Terms of Business Recruitment



Parties

These Terms of Business are between Hudson and its Client each time Hudson provides recruitment services to a Client.

Acceptance of Terms of Business

The Client agrees to be bound by these Terms of Business by accepting details of personnel, viewing personnel or employing or engaging personnel introduced by Hudson for a Permanent position offered by the Client, or for a Temporary or Contract Assignment with the Client.

Variation to Terms of Business

Any variation to the Terms of Business must be mutually agreed by both parties in writing.

Definitions

- "Assignment" means the provision of either a Contractor, or a Temporary to carry out a temporary or contract assignment for a Client of Hudson.
- "Candidate" means any person who has sought or obtained placement by Hudson in (i) Permanent or fixed term employment with a Client of Hudson, or (ii) by way of a temporary or contract assignment with a Client of Hudson.
- "Hudson" means Hudson Global Resources (NZ) Limited (667922) and any Hudson Related Entity.
- "Hudson Related Entity" means any entity connected with Hudson by a common interest in an economic enterprise, for example, a related body corporate (as that term is defined by corporate law) or a joint venture partner
- "Client Related Entity" means any entity connected with the Client including (i) an entity with a common interest in an economic enterprise, for example, a related body corporate (as that term is defined in the Corporations Law) or a joint venture partner, or (ii) another government department or organization within the public service sector.
- "Client" means any person or body to which Hudson provides services and any Client Related Entity.
- "Consultant" means any person employed by Hudson providing consultancy services to the client.
- "Contractor" means any entity engaged by Hudson to carry out a contract assignment with a Client of Hudson, who is engaged as an independent contractor and not as a Temporary. They are usually charged on an hourly, daily or project basis, which is dependent on the project and negotiated prior to commencement of each assignment or specific project.
- "Fixed Term" means any person who has sought or obtained placement by Hudson on a fixed term basis with a Client of Hudson. A Fixed Term Placement is employed by the Client and the Client takes responsibility for payroll, and legislative requirements.
- "Permanent" means any person who has sought or obtained Permanent employment with a Client.
- "Personal Information" means information or an opinion (including information or an opinion forming part of a database), whether true or not, and whether recorded in a material form or not, about an individual whose identity is apparent, or can reasonably be ascertained, from the information or opinion.
- "Standard Fee Structure" means the then standard Hudson fee structure.
- "Temporary" means any person who has obtained placement by Hudson on a temporary assignment basis with a Client of Hudson, who is employed or engaged by and payrolled by Hudson. They are usually charged on an hourly, daily or project basis, which is dependent on the project and will be negotiated prior to commencement of each assignment or specific project.
- "Privacy Laws" means Privacy Act 1993 and any other applicable privacy or data protection laws.

1.Fees

- 1.1. All fees for Fixed Term and Temporary placements are strictly payable within 14 days of the invoice date. Goods and Service Tax will be added to all fees and charges for services provided hereunder.
- All fees for Permanent placements are strictly payable within 30 days of the invoice date.

