Services or Documentation.
- 5.2 My Digital may, at its sole discretion and at such times as it considers it to be reasonably necessary, replace a Resource with such other tools or methods of equivalent output or persons with equivalent skills and such replacements (a **Substitute**) shall be a Resource for the purposes of this agreement. My Digital shall give as much notice as possible of any

appointment of a Substitute.

## **6. Duties and Obligations**

6.1 Unless it or they have been specifically authorised to do so by the Customer in writing:

- (a) neither My Digital nor its Resources shall have any authority to incur any expenditure in the name of or for the account of the Customer; and
- (b) My Digital shall not, and shall procure that Resources shall not, hold itself out as having authority to bind the Customer

6.2 My Digital shall, and shall procure that Resources shall, comply with all reasonable standards of safety and comply with the Customer's health and safety procedures from time to time in force at any of the Customer's premises at which the Services may be provided during the Service Period.

6.3 The Customer shall procure that the Customer Representative named in the Schedule of Service as a member of the Management Team is responsible for the Services during the Service Period and for all instructions to the Resources in relation to the Services during the Service Period and that the Customer Representative has authority to bind the Customer in relation to all matters relating to the Services and this agreement.

6.4 The Customer shall obtain and maintain all necessary licences and consents and comply with all legislation as required to enable My Digital to provide the Services and to use the Customer Business Systems where necessary.

## **7. Invoicing of Fees**

7.1 The Schedule of Services will confirm the Fees payable in relation to the Services and the basis on which the Fees will be calculated.

7.2 The parties agree and acknowledge that:

- (a) the remainder of the terms of this clause 7 shall apply to all invoices raised by My Digital in relation to the Services, irrespective of how such Fees are calculated; and
- (b) the Schedule of Services applicable to each Service shall contain additional terms applicable to the calculation and payment of the Fees in relation to that Service and which shall be the basis on which such Fees are calculated.

7.3 My Digital will submit an invoice to the Customer for the Fees (plus any agreed expenses) on a monthly basis on the first First Friday of each Billing Period during the Service Period and which shall be calculated on the basis indicated in Schedule 1 and on the applicable Schedule of Services. Ad Hoc Fees will be invoiced at the time of Service requirement and shall be calculated on the basis indicated in Schedule 1 and on the applicable Schedule of Services.

7.4 If the Customer disputes any invoice the Customer shall notify My Digital in writing within 5 Business Days of the date of receipt of the invoice, specifying the reasons for disputing the

invoice. Unless the Customer has notified My Digital in accordance with this clause 7.4 that, acting reasonably, it objects to all or any part of an invoice, the Customer shall be deemed to have accepted the validity of invoices submitted by My Digital.

- 7.5 Where the Customer has notified My Digital in writing that it objects to all or any part of an invoice in accordance with clause 7.4:
- (a) My Digital shall provide all evidence as may be reasonably necessary to verify the disputed invoice;
  - (b) the Customer shall pay to My Digital all amounts not disputed by the Customer on the due date as set out in clause 7.6; and
  - (c) the parties shall negotiate in good faith to attempt to resolve the dispute promptly. The commencement of negotiations in relation to the dispute shall not prevent the parties commencing or continuing court proceedings in relation to the dispute under clause 24 (Jurisdiction) which clause shall apply at all times.
- 7.6 Where My Digital has submitted an invoice in accordance with clause 7.3, the Customer shall make payment of each such invoice in cleared funds within 7 days of receipt.
- 7.7 The Fees are net of tax. The Customer shall, in addition, pay to My Digital the amount of any tax, duty or assessment, including any applicable VAT which My Digital is obliged to pay and/or collect from the Customer in respect of any supply under the agreement.
- 7.8 Both My Digital and the Customer acknowledge and agree that the Fees will increase annually in line with the Inflationary Increase, Outsourced FTE services will apply India CPI, all other services will use UK CPI. My Digital shall notify the Customer as soon as reasonably practicable of the Inflationary Increase and the adjusted Fees applicable to the Services with effect from 1 April in each Year, following the application of that Inflationary Increase.
- 7.9 If the Customer fails to make any payment due to My Digital under this agreement by the due date for payment, then, without limiting My Digital's remedies under clause 16 (Term and Termination):
- (a) the Customer shall pay interest on the overdue amount at the rate of 7% a year above Bank of England's base rate from time to time. Such interest shall accrue on a daily basis from the due date until actual payment of the overdue amount, whether before or after judgment. The Customer shall pay the interest together with the overdue amount; and
  - (b) My Digital may, without liability to the Customer, suspend the provision of the Services (or any of them), and My Digital shall be under no obligation to provide the Services (or any of them) while the invoice(s) concerned remain unpaid.

