

THE BOARD OF THE PENSION PROTECTION FUND
ADDENDUM TO TERMS AND CONDITIONS FOR THE SUPPLY OF SERVICES TO THE PPF
EMPLOYMENT OBLIGATIONS

Version 1.0, November 2024

This Addendum is intended to be used in conjunction with the PPF's Terms and Conditions for the Supply of Services to the PPF (the "Core Terms") and can be elected from the Order Form used to call off services under those terms.

1. Definitions

- 1.1. Except to the extent specified otherwise in this Addendum, defined terms will have the meanings given in the Core Terms.
- 1.2. Capitalised defined terms used in this Addendum have the following meanings:
 - (a) **Employment Regulations** means *The Transfer of Undertakings (Protection of Employment) Regulations 2006* (SI 2006/246) (also referred to as "**TUPE**") which implements the Acquired Rights Directive.
 - (b) **Replacement Supplier** means any third-party supplier appointed by the PPF to provide the same or substantially similar services to the Services in substitution for the Services after the expiry or termination of a Contract; and

2. Employee Status

- 2.1. The Parties acknowledge and agree that the Supplier Personnel are not, nor is it their intention that the Supplier Personnel be, employees, workers, agents or partners of the PPF. The Supplier warrants, represents and undertakes to the PPF that each of the Supplier Personnel is either an employee of the Supplier or an independent contractor engaged by the Supplier.
- 2.2. The Supplier shall indemnify the PPF against all losses, costs (including legal costs) damages and expenses suffered or incurred by the PPF arising out of or in connection with:
 - (a) any claim, demand or allegation made by any of the Supplier Personnel alleging or requiring "employee" or "worker" status or that there is any implied contractual relationship as between the Supplier Personnel and the PPF; and/or
 - (b) any claim, demand or allegation made against the PPF by any person (including any governmental or regulatory body) that is based upon an assumption that any of the Supplier Personnel is an employee or worker of, or engaged directly by, the PPF (including any fines levied against the PPF based upon such assumption).
- 2.3. Notwithstanding the terms of this Addendum or regulation 11(6) of the Employment Regulations, if following the service of notice to terminate this Agreement or otherwise during the last 12 (twelve) months of the Term, the PPF so requests in writing the Supplier shall provide to the PPF from time to time in relation to the employment of the Supplier Personnel the employee liability information (as defined in the Employment Regulations). This clause is without prejudice to any obligations under which the Supplier may become liable as a transferor to provide employee liability information in accordance with the Employment Regulations. Nothing in this clause shall require the Supplier to breach any contract of employment between the Supplier and the Supplier Personnel.
- 2.4. It is the intention of the Parties that the Employment Regulations will not apply upon the termination or expiry of this Agreement and will not have the effect of transferring any contract of employment of any employee of the Supplier to the PPF or any Replacement Supplier.

3. PAYE and Tax

- 3.1. For those of the Supplier Personnel that are employees of the Supplier, the Supplier is responsible and liable for paying, and where applicable deducting from, the salaries, benefits and other expenses relating to the employment of those Supplier Personnel (both statutory and contractual, and including PAYE income tax, employers and employee's national insurance contributions, pensions, expenses, allowances, maternity/paternity or other statutory payments, sick pay and holiday pay).
- 3.2. For those of the Supplier Personnel that are independent contractors engaged by the Supplier, the Supplier shall pay those Supplier Personnel or, where applicable, the intermediary through which such Supplier Personnel provides its services, in accordance with its terms of engagement with such Supplier Personnel or intermediary (as applicable) and shall ensure that such Supplier Personnel or intermediary (as applicable) is responsible and liable for paying all salaries, benefits and expenses applicable to the status of such Supplier Personnel (including income tax, national insurance contributions and social security contributions).

4. TUPE Indemnity

- 4.1. This clause 4 applies where:
 - (a) the Supplier ceases to provide all or any of the Services;
 - (b) the PPF and/or a Replacement Supplier carries or carry out the same or substantially the same services instead; and
 - (c) as a result the employment of any Supplier Personnel transfers by operation of law, including but not limited to a transfer under the Employment Regulations, to the PPF and/or the Replacement Supplier.
- 4.2. Where this clause 4 applies, the Supplier shall indemnify the PPF from and against all losses, costs (including legal costs) damages and expenses suffered or incurred by the PPF (including claims from the Replacement Supplier) arising out of or in connection with the transfer, including all losses, costs (including legal costs), damages and expenses suffered or incurred by the PPF and/or the Replacement Supplier arising out of or in connection with:
 - (a) any act or omission by any employer of any person whose contract of employment transfers by operation of law to the PPF or the Replacement Supplier (a "**Relevant Person**") which gives rise to a liability to any person and which is deemed an act or omission of the PPF or the Replacement Supplier by operation of law;
 - (b) any claim by any person that their engagement has or should have transferred to the PPF or the Replacement Supplier by operation of law;
 - (c) any act or omission by the Supplier which gives rise to a claim by the Relevant Person; and/or
 - (d) the termination of any Relevant Person's contract of employment by the Supplier.