Fees for Permanent Assignments, Fixed Term Assignments and Buy-outs

- 1.2. Retained Assignment (Mandated Assignment) The Client has requested a service to seek Candidates, which may include advertised selection and search methodologies, with payment for fees a set out in 1.3
- 1.3. The placement fee for Retained Assignements is as per the Standard Fee Structure and is payable as follows:
 - a) One-third of the total estimated fee upon acceptance of the assignment;
 - One-third of the total estimated fee upon presentation of the shortlisted Candidates:
 - The balance is payable upon successful completion of the assignment, which occurs as soon as an offer has been made and accepted by the successful Candidate;
 - The Client must pay for all work performed by Hudson until the Client terminates the assignment.
- 1.4. Contingent Assignment The Client is seeking candidates on a fee for success approach. The fee shall only be payable upon the successful completion of an assignment as per the Standard Fee Structure.
- 1.5. Fixed Term Assignments The placement fee for a Fixed Term placement is as per the Standard Fee Structure. Further fees will apply should the candidate extend beyond the initial contract period.
- 1.6. Buy-Out Where a Temporary or Contractor is transferred to a Permanent or other employment status, with the Client or any other person or body to whom the client has introduced the Temporary or Contractor, the client will be charged a fee based on the Standard Fee Structure.
- 1.7. Invoicing for the final amount in relation to completion of a Contingent Assignment, Fixed Term Placement or Buyout (1.4, 1.5 and 1.6) will take place as soon as the offer has been made and accepted by the successful candidate.
- 1.8. Permanent placement, fixed term placements, and buy-out fees are calculated according to the Standard Fee Structure as a percentage of a Candidate's commencing annual remuneration package. The annual remuneration package includes base salary, employer superannuation contributions, allowances, inducement payments, anticipated commission and bonus earnings and non-salary benefits such as provision of a motor vehicle. A car included in the package will be assessed at \$20,000. The value of all other non-salary benefits will be taken into account and agreed between Hudson and the client. Where a Candidate is placed in a Permanent role on a part-time basis the salary for calculating the placement fee will be on the basis of a full-time equivalent salary.

Fees for Temporary or Contractor Assignments

- 1.9. The fee will be negotiated prior to commencement of each Assignment or specific project. The fee is based on the standard rate that would be paid to the Temporary or Contractor, based on standard working hours only.
- 1.10. Charges will be billed weekly based on completed and Client authorised time sheets (which may be submitted by Web timesheet, e-mail or facsimile) received by Hudson.
- 1.11. Statutory Pay: When a Temporary works on a statutory holiday, the Client will be charged for the time worked at time and a half the agreed hourly rate, as well as allowances, if any.
- 1.12. Hudson may vary the fee at any time (including retrospectively) without notice in light of the following:
 - a) changes to CPI or market rates;
 - b) to reflect minimum employment standards applicable to the Temporary as required by law, agreement or rate of pay set by a relevant body.
 - insurances, insurance premiums, or any statutory charges, levies, taxes or other payments Hudson is lawfully required to make or for

Date of issue: 2 June 2020 nz.hudson.com

Terms of Business Recruitment



which Hudson may become liable in respect of providing an Temporary or Contractor under these Terms of Business.

- 1.13. The Client must pay the fee to Hudson according to the number of hours worked by a Temporary or Contractor for the Client. Invoices are produced weekly based on the actual hours worked by the Temporary or Contractor as evidenced by an authorized timesheet. These hours exclude unpaid meal breaks. The Temporary or Contractor will be paid on terms to be negotiated prior to the commencement of an assignment (subject to 1.11 and 1.12).
- 1.14. The Client is responsible for paying Hudson a fee equal to the reasonable business expenses incurred by a Temporary or Contractor in performing an assignment, unless specifically agreed otherwise in writing. The Client must either (1) make all necessary arrangements with the Temporary or Contractor for authorising and reimbursing expenses or (2) must review and authorise Hudson to make such reimbursement in accordance with Hudson policies and procedures and must pay Hudson an additional fee. The additional fee will be calculated based on the costs incurred by Hudson in making the reimbursement including any relevant taxes and oncosts less any input tax credits claimed by Hudson plus GST on the additional fee when invoiced.
- 1.15. Hudson requires original tax invoices from the Temporary or Contractor to support their expense claims. If the Client would prefer to pay an allowance or per diem expense claim without providing supporting tax invoices, then the Client should notify Hudson in advance to confirm the alternative documentation required and confirm amounts that may be paid tax-free
- 1.16. It is the Client's responsibility to review expense claim reimbursements and supporting documentary evidence of the Temporary or Contractor before reimbursement is made or authorised. In no event shall the Client either authorise Hudson to pay expenses or pay expenses directly to or for a Temporary or Contractor which are of a private nature. If such payments are made in contravention of these Terms of Business, then the Client must accept an additional fee from Hudson equal to the Fringe Benefits Tax, GST on the taxable value of the benefit and other payroll on-costs associated with the provision of the taxable benefit to the Temporary or Contractor.