All monies due from the Customer under this agreement shall be paid in full, without any set-off, counter claim, deduction or withholding (other than any deduction or withholding of tax as required by law) on or before the relevant due date for payment.

## **8. Non Solicitation**

- 8.1 The Customer shall not, without the prior written consent of My Digital, at any time from the Commencement Date until the expiry of 24 months after termination or expiry of this agreement, solicit or entice away from the employment of My Digital or employ or attempt to employ any person who is, or has been engaged as an employee or sub-contractor of My Digital including, but not limited to, personnel classified as a Resource in this agreement.
- 8.2 If the Customer breaches clause 8.1 the Customer agrees to pay on demand to My Digital the sum equal to the aggregate of the Fees payable by the Customer in the 12 months prior to that breach or, where such breach occurs prior to the expiry of 12 months from the Commencement Date, an amount equal to projected 12 months Fees calculated by applying the highest monthly Fees payable by the Customer and multiplying this number by 12 (twelve), it being agreed by the parties that such sum represents a genuine pre-estimate of the loss that My Digital would suffer in the event of such breach.

## **9. Expenses**

If applicable, the Customer shall reimburse all pre agreed expenses incurred by My Digital in the course of the Services as set out at the Schedule of Services, subject to production of receipts or other appropriate evidence of payment.

## **10. Confidential Information and Customer Property**

- 10.1 Each party acknowledges that in the course of the provision of Services and, in the case of My Digital, each Resource, will have access to the Confidential Information of the other party. Each party has therefore agreed to accept the restrictions in this clause 10.
- 10.2 Neither party shall, and in relation to My Digital, My Digital shall procure that each Resource shall not (except in the proper course of its or their duties), either during the Service Period or at any time after the Service Period End Date, use or disclose to any third party (and shall use all reasonable endeavours to prevent the publication and disclosure of) any Confidential Information of the other party. This restriction does not apply to:
- (a) any use or disclosure authorised by the relevant party or required by law; or
  - (b) any information which is already in, or comes into, the public domain otherwise than through a party's unauthorised disclosure.
- 10.3 At any stage during a Service Period, My Digital will promptly on request return to the Customer all and any Customer Property in its or a Resource's possession in relation to that Assignment provided that such return will not in the reasonable opinion of My Digital, impact an My Digital's ability to continue to provide the Services.
- 10.4 Nothing in this clause 10 shall prevent either party (or in the case of My Digital, a Resource) (or any of its officers, employees, workers or agents) from:
- (a) reporting a suspected criminal offence to the police or any law enforcement agency or co-operating with the police or any law enforcement agency regarding a criminal

investigation or prosecution; or

- (b) doing or saying anything that is legally required by HMRC or a regulator, ombudsman or supervisory authority; or
- (c) complying with an order from a court or tribunal to disclose or give evidence; or
- (d) making any other disclosure as required by law.

