

THIS MEMORANDUM OF UNDERSTANDING is a proposed services agreement and

the **HEADS OF TERMS** ("HOT") for the day of

BY:

(1) <<Name of Supplier>> [a Company registered in England under number <<Company Registration Number>> whose registered office is at] OR [of] <<insert Address>> ("the Supplier")

England under number <<Company Registration Number>> whose registered office is at] OR [of] <<insert Address>>

and

(2) <<Name of Company>> [a Company registered in England under number <<Company Registration Number>> whose registered office is at] OR [of] <<insert Address>> ("Company")

registered in England under number <<Company Registration Number>> whose registered office is at] OR [of] <<insert Address>>

1. Definitions

In this HOT, the following expressions have the following meanings:

the following meanings:

"Services Agreement"

the Services Agreement described in Clause 3 and the Detailed Terms of this HOT;

"Detailed Terms"

the detailed terms, conditions, and other provisions set out in the Services Agreement, the definitive version of the Commercial Terms agreed and set out in the Services Agreement;

"Commercial Terms"

the Commercial Terms for the Services Agreement which are set out in Clause 4 of this HOT being those terms hereby agree in principle. The parties agree those terms, if and when agreed, shall prevail amongst the Detailed Terms in the Services Agreement and

"Party"

the Parties to this HOT;

2. Purpose and Status of the HOT

2.1 Except for Clause 6 of this HOT (which is intended to be binding on the Parties), this HOT is not intended to be, and shall not be, binding on the Parties;

binding on the Parties), this HOT is not intended to be, and shall not be, binding on the Parties;

2.2 The Parties have discussed the Commercial Terms in principle, but they have not yet agreed the definitive version of the Commercial Terms. The Parties will fully discuss, negotiate, draft, and agree all of the other terms of the Services Agreement;

the Parties have discussed the Commercial Terms in principle, but they have not yet agreed the definitive version of the Commercial Terms. The Parties will fully discuss, negotiate, draft, and agree all of the other terms of the Services Agreement;

2.3 The Parties intend to enter into a Services Agreement. In connection with this HOT, they will fully discuss, negotiate, draft, and agree all of the other terms of the Services Agreement, and will sign a full written Services Agreement. The Services Agreement will come into existence will there be any services arrangements between them relating to any services arrangements between them as a contract;

in connection with this HOT, they will fully discuss, negotiate, draft, and agree all of the other terms of the Services Agreement, and will sign a full written Services Agreement. The Services Agreement will come into existence will there be any services arrangements between them relating to any services arrangements between them as a contract;

2.4 The Parties agree a [] agreed in Clause 6 of this HOT, no oral or written state (negligent or otherwise), and no warranty, promise, [] ment (whether before, on, or after the date of this H effect in relation to the proposed services arrangem t is agreed and included as an express term of the

3. Services Agreement

The Services Agreement w d services agreement between the Parties whereby Company as a Supplier of Company on the Detailed Terms, and the S contain all of and the only terms, conditions, working arrang s, and other matters governing, forming, and relating to suc s between the Parties.

4. Commercial Terms

The following Commercial principle, and the definitive version of them will form part of the D vices Agreement:

4.1 The Services are to t agreed date>> and will continue from that date [u t to the terms of the Services Agreement;] OR [u complete] OR [for <<insert period of time in months or y earlier termination provided by the Services Agreement

4.2 In relation to the p services are to be for carried out, time will [not] be of

4.3 The expertise of the <describe here>>

4.4 The Services to be lier are set out in the Schedule to this HOT

4.5 The Company ma e prior consent of the Supplier] contract with any o during the period of the Services Agreement any ser the Services.

4.6 The Supplier may prior consent of the Company] contract to provide y during the period of the Services Agreement any ser ces are similar to or substantially the same as the Se

4.7 Supplier's remunera d payable as follows:

4.7.1 The Supplie amount or rate>> and the Company will pay it << y>>

4.7.2 [A retainer w

OR

[A retainer o also] be payable. It will be payable <<state whe

4.8 All amounts of rem HOT are [exclusive] [inclusive] of any VAT. If VAT i added to those amounts at the relevant rate applica