Fees for Career Management, Coaching, Outplacement and Psychological Services

- 1.17. Fees for Career Management, Coaching and Outplacement Services are dependent upon the choice of program considered appropriate to specific circumstances. The total fees are payable at the designated times irrespective of the duration of the assignment or when the candidate obtains employment. The provision of Career Management/Outplacement services is designed to facilitate and improve the chances of the candidate in question obtaining alternative employment but the provision of this service is in no way directly or implicitly a guarantee that alternative employment will ultimately be found.
- 1.18. Fees for Psychological Services depend on the complexity and duration of the tests desired and will be strictly payable within seven days of the invoice date. Each position may require a different mix or battery of tests and, in some cases, individual one-to-one counseling may also be required, which all contributes to the varying levels for fees. This will be agreed with the Client prior to undertaking testing.

2. Permanent Placements - General Provisions

Replacement Guarantee

- 2.1. If the requirements set out in this clause are met, Hudson shall extend a replacement guarantee for Candidates recruited and placed as Permanent employees with the Client.
- 2.2. This guarantee means that if the successful Candidate ceases employment with the client within three months of commencement of such employment ("Guarantee Period"), and the requirement set forth below are met, Hudson will endeavor to find a replacement Candidate for the position without charging additional placement fees.
- 2.3. In circumstances where the fee is paid on acceptance of offer by the Candidate, and a Candidate withdraws their acceptance of an offer of

- employment from the Client prior to commencing such employment, the replacement guarantee may also apply, subject to the terms set out below.
- 2.4. The replacement guarantee only applies if:
 - a) all fees, charges and expenses owing by the Client in respect of the
 placement of the original Candidate have been paid in full in
 accordance with the payment terms set forth in these Terms of
 Business, and the Client has no other amounts outstanding to
 Hudson:
 - b) the request to replace the Candidate is given exclusively to Hudson;
 - Hudson is notified as soon as practicable that the client wishes to invoke the guarantee, and in any event within the Guarantee Period;
 - d) the original job description and assignment specification does not alter; and
 - e) there is not an unreasonable delay by the Client in instructing Hudson to source the replacement Candidate
- 2.5. The replacement guarantee does not apply:
 - if the Candidate's employment ceases for reasons beyond Hudson's control such as redundancy, restructuring, economic circumstances, company closure, change of management or substantial change from the original job description; or
 - if the Candidate is engaged by the Client in Temporary or Contractor capacity through Hudson immediately prior to the acceptance of a Permanent position; or
 - c) to replacement Candidates provided under this Clause.
- 2.6. The replacement guarantee is not transferable to other placements or recruitment services, and the Client is not entitled to any credit or refund for replacement guarantees that the Client does not wish to pursue or which are undertaken by Hudson but not completed.
- Any additional advertising costs are not included in this replacement quarantee.
- 2.8. If the remuneration package of the replacement Candidate increases from the original Candidate, the invoiced amount will be adjusted appropriately.

Responsibilities After Permanent Placement

2.9. Once a Candidate is placed as an employee with a Client, the Client is the Candidate's employer and has sole responsibility for the employee. Hudson has no liability or obligations in respect of the Client's employee, including, without limitation, in respect of the termination of employment of the employee for any reason by the Client. This also applies to Fixed Term Placements.

3. Temporary or Contractor Assignments

General Provisions

3.1. Hudson can provide a Temporary or Contractor as required by the Client to provide services in accordance with these Terms of Business and the verbal or written job specifications given by the Client for a particular Assignment. If an assignment letter is issued for a particular assignment, the provisions of that letter operate in conjunction with these Terms of Business. If the assignment letter differs from these Terms of Business, the Assignment letter prevails (to the extent of that difference). A minimum booking time of four (4) hours applies.