## 11. Data protection

- 11.1 In this clause 11, "controller", "data controller", "data processor", "data subject", "personal data", "process", "processor" and "special categories of data" shall have the meaning given to them by Data Protection Legislation.
- 11.2 This clause will apply to the extent that the provision of the Services or any part of them involves the processing of personal data by My Digital. For these purposes, the Customer shall be the data controller and My Digital shall be the data processor. Each party shall comply with the obligations that apply to it under the Data Protection Legislation.
- 11.3 My Digital shall not transfer any personal data outside of the European Economic Area (**EEA**) unless it has taken such measures as are necessary to ensure the transfer is in compliance with Data Protection Legislation. Such measures may include transferring the personal data to a recipient in a country that the European Commission has decided provides adequate protection for personal data, to a recipient that has achieved binding corporate rules authorisation in accordance with Data Protection Legislation, or to a recipient that has executed an International Data Transfer Agreement, as adopted or approved by the European Commission from time to time.
- 11.4 My Digital will only process the personal data to the extent, and in such a manner, as is necessary for the purposes of providing the Services in accordance with the terms of this agreement. My Digital will not process the personal data for any other purpose or in a way that does not comply with this agreement or the Data Protection Legislation. My Digital will promptly notify the Customer if, in its opinion, the Customer's instructions do not comply with the Data Protection Legislation.
- 11.5 My Digital shall comply promptly with any Customer written instructions requiring My Digital to amend, transfer, delete or otherwise process the personal data, or to stop, mitigate or remedy any unauthorised processing.
- 11.6 My Digital shall ensure that any person it authorises to process the personal data (an **Authorised Person**) shall protect the personal data in accordance with My Digital's confidentiality obligations under this agreement.
- 11.7 My Digital shall implement technical and organisational measures to protect the personal data (i) from accidental or unlawful destruction, and (ii) loss, alteration, unauthorised disclosure of, or access to the Data (a **Security Incident**).
- 11.8 If My Digital becomes aware of a confirmed Security Incident, My Digital shall:

- (a) inform the Customer without undue delay and shall provide reasonable information and cooperation to the Customer so that the Customer can fulfil any data breach reporting obligations it may have under (and in accordance with the timescales required by) Data Protection Legislation; and
  - (b) take any reasonably necessary measures and actions to remedy or mitigate the effects of the Security Incident; and
  - (c) keep the Customer informed of all material developments in connection with the Security Incident.
- 11.9 My Digital will reasonably assist the Customer, at the cost to the Customer, with meeting the Customer's compliance obligations under the Data Protection Legislation, taking into account the nature of My Digital's processing and the information available to My Digital, including in relation to data subject rights, data protection impact assessments and reporting to and consulting with the Commissioner or other relevant regulator under the Data Protection Legislation.
- 11.10 My Digital shall notify the Customer promptly of any changes to the Data Protection Legislation that may reasonably be interpreted as adversely affecting My Digital's performance of its obligations under this agreement.
- 11.11 Upon termination or expiry of the agreement, My Digital shall (at the Customer's election) destroy or return to the Customer all Data in its possession or control. This requirement shall not apply to the extent that My Digital is required by applicable law to retain some or all of the data.

The Customer consents to My Digital engaging third party subprocessors to process the data for the purposes of providing the Services in accordance with this agreement, as such third parties are notified by My Digital to the Customer and provided further that My Digital imposes data protection terms on any subprocessor it appoints that require it to protect the data to the standard required by Data Protection Legislation and My Digital remains liable for any breach of this clause that is caused by an act, error or omission of its subprocessor.

## **12. Intellectual Property Rights**

- 12.1 The Customer acknowledges and agrees that My Digital and/or its licensors own all intellectual property rights in the Services, any other services supplied under the contract and the Documentation. Except as expressly stated herein, the contract does not grant the Customer any rights to, or in, patents, copyright, database right, trade secrets, trade names, trademarks (whether registered or unregistered), or any other rights or licences in respect of the Services, such services or the Documentation
- 12.2 My Digital agrees and acknowledges that, subject to payment of all Fees, all Intellectual Property Rights in the Services Software shall belong to the Customer.
- 12.3 The Customer grants, subject to the terms of this agreement, to My Digital the non-exclusive right to use the IPR in the Services Software for the purpose of exercising My Digital's rights or performing its obligations under this agreement.