4.9 All remuneration du state method of payment>>. [The Supplier must prov Invoice for remuneration [plus the

- VAT thereon] due to the Company [insert name] [insert address] [insert telephone number] [insert fax number] [insert email address] [insert website address] [insert other contact details].
- 4.10 [In addition to paying the Supplier's expenses, the Company will reimburse the Supplier for the type/s of expenses reimbursable and any limits on amount and/or frequency of such expenses, provided that the Company has approved the type of expenses in advance of the case before it is expended or committed by the Supplier.]
- OR**
- [The Company will reimburse the Supplier for the Supplier's expenses];
- 4.11 [The Supplier will be an independent contractor][a self-employed contractor] and the Company will be responsible for all Income Tax and NI on remuneration payable to the Supplier. **OR** [The Supplier will be an employee of the Company and the Company will accordingly be responsible for deducting all Income Tax and National Insurance contributions on remuneration to be paid to the Supplier]
- 4.12 [The Supplier [may] supply [insert name] with goods or materials for the purpose of it carrying out the Services under the Agreement [except where the Company is unable to supply the goods or materials in any particular instance] [or][except where the Supplier is unable to obtain them elsewhere at a lower cost];
- 4.13 [There will be a designated member of the Company who is to supervise the Supplier's performance of the Services <<insert name>>
- 4.14 [The [Supplier] [and] the Company will be required to keep the following particular records in relation to the Services: <<describe the records that it/they must keep>>. The [Supplier] [and] the Company will have the following rights of inspection of the records: <<insert details>>]
- 4.15 [The Supplier will provide the Company with the following documents, [information][instructions] applicable to the Services: <<describe what it must provide>>.] **AND/OR** [The Company will provide the Supplier with the following documents, [information][instructions] applicable to the Services: <<describe what it must provide>>.]
- 4.16 [The Supplier will provide the Company with the following technical support to the Services: <<describe how it must do so>>.] **OR** [The Company will provide the Supplier with the following technical support to the Services: <<describe how it must do so>>.]
- 4.17 [The Supplier is required to ensure compliance with all relevant legislation in connection with the Services [except that the Company is responsible for ensuring compliance with the following relevant legislation: <<insert details>>].
- 4.18 [The Supplier must provide the Company with indemnity cover of at least <<state amount>>]
- 4.19 [The Supplier will provide the Company with indemnity in the Services Agreement in favour of the Company for the following type/s <<state types>>. The Supplier's indemnity and warranty will not

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5. Ongoing Discussion and

- 5.1 The Parties will not be bound by any discussions or negotiations until they have produced, or signed, any Services Agreement;
- 5.2 Nevertheless, but without prejudice to the Parties' intention to do so, the Parties intend in good faith to conduct discussions and negotiations with a view to entering into a Services Agreement as soon as reasonably possible;
- 5.3 Either Party may, but without prejudice to the other, at any time and for any reason, and without any liability to the other, terminate their discussions or negotiations and, except for Clause 5.4, all thereupon cease; and
- 5.4 If a Services Agreement is entered into, it shall supersede and replace this HOT and, subject to Clause 5.3.

6. Confidentiality

- 6.1 Each Party ("the Disclosing Party") shall not disclose, or make available to the First Party any confidential information, including but not limited to information concerning the business, affairs, customers, or suppliers, which is or might be relevant to a services agreement ("Confidential Information"), the First Party shall not use Confidential Information for any purpose other than the evaluation or negotiation of a services agreement with the Other Party;
- 6.2 Neither Party is legally bound to make available to the Other Party any Confidential Information in connection with their discussions and negotiations relating to a Services Agreement, the Parties anticipate that they will make available Confidential Information to each other;
- 6.3 Neither Party shall be liable for any inaccuracies in Confidential Information that it supplies or makes available to the Other Party;
- 6.4 If at any time either Party provides Confidential Information to the Other Party, the Other Party shall do so promptly and shall destroy any copies it has made of the same; and
- 6.5 Each Party acknowledges that damages alone would be an inadequate remedy for breach of Clause 6, and that an injunction, or specific performance, should be awarded against the defaulting Party in the event of an actual breach by it of this Clause 6, without prejudice to any other remedies that either Party may have in relation to such breach.

7. Law and Jurisdiction

- 7.1 This HOT, and the negotiations between the Parties in connection with a proposed Services Agreement, and all disputes or claims arising out of or in connection with this HOT or the proposed or actual Services Agreement, shall be governed by and construed in accordance with, the laws of England and Wales.
- 7.2 [Subject to Clause 7.1, any dispute, controversy, proceedings or claim arising out of or in connection with the proposed or actual Services

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Agreement shall fall to be determined by the courts of England and Wales.

7.3 [Any dispute, controversy or claim between the Parties relating to this HOT or the performance of this Agreement is to be dealt with by means of [arbitration] [and/or] [arbitration] as follows: <<set out provisions of alternative dispute resolution and/or arbitration>>]

SCHEDULE

The Services referred to in clause 1 are:

[]

EITHER

[SIGNED on the above date for and on behalf of the [name of Company]>]:

By <<Name and Title of person signing>>]

Authorised Signature

OR

[SIGNED on the above date by <<Name of person signing>>]

Signature

AND

EITHER

[SIGNED on the above date for and on behalf of the [name of Supplier]>]:

By <<Name and Title of person signing>>]

Authorised Signature

OR

[SIGNED on the above date by <<Name of person signing>>]

Signature