

APPENDIX 1 - RS Response Ltd - General Conditions of Sub-Contract Order

1. Definitions

- **1.1** In these conditions, the following terms have the meanings given below:
- **1.1.1 "Contract"** means the agreement between the Company and the Sub-Contractor for carrying out the Work (including the Purchase Order and these Terms, together with any Special Terms).
- 1.1.2 "Company" means RS Response Limited.
- **1.1.3 "Programme Requirements"** means the preliminary project implementation plan or programme issued by the Company, which the Sub-Contractor is deemed to have reviewed and to fully understand.
- **1.1.4 "Principal Contract"** means the contract between the Company and its client (the Employer) in relation to the overall project of which the Work forms a part.
- 1.1.5 "Purchase Order" means the Company's standard form sub-contract purchase order to which these Terms are appended.
- **1.1.6 "Services"** means the goods and/or services (including work, labor and materials) to be provided by the Sub-Contractor as part of the Work under the Contract.
- 1.1.7 "Site" means the location of the Work as specified by the Company.
- **1.1.8 "Special Terms"** means any terms additional or supplementary to these Terms that are set out in the Purchase Order (or in any written addendum agreed by the Company) for a particular Work order.
- **1.1.9 "Specification"** means the specification, scope, drawings, plans, design documents, or description of the Work as set out in or referred to by the Contract (including any documents or samples provided by the Company to the Sub-Contractor).
- **1.1.10 "Sub-Contractor"** means the company, firm or individual identified in the Purchase Order who is engaged by the Company to carry out the Work (supply and install Services) under the Contract.
- **1.1.11 "Tender"** means the tender or quotation documents (in the form required by the Company) submitted by the Sub-Contractor in respect of the Work, including any responses to an invitation to tender.
- **1.1.12 "Terms"** means these Terms and Conditions of Sub-Contract Order, including any Special Terms or any other terms agreed in writing by a director of the Company.
- **1.1.13 "Work"** means the Services and all work, materials, duties and obligations to be provided or performed by the Sub-Contractor under the Contract, as described in the Specification (including any design, if the Sub-Contractor is responsible for design as part of the Services).
- **1.2** References to the singular include the plural and vice versa. References to any gender include all genders. References to statutory provisions or regulations are to those provisions as amended or re-enacted from time to time.
- **1.3** In the event of any conflict between these Terms and any Special Terms expressly agreed in the Purchase Order (or any written addendum), the Special Terms shall prevail. Headings are for convenience only and shall not affect interpretation of the Contract.
- **1.4** Until these Terms are varied by express written agreement signed by the Company, they shall apply to each Purchase Order and Contract between the Company and the Sub-Contractor. These Terms constitute the only conditions on which the Company is prepared to deal with the Sub-Contractor, and they shall prevail over any terms or conditions put forward by the Sub-Contractor (including any terms on the Sub-Contractor's quotations, tenders, invoices or other documents), unless and to the extent that the Company expressly agrees in writing to those other terms.
- 1.5 The Sub-Contractor acknowledges that the Company, as a contractor, has obligations to its client under the Principal Contract. The Sub-Contractor agrees that its obligations and liabilities in carrying out the Work are **back-to-back** with those which the Company owes to its client under the Principal Contract, to the extent relevant to the Work. Accordingly, the Sub-Contractor shall perform the Work and assume responsibilities so as to ensure that the Company will be in compliance with the Principal Contract insofar as the Work is concerned. Any breach by the Sub-Contractor of the Contract shall be deemed to put the Company in breach of the Principal Contract, and the Sub-Contractor shall be liable for all costs, losses, penalties and damages incurred by the Company as a result (as further set out in these Terms).
- **1.6 Design Responsibility (if applicable):** Where the Work includes any design or design-related Services to be provided by the Sub-Contractor, all provisions of this Contract relating to design (including intellectual property and professional indemnity obligations) shall apply. If no design responsibility is included in the Work, any such design-specific provisions shall be of no effect.

2. Basis of the Tender and Contract



- 2.1 The Sub-Contractor's Tender for the Work shall remain open for acceptance by the Company unless and until the Sub-Contractor provides written notice of its withdrawal. The Contract shall come into effect upon the Company's issuance of a Purchase Order (or other written acceptance of the Tender), or when the Sub-Contractor commences the Work pursuant to the Company's instruction, whichever occurs first.
- **2.2** The Sub-Contractor acknowledges that, prior to entering into the Contract, it has been provided with or given access to the following documents, and it is deemed to have full knowledge of their contents insofar as they relate to the Work:
- **2.2.1** The Principal Contract (including its conditions, specifications, drawings, schedules, and any other documents forming part of the contract between the Company and its client);
- 2.2.2 The Specification for the Work (and any related drawings, plans or design information provided by the Company);
- 2.2.3 The Programme Requirements for the project and any schedule or timeline for the Sub-Contractor's portion of the Work; and
- 2.2.4 The Company's standard Preliminaries or site regulations applicable to the project.