- 12.4 Subject to clauses 12.5, and 12.6, My Digital agrees to indemnify the Customer against all or any losses claims or damages (including reasonable costs and expenses) for which the Customer becomes liable, arising out of or in connection with any claim brought against the Customer for actual or alleged infringement of a third party's Intellectual Property Rights relating to the Services Software or receipt of the benefit of any of the Services.
- 12.5 The Customer shall have no claim under the indemnity at clause 12.4 (**Indemnity**) to the extent the infringement arises from:
- (a) any modification of the Services Software, other than by or on behalf of My Digital;
  - (b) compliance with the Customer's specifications or instructions;
  - (c) any breach by the Customer of any terms of this agreement or the Customer's negligence or wilful misconduct;
  - (d) the Customer's use of the Services Software in combination with software not supplied or approved in writing by My Digital (other than the operating system of the Customer Business Systems, provided that My Digital was notified in writing of the identity of such operating system before this agreement was entered into);
  - (e) the Customer's use of any version of the Services Software other than the latest version supplied by My Digital, if such claim could have been avoided by the use of such supplied version;
  - (f) My Digital's use in connection with the Services of any software, material, information, data, know-how, instructions or scripts provided by the Customer or any of its Affiliates that contain any errors or omissions.
- 12.6 Liability under the Indemnity is conditional on the Customer discharging the following obligations. If any third party makes a claim, or notifies an intention to make a claim, which may reasonably be considered likely to give rise to a liability under the Indemnity (a **Claim**), the Customer shall:
- (a) as soon as reasonably practicable, give written notice of the Claim to My Digital, specifying the nature of the Claim in reasonable detail;
  - (b) not make any admission of liability, agreement or compromise in relation to the Claim without the prior written consent of My Digital;
  - (c) give My Digital and its professional advisers access at reasonable times (on reasonable prior notice) to its premises and its officers, directors, employees, agents, representatives or advisers, and to any relevant assets, accounts, documents and records within the power or control of the Customer, so as to enable My Digital and its professional advisers to examine them and to take copies (at My Digital's expense) for the purpose of assessing the Claim; and

- (d) be deemed to have given to My Digital sole authority to avoid, dispute, compromise or defend the Claim.

12.7 If use of the Supplier Software or receipt of the benefit of the Services Software becomes or, in the opinion of qualified legal counsel, is likely to become, the subject of any such claim, My Digital may:

- (a) replace all or part of the Software or Services with functionally equivalent software documents, or services without any charge to the Customer;
- (b) modify the Services Software or Services as necessary to avoid such claim, provided that the Services Software or Services (as amended) functions or performs in substantially the same way as the Services Software or Services did before modification; and
- (c) procure for the Customer a licence from the relevant claimant to continue using the Services Software or Services.

12.8 If:

- (a) the Services Software or the Services are determined in a court of law to be infringing; or
- (b) My Digital is advised by a barrister of at least ten years' call that use or possession by the Customer of the Services Software or Services in accordance with this agreement is likely to constitute infringement of a third party's rights; or
- (c) if an injunction or similar order is granted in connection with any claim within the scope of the Indemnity which prevents or restricts the use or possession by the Customer of the Services Software or the Services in accordance with this agreement,

and My Digital is unable, after reasonable endeavours, to procure for the Customer the right to continue using the Services Software or Services, or to provide the Customer with functionally equivalent non-infringing software or services, this agreement shall be terminated.

Nothing in this clause shall restrict or limit the Customer's general obligation at law to mitigate a loss it may suffer or incur as a result of an event that may give rise to a claim under the Indemnity.

### **13. Limitation of liability**

13.1 The Customer acknowledges and agrees that, except as expressly provided in this agreement, the Customer assumes sole responsibility for:

- (a) results obtained from the use of the Services Software by the Customer and for conclusions drawn from such use;

- (b) the use of the Services Software in the Customer's business i.e., after it has been accepted by the Customer (at the Customer's sole discretion) and deployed into live;
- (c) procuring and maintaining the Customer Business Systems, and all network connections and telecommunications links from the Customer Business Systems to My Digital's systems and data centres;
- (d) all problems, conditions, delays, delivery failures (including any of those concerning transfer of data) and all other loss or damage arising from or relating to the Customer's or its agents' or contractors' (including any existing service provider's) network connections, telecommunications links or facilities, including the internet and acknowledges that the Services may be subject to limitations, delays and other problems inherent in the use of such connections, links or facilities; and
- (e) loss or damage arising from or relating to any Relief Event.

