# 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 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

- "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 contract assignment with a Client of Hudson.
- "Client" means any person or body to which Hudson provides services and any Client Related Entity.
- "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.
- "Contract Assignment" means the provision of either an Independent Contractor, or an On-Hire Employee to carry out a contract assignment for a Client of Hudson.
- "Fixed Term" means any person who has accepted 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, legislative requirements.
- "Hudson" means Hudson Global Resources (Aust) Pty Ltd (ABN 21002888762) 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 in the Corporations Law) or a joint venture partner.
- "Independent 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 an On-Hire Employee. 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.
- "On-Hire Employee" means any person placed by Hudson on a contract 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.
- "Permanent" means any person who has accepted or obtained Permanent employment with a Client.
- "Personal Information" has the meaning given to that term in the Privacy Act 1988 (Cth) (and any equivalent term/s under other applicable privacy or data protection laws).
- "Privacy Laws" means Privacy Act 1988 (Cth) and any other applicable privacy or data protection laws.
- "Standard Fee Structure" means the then standard Hudson fee structure.

#### 1.Fees

- All Contract Assignment fees are strictly payable within 14 days of the invoice date.
- All Permanent placement fees 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 an exclusive service to seek Candidates.
- 1.3. Advertised Search This is a combination of advertised recruitment and the utilisation of search in specific industries or areas.
- 1.4. Search Means the identification of potential Candidates by Hudson and/or the Client and the targeting and direct approach of such Candidates by Hudson.
- 1.5. The placement fee for all three of the above 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.
- 1.6. Contingent Assignment The Client is seeking candidates but is not necessarily seeking an exclusive approach. The fee is as per the Standard Fee Structure.
- 1.7. Fixed Term Placement The placement fee for a Fixed Term placement is as agreed in writing between the parties. Further fees will apply should the candidate extend beyond the initial contract period to a maximum of twelve (12) months.
- 1.8. Buy-Out Where an On-Hire Employee or Independent Contractor is transferred to a Permanent or other employment status (or contracts directly), with the Client or any other person or body to whom the client has introduced the On-Hire Employee or Independent Contractor, the client will be charged a fee based on the Standard Fee Structure.
- 1.9. Invoicing for the final amount in relation to completion of a Contingent Assignment, Fixed Term Placement or Buyout (1.6, 1.7, 1.8) will take place as soon as the offer has been made and accepted by the successful candidate.
- 1.10. 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 (including compulsory 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 Contract Assignments

- 1.11. The fee will be negotiated prior to commencement of each Contract Assignment or specific project. The fee is based on the standard rate that would be paid to the On-Hire Employee or Independent Contractor, or their nominated representative, based on standard working hours only. All payments to On-Hire Employees will be subject to PAYG withholding unless otherwise agreed in advance in accordance with Hudson policies and ATO guidelines.
- 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;
  - overtime rates, shift penalties, allowances or other rates payable pursuant to any award or agreement or rate of pay set by Fair Work Australia (or other relevant body) applicable to the On-Hire Employee;

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- c) insurances, insurance premiums, or any statutory charges, levies, taxes or other payments Hudson is lawfully required to make or for which Hudson may become liable in respect of providing an On-Hire Employee or Independent Contractor under these Terms of Business.
- 1.13. The Client must pay the fee to Hudson according to the number of hours worked by an On-Hire Employee or Independent Contractor, or their nominated representative for the Client. Invoices are produced weekly based on the actual hours worked by the On-Hire Employee as evidenced by an authorized timesheet. These hours exclude unpaid meal breaks. The On-Hire Employee will be paid on terms to be negotiated prior to the commencement of an assignment (subject to 1.12).
- 1.14. The Client is responsible for paying Hudson a fee equal to the reasonable business expenses incurred by an On-Hire Employee in performing an assignment, and by Independent Contractors unless specifically agreed otherwise in writing. The Client must either (1) make all necessary arrangements with the On-Hire Employee or Independent 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 on-costs 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 On-Hire Employee to support On-Hire Employee 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 On-Hire Employee and Independent 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 an On-Hire Employee which are of a private nature or for amounts in excess of ATO expense guidelines. 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 and other payroll on-costs associated with the provision of the taxable benefit to the On-Hire Employee.

### 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 counselling 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 (or six months in the case of placements secured through Executive Search at the full fee rate) ("Guarantee Period"), and the requirements set forth below are met, Hudson will endeavour 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
  - 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 an On-Hire Employee capacity through Hudson immediately prior to the acceptance of a Permanent position with that client; 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 guarantee.
- 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. Contract Assignments - General Provisions

- 3.1. Hudson can provide On-Hire Employees and Independent Contractors 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 Contract Assignment. If Hudson issues an assignment letter 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).
- 3.2. On-Hire Employees and Independent Contractors are available for assignments of varying duration to suit the needs of the Client. However, with respect to Candidates engaged on a temporary basis, there is a minimum booking for each temporary of 4 or more consecutive hours, and if the On-Hire Employee or nominated representative of the Independent Contractor is engaged for less than 4 hours the minimum of 4 hours will be billed.

#### Hudson Responsibilities in Relation to On-Hire Employees

- If the need arises, Hudson may substitute one On-Hire Employee for another.
- 3.4. Hudson has the following responsibilities in relation to On-Hire Employees (where applicable):

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- a) payment of remuneration;
- deduction of all appropriate taxation required by the Australian Taxation Office;
- c) workers' compensation payments;
- d) superannuation guarantee charges; and
- e) payroll tax.

