

DISTRIBUTION AGREEMENT

Between: Bounty (UK) Limited, a company registered in England and Wales (company number 631367) and having its registered office at 29 Broadwater Road, Welwyn Garden City, Hertfordshire, AL7 3BQ ("Bounty")

and: Western Sussex Hospitals NHS Trust – Worthing (The Trust)

Date of this Agreement: 31.03.2016 Births per annum circa 2,502

1. Previous Agreements

This Agreement will commence on the above date ("the Operative Date") and will supersede all existing Agreements and constitutes the entire agreement between the parties for the supply of free baby toiletries for use on new born babies at The Trust and for the distribution and presentation of the contents of Bounty Sample Packs, including but not limited to the Pregnancy Information Folder and Newborn Pack, containing samples, information guides, books and literature ("the Bounty Services") to expectant and new mothers who register for births and/or deliver at the premises of The Trust.

2. Term of this Agreement

- 2.1 Subject to 2.2 below, this Agreement will be effective for an initial period of three years commencing from the Operative Date after which time it will continue in force unless terminated by either Party giving to the other not less than six months' notice of termination in writing, any such notice to expire on the third or any subsequent anniversary of the Operative Date.
- 2.2 Notwithstanding 2.1 this Agreement may be terminated by either party at any time by written notice if the other party commits a material breach of this Agreement which (if the breach is capable of remedy) remains unremedied after 30 days following notice of such breach.

3. Bounty undertakings and rights

- 3.1 Bounty will supply Pregnancy Information Folder ("PIF's") free of charge to The Trust. These PIF's will contain Bounty guides and product literature for distribution to expectant mothers according to the provisions outlined in 4.1 below.
- 3.2 Subject to availability of supplies from manufacturers, Bounty will be the only supplier of quality baby toiletries free of charge for use on new born babies at The Trust.
- 3.3 A Bounty employee will call at the premises of The Trust for the purpose of distributing Bounty Sample Packs or/and controlling the use and free distribution of the Bounty Services to new and expectant mothers.
- 3.4 All inclusions in the Bounty Pregnancy Information Folder, Newborn Pack and Mum's Pack are subject to the approval of The Trust, such approval not to be unreasonably withheld but in any event all samples, advertisements and offers will comply fully with the requirements of the Advertising Standards Authority and all Statutes and recognised codes of practice.
- 3.5 Bounty will keep The Trust fully indemnified against any liability incurred as a result of the distribution of the Bounty Services pursuant to this Agreement and Bounty will take out the necessary Public Liability Insurance in respect of any valid claim to a limit of £25,000,000 in respect of any one incident.
- 3.6 Bounty reserves the right to re-brand, replace or withdraw Sample Packs during the term of this Agreement, notwithstanding that all packs will be subject to provisions of clause 3.4 above.
- 3.7 Bounty maintains and enforces a strict bedside Code of Conduct regulating Bounty employees' contact and interaction with expectant women and mothers.
- 3.8 Bounty being registered with the Disclosure and Barring Service will take all necessary steps to procure that its employee(s) obtain disclosures from the Disclosure and Barring Services to the required standard.

4. The Trust undertakings and rights

- 4.1 The Trust will both in the hospital and community use its best endeavours to maximise the distribution of Pregnancy Information Folders to expectant mothers early in their pregnancy and will ensure that the packs are correctly distributed. Maternity notes and non-commercially sponsored health promotion materials may be included with this pack at the discretion of The Trust. Bounty's own literature and inserts follow strict approval procedures. The Trust will ensure that - both in hospital and the community - commercially funded booklets, literature or web-site recruitment flyers derived from any source will not be inserted within the Bounty Pregnancy Information Folder (Note: at the special request of The Trust, Bounty may grant permission for locally-sponsored charitable initiatives).
- 4.2 The Trust will use its best endeavours to ensure minimum wastage of toiletry products supplied free of charge by Bounty for use on new born babies at The Trust.
- 4.3 The Trust will provide the Bounty employee with a copy of its Health & Safety Policy and any specific regulations applicable to The Trust.
- 4.4 Bounty and the Bounty employee will be given daily access to The Trust to carry out those activities outlined in 3.1, 3.2 and 3.3 and to record the name and address of recipients of the Bounty Services

and may use this information in strict accordance with the Data Protection Act to mail product information and offers to mothers who express a wish to receive such mailings from Bounty and other reputable companies.

5. Distribution Monies payable in respect of this Agreement

5.1 The options and the monies available to The Trust are outlined below.

Monies shown below, payable from the Operative date are inclusive of VAT (at the prevailing rate)

Option Payments cover acceptance of the following Services Monies per NB pack Tick

One Exclusivity for all Bounty Services £0.72 ☒

The Trust will not allow directly competitive services, products, advertising, literature or data collection at either The Trust or in the community or by employees of The Trust during the term of this Agreement.

Two Reduced Bounty Services plus any other service £0.27 ☐

5.2 The Distribution Monies referred to in 5.1 will be determined by the actual number of Newborn Packs distributed at The Trust during the Term up to a maximum distribution volume which shall not exceed 5% above the actual number of births. The Trust will supply Bounty with the actual number of births for the previous calendar year by 1st April each year. In the absence of this information Bounty shall be entitled to reduce the maximum distribution volume by 2% until such time as the actual figures are received. In the event of a restructure or reorganisation of the Trust which causes the number of births to significantly decrease from the previous year, Bounty shall be entitled to reduce the maximum distribution volume immediately. No information on pricing, monies or remuneration is to be divulged to any party without the prior written consent of Bounty.

5.3 Bounty will pay Distribution Monies to The Trust quarterly in arrears from the next full calendar quarter from the Operative Date as specified in this Agreement. Please note that amounts payable may vary in line with government changes in the rate of VAT.

5.4 The amount in 5.1 above for each Newborn Pack distributed is effective from the Operative Date and may be subject to review during the term of this Agreement. Bounty also reserves the right to reduce monies payable under this Agreement for a reduced level of sample inclusions or reduced Services.

5.5 Where the hospital is unable to provide free parking for the Bounty employee, Bounty will deduct such charges incurred from the Distribution Monies.

6. Payment

6.1 Distribution Monies Payable under this Agreement will be remitted by Bounty on the due dates in strict accordance with the duly authorised written payment instructions of the Maternity Unit.

6.2 The Trust agrees to the self billing procedure set up between Bounty and the Trust in accordance with the attached Self-Billing Agreement.

PAYMENT INSTRUCTIONS - If details unaltered from previous Agreement, please tick box ☒

This Agreement is signed and authorised by the Parties as follows:

On behalf of The Trust

Signatory Name 

Signature  Date 31.03.2014

On behalf of Bounty (UK) Limited

Signatory Name Sharon Moore Title Head of Hospital Management

Signature  Date 