13.2 Neither party excludes or limits liability to the other party for:

- (a) fraud or fraudulent misrepresentation;
- (b) death or personal injury caused by negligence;
- (c) a breach of any obligations implied by section 12 of the Sale of Goods Act 1979 or section 2 of the Supply of Goods and Services Act 1982; or
- (d) any matter for which it would be unlawful for the parties to exclude liability.

13.3 Subject to clause 13.2, neither party shall in any circumstances be liable whether in contract, tort (including for negligence and breach of statutory duty howsoever arising), misrepresentation (whether innocent or negligent), restitution or otherwise, for:

- (a) any loss (whether direct or indirect) of profits, business, business opportunities, revenue, turnover or reputation;
- (b) loss (whether direct or indirect) of anticipated savings or wasted expenditure (including management time);
- (c) loss of agreements or contracts;
- (d) loss or damage to goodwill;
- (e) any indirect or consequential loss; or
- (f) any loss or liability (whether direct or indirect) under or in relation to any other contract.

- 13.4 Clause 13.3 shall not prevent claims that fall within the scope of clause 13.5, for:
- (a) direct financial loss that are not excluded under any of the categories set out in clause 13.3(a) to clause 13.3(c); or
  - (b) tangible property or physical damage.
- 13.5 Subject to clause 13.2, My Digital's total aggregate liability in contract, tort (including negligence and breach of statutory duty howsoever arising), misrepresentation (whether innocent or negligent), restitution or otherwise, arising in connection with:
- (a) the performance or contemplated performance of this agreement;
  - (b) any use made by the Customer of the Software Services or the Services or any part of them;

shall be limited to the Fees paid by the Customer in relation to the respective Services during the period of 12 months prior to the event giving rise to the liability.

#### **14. Relief Events**

Subject to clause 13.2 and notwithstanding any other provision of this agreement, My Digital shall have no liability for failure to perform the Services or any part of them or any of its other obligations under this agreement if it is prevented, hindered or delayed in doing so as a result of any Relief Event.

#### **15. Force Majeure**

Neither party shall be in breach of this agreement nor liable for delay in performing, or failure to perform, any of its obligations under this agreement if such delay or failure result from a Force Majeure Event. In such circumstances the affected party shall be entitled to a reasonable extension of the time for performing such obligations. If the period of delay or non-performance continues for 12 weeks, the party not affected may terminate this agreement by giving 20 Business Days written notice to the affected party.

#### **16. Term and Termination**

- 16.1 The contract shall, unless otherwise terminated as provided in this clause 16, commence on the Commencement Date and shall continue for the Initial Contract Term and, thereafter, the Contract shall be automatically renewed for successive periods of three (3) months or such successive periods as detailed on the Schedule of Services (where applicable) (each a **Renewal Period**) and the Fees payable during any Renewal Period shall be as set out at in Clause 7 unless:
- (a) either party notifies the other party of termination, in writing, at least two (2) months or other such Notice Period as set out on the Schedule of Services, before the end of the Initial Contract Term or any Renewal Period (as the case may be), in which case the contract shall terminate upon the expiry of the applicable Initial Contract Term or Renewal Period; or

(b) otherwise terminated in accordance with the provisions of the contract,

and the Initial Contract Term together with any subsequent Renewal Periods shall constitute the Contract.

16.2 Without affecting any other right or remedy available to it, either party may terminate this agreement with immediate effect by giving written notice to the other party if at any time:

(a) the other party commits any serious or repeated breach or non-observance of any of the provisions of this agreement or refuses or neglects to comply with any reasonable and lawful directions of the other party (and fails to remedy that breach or to so comply with such directions (as the case may be) within a period of 10 Business Days after being notified in writing to do so);

(b) the other party makes a resolution for its winding up, makes an arrangement or composition with its creditors or makes an application to a court of competent jurisdiction for protection from its creditors or an administration or winding-up order is made or an administrator or receiver is appointed in relation to that party;

(c) the other party commits any offence under the Bribery Act 2010 or the Criminal Finances Act 2017.