Hudson Responsibilities in Relation to Temporaries or Contractors

- If the need arises, Hudson may substitute one Temporary or Contractor for another.
- 3.3. Hudson has the following responsibilities in relation to:

Temporaries as follows (where applicable):

- a) Payment of remuneration;
- b) Payment of annual and sick leave;
- c) Accident Compensation Corporation Levies;
- d) Payments under the KiwiSaver regime; and
- e) Deduction of all appropriate taxation required by the Inland Revenue Department.

Contractors as follows (where applicable):

- a) Payment of contractor's fee;
- b) Witholding tax deductions;
- c) GST.

Terms of Business Recruitment



Client's Responsibilities in Relation to Temporary or Contractor Assignments

- 3.4. The Client has direct supervision and management of the Temporary and Contractor in the performance of each Contract Assignment for the Client. The Client directly controls the conditions under which the assignment is performed, and the outcome of the work of the Temporary or Contractor. The Client agrees that it will take all practicable steps to ensure the health and safety of the Temporary or Contractor while at work at the premises of the Client. The Client further agrees that it will comply with any codes of practice usually adopted in the Client's industry pursuant to Health and Safety in Employment Act 1992 (the "Act") and any subsequent amendments, relevant to the Temporary's work. The Client will advise the Temporary or Contractor of all necessary health and safety issues and specific hazards and procedures applicable to the Client's work place and will advise the Temporary or Contractor of any impacts that may arise in respect of those obligations.
- 3.5. In the event a Temporary or Contractor sustains an injury whilst working on the premises of the Client, the Client agrees that it will comply with all requirements of the Act, including notification of the injury to the Department of Labour if the nature of the injury so requires. The Client agrees to indemnify and hold harmless Hudson (to the extent permissible by law) as a consequence of any claim made by a Temporary or Contractor whether or not pursuant to the provisions of the Rehabilitation and Compensation Act 2001 (the "Act") and any subsequent amendments, or in respect of any fine, Court costs, legal costs and disbursements payable by Hudson as a consequence of any prosecution brought against Hudson pursuant to the Act relating to the employment of a Temporary or Contractor at the Client's premises, or for any damages claimed at common law.
- 3.6. The responsibility for protecting the Client's confidential information and intellectual property lies solely with the Client. Hudson is not liable for any claim arising from the Client's Confidential Information and Intellectual Property. The Client is responsible for ensuring that the Temporary or Contractor is adequately covered by any insurance policy held by the Client in respect of the Client's business. For example, if the Temporary or Contractor is required by the Client to handle valuables such as cash, operate machinery or equipment, drive vehicles or handle documentation the Client must have appropriate insurances. The Temporary or Contractor is not covered under any insurance policy of Hudson. In the event the Temporary handles valuables, cars, cash, machinery, documentation or equipment whether on or off the premises of the Client, the Client will immediately make arrangements for the Temporary or Contractor to be endorsed on the insurance policy of the Client with appropriate cover for the specific circumstances.
- 3.7. The Temporary or Contractor shall not usually be required to use his/her own motor vehicle during an Assignment. If the Temporary or Contractor uses his/her own motor vehicle during the Assignment the Client will be liable for all loss or damage which is caused or suffered to the extent that such loss or damage is not covered by the Temporary's or Contractors own insurance cover.

Termination of Assignment

- The Client may immediately terminate an Assignment by giving verbal notice to Hudson.
- 3.9. The Client must pay the fee for all hours worked by the Temporary or Contractor up to the time that the Temporary or Contractor leaves the Assignment.

Cancellation of Assignment

- 3.10. Cancellations must be advised to Hudson by the Client twenty four (24) hours prior to the commencement of the Assignment or if this is not possible due to the time constraints of the Assignment then in sufficient time to allow Hudson to advise the Temporary or Contractor of the cancellation.
- 3.11. In the event that the Client fails to advise Hudson within the above time periods, the Client shall pay to Hudson a fee equal to three (3) hours at the hourly rate of the Temporary.