#### Client's Responsibilities in Relation to Contract Assignments

- 3.5. The Client has direct supervision and management of the On-Hire Employee and nominated representative of the Independent 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 On-Hire Employee or nominated representative of the Independent Contractor.
- 3.6. The Client is responsible for ensuring the health and safety of the On-Hire Employee or nominated representative of the Independent Contractor while the On-Hire Employee or the Independent Contractors providing services to the Client at the Client's premises, and must satisfy all its obligations in relation to the On-Hire Employee or nominated representative of the Independent Contractor under applicable occupational health and safety and discrimination legislation. This includes, but is not limited to the following:
  - providing all necessary induction and other training and issuing all necessary policies, procedures and directions;
  - immediately notifying Hudson of any occupational health and safety risks or discrimination or harassment issues in connection with the provision of services by the On-Hire Employee or nominated representative of the Independent Contractor;
  - requiring the On-Hire Employee or nominated representative of the Independent Contractor to perform only those tasks that that person is skilled and trained to perform; and
  - immediately notifying Hudson if there are any changes in the tasks that the On-Hire Employee or nominated representative of the Independent Contractor is assigned to perform for the Client;
- 3.7. 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:
- 3.8. The Client is responsible for ensuring that the On-Hire Employee or nominated representative of the Independent Contractor is adequately covered by any insurance policy held by the Client in respect of the Client's business. For example, if the On-Hire Employee or nominated representative of the Independent Contractor is required by the Client to handle valuables such as cash, operate machinery or equipment, drive vehicles or handle documentation.

#### Cancellation of Contract Assignment

- 3.9. If the Client wishes to cancel a Contract Assignment prior to the scheduled commencement of the assignment, the Client must notify Hudson in sufficient time for Hudson to advise the On-Hire Employee or Independent Contractor of the cancellation.
- 3.10. If Hudson is unable to advise the On-Hire Employee or Independent Contractor prior to the scheduled commencement of the assignment, the Client must pay Hudson for the minimum booking of 4 hours.

#### Termination of Contract Assignment

- 3.11. The Client may immediately terminate a Contract Assignment by giving verbal notice to Hudson.
- 3.12. The Client must pay the fee for all hours worked by the On-Hire Employee or Independent Contractor up to the time that the On-Hire Employee or Independent Contractor leaves the Contract Assignment.

### Replacement Guarantee for On-Hire Employee and Independent Contractors

3.13. Hudson undertakes to endeavour to replace an On-Hire Employee or nominated representative of an Independent Contractor at any time where

- a Client is not satisfied with an On-Hire Employee or Independent Contractor.
- 3.14. If the requirements set out in this clause are met, Hudson guarantees that if a Client is not satisfied with an On-Hire Employee or Independent Contractor and Hudson is notified in accordance with this clause, Hudson will endeavour to find a replacement On-Hire Employee or Independent Contractor without charging for the first four hours of the first On-Hire Employee or Independent Contractor.
- 3.15. The replacement guarantee only applies if:
  - a) It relates to an assignment that is of seven hours or greater;
  - 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.
- 3.16. Any additional advertising costs are not included in this replacement quarantee.

#### Approaches to On-Hire Employees or Independent Contractors

- 3.17. The Client must not discuss the On-Hire Employee or Independent Contractor Fees, or any change to the On-Hire Employee or Independent Contractor Fee, with an On-Hire Employee or Independent Contractors or its nominated representative.
- 3.18. If a Client makes an offer of Permanent employment to an On-Hire Employee or nominated representative of an Independent 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 On-Hire Employee or nominated representative accepts, the Client must pay to Hudson the Permanent placement fee in respect of the On-Hire Employee/ Nominated Representative in accordance with Hudson's Standard Fee Structure.
- 3.19. If a Client makes an offer of further or different Contract Assignment to an On-Hire Employee or Independent 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 On-Hire Employee or Independent Contractors accepts, the Client must pay Hudson for that assignment in accordance with these Terms of Business.
- 3.20. The fees payable under this clause are due and payable within 7 days of the On-Hire Employee or nominated representative of the Independent 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,

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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 wilful 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
  - d) damage to any property arising from, or related to the performance by a Candidate, of his or her obligations.
  - any occasion when an On-Hire Employee or Independent Contractor carrying out a Contract Assignment with the Client is required to attend jury duty during the course of the Contract Assignment.
  - f) any omission, inaccuracy or conduct of the Client in relation to the recruitment services.
- 4.9. The Client further indemnifies Hudson (and keeps Hudson indemnified) on a full indemnity basis in respect of all claims related to the Candidate's 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.
- GST will be added to the fee at the prevailing rate unless it is assessed by Hudson to be GST exempt.
- 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, interstate 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) must be agreed with the Client in advance.

4.15. All advertising expenses, couriers, interstate 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.

#### 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. If the Client defers a hiring decision in respect of a recruitment assignment performed by Hudson and a Candidate is hired within 12 months of the date of the initial introduction by Hudson or the first interview, whichever is later, the Client must pay to Hudson the appropriate placement fee in accordance with these Terms of Business.
- 4.20. A mutually agreed fee will be charged to a Client where Candidates on the Hudson database are transferred to a Client's database. This fee is in addition to any other fee charged under this agreement.

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