16.3 Without affecting any other right or remedy available to it, My Digital may terminate this agreement with immediate effect by giving written notice to the Customer if at any time the Customer fails to pay any amount due under this agreement on the due date for payment and remains in default not less than 7 days after such due date for payment.

16.4 The rights set out in this Clause 16 are in addition to rather than in substitution for any rights the parties may have to terminate this agreement at law.

## **17. Survival**

17.1 Any provision of this agreement that expressly or by implication is intended to come into or continue in force on or after termination or expiry of this agreement shall remain in full force and effect.

17.2 Termination of this agreement shall not affect any rights, remedies, obligations or liabilities of the parties that have accrued up to the date of termination or expiry, including the right to claim damages in respect of any breach of the agreement which existed at or before the date of termination or expiry.

## **18. Obligations on termination**

On the Termination Date:

(a) the Customer shall immediately pay to My Digital all of My Digital's outstanding unpaid invoices and interest (as the case may be) and in respect of Services supplied but for which no invoice has been submitted My Digital may submit an invoice which shall be payable immediately on receipt.

- (b) Subject to clause 11 (Data Protection), each party shall return and make no further use of any equipment, property, documents and other items (and all copies of them) belonging to the other party;
- (c) Where applicable, My Digital shall deliver to the Customer the source code for the Services Software.

## **19. Notices**

- 19.1 Any notice given to a party under or in connection with this agreement shall be in writing and shall be delivered by hand or prepaid post or other next working day delivery service at its registered office or by email to the following email addresses:-
- (a) For My Digital: contracts@My Digitalhc.com or Landmark House, Station Road, Cheadle SK8 7BS
  - (b) For the Customer: the Customer Representative Email Address or the address as outlined for the Customer in the Schedule of Services .
- 19.2 Unless proved otherwise, any notice shall be deemed to have been received:
- (a) if delivered by hand, at the time the notice is left at the address given in this agreement or given to the addressee ; or
  - (b) if sent by pre-paid first-class post or other next working day delivery service, at 9.00 am on the second Business Day after posting; or
  - (c) if sent by email, at the time of transmission.
- 19.3 If deemed receipt under clause 19.2 would occur outside business hours in the place of receipt, it shall be deferred until business hours resume. In this clause 19.3, business hours means 9.00am to 5.00pm Monday to Friday on a day that is not a public holiday in the place of receipt.
- 19.4 This clause does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any other method of dispute resolution.
- 19.5 A notice given under this agreement is not valid if sent by fax.

## **20. Entire agreement**

- 20.1 This agreement together with all Schedules of Services or Supplementary Schedule of Services issued pursuant to this agreement and which form part of this agreement, constitutes the entire agreement between the parties and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter.
- 20.2 Each party acknowledges that in entering into this agreement it does not rely on any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in this agreement.

20.3 Each party agrees that it shall have no claim for innocent or negligent misrepresentation based on any statement in this agreement.

20.4 Nothing in this clause shall limit or exclude any liability for fraud.

## **21. Conflict**

If there is an inconsistency between the clauses of this agreement and any Schedule of Services, the terms of the Schedule of Services shall prevail and if there is any conflict between the terms of this agreement (including, but not limited to, any Schedule of Services issues pursuant to this agreement) and any instructions issued by the Customer in relation to the Services pursuant to clause 4.2(a) then the terms of this agreement shall prevail.

## **22. Third party rights**

22.1 A person who is not a party to this agreement shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this agreement. This does not affect any right or remedy of a third party which exists, or is available, apart from that Act.

22.2 The rights of the parties to terminate, rescind or agree any variation, waiver or settlement under this agreement are not subject to the consent of any other person.