The Sub-Contractor undertakes to fully comply with the provisions of the above documents (so far as they apply to the Work) as though the same were expressly set out in this Contract. The Sub-Contractor shall indemnify and keep the Company indemnified against any breach by the Sub-Contractor of the provisions of the Principal Contract or other project documents listed in this clause, to the extent such breach affects or is connected with the Work or causes the Company to be in breach of the Principal Contract.

2.3 The Sub-Contractor's Tender is deemed to be a fixed-price offer. The Sub-Contractor warrants that its Tender includes everything necessary for the proper execution and completion of the Work in accordance with the Contract and the intended purposes of the Work. No claim for additional compensation shall be accepted for any matters that the Sub-Contractor either knew or ought to have known from the documents provided or from its inspection of the Site and the nature of the Work. In particular (but without limitation), the Tender price is deemed to include all costs of transport, carriage and freight, insurance, export/import duties, and all other incidental costs for delivery of any goods or materials; all applicable taxes (except VAT, which shall be shown separately where applicable); all necessary labor (including appropriate supervision), tools, equipment and facilities; overtime or weekend work if required to meet the programme; compliance with all applicable industry rules or working rule agreements; and any other expenses or charges required to complete the Work to the satisfaction of the Company. The Sub-Contractor shall not be entitled to any additional payment in respect of any of the above items except as expressly provided in this Contract.

3. Warranties and Undertakings

- **3.1** The Sub-Contractor acknowledges that any breach of its obligations under this Contract may cause the Company to be in breach of the Principal Contract. The parties agree that any costs, penalties or damages incurred by the Company as a result of the Sub-Contractor's breach of this Contract (including any liquidated damages payable by the Company under the Principal Contract or other losses flowing from the breach) shall be recoverable from the Sub-Contractor as damages, and that such costs and damages are foreseeable and contemplated by the parties as probable results of any breach of this Contract by the Sub-Contractor.
- 3.2 The Sub-Contractor hereby warrants, represents and undertakes to the Company that:
- **3.2.1** It is competent, experienced, and has the expertise, qualifications, permits, and resources necessary to carry out and complete the Work (including any design responsibility that forms part of the Work) in accordance with the Contract.
- **3.2.2** It will exercise and maintain the appropriate level of skill, care, diligence and professional expertise in the performance of the Work, commensurate with the standards of a reasonably skilled contractor experienced in projects of the nature, scope and complexity of the Work. Without limiting the generality of this warranty, the Sub-Contractor specifically warrants that it will exercise at least reasonable skill, care and diligence in:
- (a) the design or engineering of any aspect of the Work for which the Sub-Contractor is responsible (if any), ensuring that all designs, drawings, specifications and calculations prepared by the Sub-Contractor are fit for their intended purpose and comply with all legal and technical requirements;
- (b) the selection of materials and goods for the Work (to the extent the Sub-Contractor is required to select or procure goods or materials), ensuring all materials and goods are of satisfactory quality, new (unless otherwise specified), fit for purpose and in conformity with the Specification and all relevant standards; and
- (c) complying with its obligations under the Programme Requirements, the Specification, and all other terms and conditions of this Contract, so as to prevent delay or disruption to the Company or to other works on the Site.
- **3.2.3** It will obtain, effect, and maintain in force all necessary insurances in such coverage amounts and against such risks as are required by the Principal Contract or otherwise reasonably required by the Company. Such insurances shall include (at a minimum) employer's liability and public liability insurance, and, where the Work includes any design or professional services, professional indemnity insurance. Insurance cover must commence no later than the date the Sub-Contractor first attends the Site (or starts any off-site Work) and remain in effect until all obligations of the Sub-Contractor under the Contract (including during any defects liability or warranty period) are fulfilled.



- **3.3** The Sub-Contractor shall, upon the Company's request, provide evidence (to the Company's satisfaction) that the insurances required under this Contract have been effected and are in force at all relevant times. If the Sub-Contractor fails to take out or maintain any required insurance, the Company may (but is not obligated to) procure such insurance on behalf of the Sub-Contractor and recover the cost from the Sub-Contractor by deduction from any monies due or to become due to the Sub-Contractor.
- **3.4** If requested in writing by the Company, the Sub-Contractor shall promptly enter into collateral warranty agreements in favor of third parties (such as the Company's client, end user, funder, or any other party identified by the Company) in relation to the Work. Such collateral warranties shall be provided in the form required by the Company (or by the Principal Contract) and shall impose no greater obligations on the Sub-Contractor than those it has assumed under this Contract. The Sub-Contractor agrees that it may be a condition of payment or of final completion that all required collateral warranties (duly executed) are delivered to the Company.