Replacement Guarantee for Temporary or Contractor

- 3.12. Hudson undertakes to endeavour to replace a Temporary or Contractor at any time where a Client is not satisfied with the Temporary or Contractor.
- 3.13. If the requirements set out in this clause are met, Hudson guarantees that if a Client is not satisfied with a Temporary or Contractor and Hudson is notified in accordance with this clause, Hudson will endeavour to find a replacement Temporary or Contractor without charging for the first four hours of the first Temporary or Contractor.
- 3.14. The replacement guarantee only applies if:
 - a) It relates to an assignment that is of seven hours or greater;
 - b) Hudson is notified within four hours of commencement of the Contract Assignment;
 - c) the Client has no amounts outstanding to Hudson; and
 - d) the original assignment specification does not alter.
- 3.15. Any additional advertising costs are not included in this replacement guarantee.

Approaches to Temporaries or Contractors

- 3.16. The Client must not discuss the Temporary or Contractor Fees, or any change to the Temporary or Contractor Fee, with a Temporary or Contractor or its nominated representative.
- 3.17. If a Client makes an offer of Permanent employment to Temporary or Contractor who is performing an assignment for the Client (or who has performed an assignment for the Client during the previous 12 months) which the Temporary or Contractor accepts, the Client must pay to Hudson the Permanent placement fee in respect of the Temporary or Contractor in accordance with Hudson's Standard Fee Structure.
- 3.18. If a Client makes an offer of further or different Contract Assignment to a Temporary or Contractor who is performing or carrying out the assignment for the Client (or who has performed an assignment for the Client during the previous 12 months) which the Temporary or Contractor, the Client must pay Hudson for that assignment in accordance with these Terms of Business.
- 3.19. The fees payable under this clause are due and payable within 7 days of the Temporary or Contractor commencing employment or the new assignment.

4. General Terms

Introduction of Candidates

- 4.1. Hudson treats the introduction of Candidates and their details as strictly confidential, and therefore expects the Client to do the same.
- 4.2. If a Candidate or his or her details are introduced to or passed on to the Client (including the transfer of a candidate's details to the Client's database), and that introduction or transfer results in the Permanent employment or engagement on a contract basis of the Candidate, the Client must pay Hudson the appropriate fee in accordance with these Terms of Business and Hudson's Standard Fee Structure.
- 4.3. If a Candidate introduces another Candidate to the Client and that introduction results in Permanent employment or engagement on a contract basis of that Candidate, the Client must pay Hudson the appropriate fee in accordance with these Terms of Business and Hudson's Standard Fee Structure

Non-Solicitation of Hudson employees

- 4.4. The Client shall not solicit Hudson employees.
- 4.5. In the event that a Client places a Hudson employee in a role with the Client or any other person or body to whom the Client has introduced the employee, the Client will be charged a fee based on the Standard Fee Structure.

Liability and Indemnities

4.6. Hudson makes every effort to maintain a high standard of Candidates and to provide proper details of their qualifications and experience. However, as these details are based on information provided to Hudson by the Candidate, their referees, and other third party organizations as relevant,

Date of issue: 2 June 2020 nz.hudson.com

Terms of Business Recruitment



Hudson is not liable for any errors, omissions, inaccuracies or incorrect conclusions. Clients are responsible for the final recruitment decision and must satisfy themselves as to the suitability of the Candidate.

