

# TechByte IT Solutions Ltd. - External Collaborator Engagement & Commission Policy

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Effective Date: 16/06/25

## 1. Introduction

This policy governs the engagement of external collaborators working with TBITS Ltd., who provide services independently while partnering with TBITS Ltd. It outlines the obligations, remuneration structure, responsibilities, and legal expectations for all such collaborators. It ensures alignment with TBITS Ltd.'s core policies and compliance with applicable UK laws and professional standards.

## 2. Status of Engagement

External collaborators are self-employed contractors or independent professionals, not employees of TBITS Ltd. Accordingly, this arrangement does not confer any employment rights (e.g. sick pay, holiday pay, redundancy) and is governed by the principles in the Employment Rights Act 1996 and IR35 rules under the Income Tax (Earnings and Pensions) Act 2003.

## 3. Commission Terms & Fee Structure

By using our services, you confirm that you are legally capable of entering into binding contracts under UK law.

TBITS Ltd. will receive a 20% commission on any earnings a collaborator generates from clients they procure directly, if services are performed using TBITS branding, infrastructure, or under TBITS Ltd.'s service umbrella.

Commission must be remitted to TBITS Ltd. within 14 calendar days of receiving payment from the client.

Failure to comply with this clause may result in immediate termination of the collaboration agreement and legal recovery of due amounts.

## 4. Taxation Responsibilities

TBITS Ltd. is not responsible for deducting or remitting Income Tax, National Insurance Contributions (NICs), or VAT on behalf of external collaborators.

External collaborators are fully responsible for:

Registering with HMRC as self-employed.

Filing annual Self-Assessment tax returns.

Paying any required NICs, VAT (if registered), and other applicable taxes.

Ensuring they are compliant with IR35 off-payroll working rules where relevant (see HMRC guidance).

*Reference: HMRC – Working for yourself, IR35 Guidance*

## 5. Responsibilities of External Collaborators

Collaborators must:

- Deliver all services independently and at their own risk.
- Ensure all work meets the professional and technical standards expected by TBITS Ltd. and its clients.
- Handle their own equipment, insurance, certifications, and liability for any claims arising from their actions.
- Adhere strictly to TBITS Ltd.'s internal policies, including:
  - Equality, Diversity and Inclusion (EDI) Policy
  - Safeguarding Policy
  - Service Level Agreement (SLA) Policy
  - Any additional operational, data protection, or conduct-related policy

Collaborators shall be deemed responsible for any loss, harm, or reputational damage arising from their actions or omissions while performing services.

## 6. Intellectual Property & Client Ownership

Any client introduced by the collaborator using TBITS Ltd. branding, networks, or infrastructure is considered a TBITS Ltd. client.

All client relationships and associated intellectual property (IP) developed in connection with TBITS Ltd. services are legally owned by TBITS Ltd.

Upon termination of this agreement, collaborators shall not retain or attempt to poach any such clients. Any breach will result in forfeiture of all rights to those clients and may result in legal action.

## **7. Termination**

TBITS Ltd. reserves the right to terminate any external collaborator agreement:

With immediate effect if any TBITS policy is breached.

In the event of non-payment of commission or proven misconduct.

If required by a change in business needs or UK law.

All outstanding obligations, including commission owed, and relinquishment of client relationships, remain enforceable upon termination.

## **8. Legal Framework & Data Protection**

- This policy complies with the following UK legislation:
- Employment Rights Act 1996
- Income Tax (Earnings and Pensions) Act 2003 (IR35)
- HMRC Contractor and Self-Employment Guidance
- Equality Act 2010
- General Data Protection Regulation (UK GDPR)
- Consumer Rights Act 2015
- Supply of Goods and Services Act 1982
- Care Act 2014 (if relevant in safeguarding vulnerable adults)

All legal disputes shall be governed under the jurisdiction of England and Wales.

TBITS complies with the UK General Data Protection Regulation (UK GDPR) and the Data Protection Act 2018. Personal data processed in connection with services will be handled according to the TBITS Privacy Policy.

Clients are responsible for their own data, and as such are required to back their own data up regularly, in accordance with GDPR (General Data Protection Regulations) legislation. TBITS cannot be held responsible for any losses incurred during an IT support subscription.

## 9. Review & Acknowledgement

This policy will be reviewed annually. External collaborators must confirm in writing that they have read, understood, and agreed to comply with this policy prior to commencing any work.

## 10. Changes to Terms

TBITS reserves the right to modify these Terms at any time. Updated Terms will be communicated to clients, and continued use of services constitutes acceptance of the updated Terms.

## 11. Contact Information

For any questions regarding these Terms, please contact:

Email: [techbyte-itsolutions@outlook.com](mailto:techbyte-itsolutions@outlook.com)

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**TechByte IT Solutions Ltd. (TBITS Ltd.)**

**Effective Date:** 16 June 2025

**Next Review Date:** 16 June 2026