## **23. Governing law**

This agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.

## **24. Jurisdiction**

Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this agreement or its subject matter or formation (including non-contractual disputes or claims).

## Schedule 1

1. Fees will be calculated on a **Fee Basis** of any one of the below options and as outlined on the Schedule of Services:
  - (a) Per Payslip – a fee charged for each Payslip produced in the Billing Period
  - (b) Per Employee – a fee charged for each Active Employee in the Billing Period
  - (c) Timesheet – fees charged on the basis of time output and recorded by timesheet
  - (d) Fixed – fees charged at an agreed price for an agreed frequency
  
2. Payroll Processing will be subject to the following additional terms;
  - (a) Fees Calculation
    - (i) Fees will be calculated at the end of each Billing Period and payable by the Customer in arrears subject to clause 7.
  - (b) Payroll Processing & Deadlines:-
    - (i) Payroll shall be processed on a Payroll Processing Date explicitly agreed (via written confirmation) with the Customer Representative factoring in UK national holidays and business requirements.
    - (ii) The Customer must submit payroll data, including timesheets, adjustments, and any required documentation no later than 48 hours (excluding weekends and UK national holidays) prior to the Payroll Processing Date. Late submissions may result in delayed processing.
    - (iii) If the Payroll Processing Date in (b)(i) falls on a UK national holiday or weekend date, the payroll will be processed for payment on the last working day before said holiday to ensure employees receive payments in advance.
  - (c) Service Level Agreements (SLAs):-
    - (i) The Service operates within defined SLAs, which include:-
      - Standard Payroll Processing: Completed as per (b) above.
      - Query Resolution from the Customer Representative: Acknowledged within four (4) business hours which shall include an estimation of response times on a case-by-case basis.
    - (ii) The Customer will review the processed payroll within eight (8) business hours and submit any amendments which will be processed within four (4) business

hours. The payroll will then be completed. My Digital shall not be held responsible for delays caused by the Customer's failure to provide accurate or complete payroll information within the agreed timeframe.

(d) Volume & Capacity Handling:-

- (i) The Customer must notify My Digital of any significant increases in payroll volume that may impact service delivery no later than 7 days before the Payroll Processing Date.

(e) Compliance & Accuracy:-

- (i) It is the responsibility of My Digital as the data processor to process payroll accurately in line with Customer requirements, including but not limited to:
  - Tax and pension contributions
  - Statutory sick pay, maternity/paternity pay
  - Real-time reporting to HMRC
- (ii) It is the responsibility of the Customer to submit payroll data that is accurate and complete. My Digital is not liable for errors resulting from processing incorrect data submissions by the Customer.
- (iii) My Digital is responsible for ensuring that all payrolls are processed accurately and on time.

(f) Support & Issue Resolution:-

- (i) My Digital offers support for payroll-related queries from the Customer Representative via email. Support requests will be handled in accordance with the SLAs outlined in Section 1(c) above.
- (ii) The Customer must report any payroll discrepancies within 3 days of Payroll Completion for any Weekly Payrolls and 7 days of Payroll Completion for any other frequency. Any errors caused by the Customer will incur a **Reprocessing Fee** which will be charged in line with the agreed Payroll Processing per unit fee on the Schedule of Services. Any errors caused by My Digital will be corrected at no additional cost.

3. Outsourced FTE will be subject to the following additional terms;

(a) Fees Calculation

- (i) Where the Fee Basis are outlined on the Schedule of Services as "Fixed", Fees will be calculated at the beginning of each Billing Period and payable by the Customer in advance subject to clause 7.

(ii) Where the Fee Basis are outlined on the Schedule of Services as "Timesheet", the Fees will be calculated at the beginning of each Billing Period and payable by the Customer in arrears based on timesheets with a submitted date within the prior Billing Period, subject to clause 7.

4. Ad-Hoc Services will be subject to the following additional terms;

(a) Fees Calculation

(iii) Fees will be calculated as per the Schedule of Services and payable by the Customer in advance before commencement of the Ad Hoc Service subject to clause 7.