- 4.7. Hudson is not liable for any loss, damage, costs or compensation (whether direct or indirect) which may be suffered by the Client, or for which the Client may become liable, arising from:
 - a) the introduction by Hudson of Candidates (or delay in any such introduction); or
 - the failure of a Candidate to accept an offer of employment or Contract Assignment.
- 4.8. The Client indemnifies Hudson (and keeps Hudson indemnified) on a full indemnity basis in respect of all losses, liabilities, costs or claims arising from or related to:
 - a) the actions or omissions of a Candidate, performing an assignment for the Client, whether willful or negligent and whether or not occurring at the Client's premises or the place where the assignment is performed:
 - any failure or alleged failure of a Candidate, to duly perform his or her obligations;
 - personal injury or death of a Candidate, or any other person howsoever arising from, or related to the performance by a Candidate of his or her obligations; and
 - damage to any property arising from, or related to the performance by a Candidate, of his or her obligations.
 - e) The Client agrees that it will be responsible for ensuring that all formal offers of employment to Candidates are done so in accordance with the Employment Relations Act 2000.
- 4.9. The Client further indemnifies Hudson (and keeps Hudson indemnified) on a full indemnity basis in respect of all claims related to the Candidates assignment with the Client, including but not limited to termination of the assignment by the Client.

Goods and Services Tax (GST)

4.10.

- a) All fees payable under these terms of business are exclusive of GST.
- b) GST will be added to the fee at the standard rate unless it is assessed by Hudson to be GST at 0%.
- c) Out of pocket expenses, when applicable, will be calculated and charged as the amount incurred by Hudson (net of any input tax credit to which Hudson is entitled) plus GST as applicable.

Privacy

4.11.

The Client agrees to comply with the Privacy Laws regarding Personal Information collected, used or disclosed by the Client in connection with this agreement. The Client agrees not to use or disclose any Personal Information provided by Hudson except for the purpose of receiving Hudson's services. The Client must ensure that before disclosing any Personal Information to Hudson the Client is entitled to disclose that information under the Privacy Laws and has obtained any required consents or authorisations and/or provided any required notifications. The Client agrees that Hudson may use, collect and disclose Personal Information received, created or obtained in connection with this agreement in accordance with its privacy policy available at https://au.hudson.com/privacy-policy. If the Client becomes aware of any actual or alleged breach of the Privacy Laws concerning information disclosed by Hudson to the Client or by the Client to Hudson, then the Client must notify Hudson immediately and comply with any reasonable directions of Hudson with respect to such breach.

Expenses

- 4.12. Couriers, national or overseas phone calls and facsimiles will be billed to the Client at a fixed rate.
- 4.13. Display advertising costs will be discussed and agreed with the Client in advance and billed at the applicable rate.
- 4.14. Out of pocket expenses which may be included (such as accommodation, meals and travel) will be agreed with the Client in advance.

4.15. All advertising expenses, couriers, national or overseas phone calls and facsimiles and out of pocket expenses will be separately invoiced immediately after those expenses are incurred. Such invoices are strictly payable within seven days of the invoice date.

Payment for Work Performed

4.16. The client shall make payment to Hudson for all work performed, including where the client materially changes its specifications and Hudson performs additional work. Time of payment is paramount and is the essence of the service provided. Hudson reserves the right to charge penalty interest at 7.5% above its bank rate if payment is not made within seven days of invoice date.

Other Client Obligations

- 4.17. The Client is requested to refer all direct applicants and internal applicants to Hudson.
- 4.18. The Client must notify Hudson as soon as the Client, makes an offer of employment to a Candidate introduced to the Client by Hudson and must provide details of that offer.
- 4.19. By agreeing to engage a candidate introduced by Hudson to the position in question, or any other position, within a 12 month period from the date of the initial introduction, the Client agrees to be bound by these Terms of Business and will be liable for the appropriate fee.
- 4.20. A mutually agreed fee will be charged to a Client where Candidates on the Hudson database are transferred to a Clients database. This fee is in addition to any other fee charged under this agreement.
- 4.21. Governing Law The New Zealand courts shall have exclusive jurisdiction in any dispute between the Client and Hudson.

Date of issue: 2 June 2020 nz.hudson.com