(**Note:** No requirement for any performance bond or parent company guarantee shall apply to this Contract, as it is intended for domestic Sub-Contractors only.)

4. Payment Terms

- **4.1 Contract Price:** The total price payable to the Sub-Contractor for the complete performance of the Work shall be as stated in the Purchase Order (subject to adjustment only in accordance with these Terms, such as for approved Variations). If the parties agree to any modification of the scope or value of the Work, such agreement must be recorded in writing (e.g. in a written variation or addendum to the Purchase Order), and the agreed adjustment to the price shall be deemed incorporated into the Contract. The Sub-Contractor shall submit invoices separately for each Purchase Order (no invoice should cover Work under multiple orders). Any invoice that does not reference a valid Purchase Order number (or that combines multiple orders on one invoice) may be rejected by the Company and will require resubmission with the correct information.
- **4.2 Payment Schedule:** The timing of payment shall be as stated in the Purchase Order or as otherwise agreed in writing. Unless otherwise specified, the Sub-Contractor shall be entitled to invoice the Company for Work properly performed monthly in arrears (or at such other intervals as stated in the Purchase Order), and a final invoice upon completion of the Work. Each invoice shall become due for payment 7 days after the agreed valuation date for the Work covered by that invoice (the "due date" for that payment). If no specific valuation date is stated, the due date shall be 7 days after the end of the calendar month in which the Sub-Contractor's invoice (or application for payment) is received. The final date for payment of any invoice shall be 38 days from its due date, provided that a valid VAT invoice has been received by the Company. (For example, if the due date is the 7th of a month, the final date for payment will be the 45th of that month, i.e. 38 days later.) These payment periods may be extended if project-specific payment terms are agreed in writing, in which case the longer period shall prevail. The Sub-Contractor shall ensure that its invoices comply with all applicable VAT requirements. If the UK Domestic Reverse Charge for VAT applies to the Work (per HMRC rules), the Sub-Contractor's invoices must be formatted in compliance with those rules. In any event, the Sub-Contractor shall not submit more than two invoices (or applications) for payment in any calendar month without the Company's agreement.
- **4.3 Retention (if applicable):** If the Purchase Order states that a retention applies, the Company shall be entitled to deduct retention money at the rate of 5% from amounts otherwise due to the Sub-Contractor. The retention shall be held as security for the Sub-Contractor's performance and for remedying defects. 2.5% (half) of the retention may be released to the Sub-Contractor upon the later of: (a) the Sub-Contractor's satisfactory completion of the Work and the Work's acceptance by the Company; and (b) three months after the practical completion of the main project under the Principal Contract. The remaining 2.5% (final half of retention) shall be released upon expiration of the defects liability period specified in the Principal Contract (for the main project) plus three months, provided that the Sub-Contractor has satisfactorily made good all defects in its Work. The Company reserves the right to withhold release of retention if any defects in the Work have not been remedied to the Company's satisfaction, or to deduct from the retention any costs incurred in remedying such defects.
- **4.4** The Company may deduct or withhold from any payment due to the Sub-Contractor any withholding tax or other amounts required by law to be deducted. The Company shall provide appropriate documentation of any such deductions if requested. All payments to the Sub-Contractor will be subject to verification of the Sub-Contractor's compliance with CIS (Construction Industry Scheme) requirements if applicable (e.g. providing split between labor and materials on invoices, etc.). The Sub-Contractor's rates and prices are deemed to include all relevant contributions, levies or costs required by law or industry agreements (including without limitation national insurance, pension, holiday pay, travel or subsistence allowances, etc.), and the Sub-Contractor shall indemnify the Company against any claims or liabilities in respect of the same.
- **4.5 Set-off:** Whenever any sum of money is recoverable from, or payable by, the Sub-Contractor under this Contract or in consequence of any breach hereof, the Company may deduct that sum from any payment then due or which may become due to the Sub-Contractor under this Contract or any other contract with the Company. The Sub-Contractor hereby agrees that the Company may set off any such amount against monies due to the Sub-Contractor. A notice of intention to withhold or set off may be issued by the Company if required under the Housing Grants, Construction and Regeneration Act 1996 (as amended) ("Construction Act").
- **4.6 Invoice Requirements and Payment Notices:** All invoices submitted by the Sub-Contractor must show a detailed breakdown of the value of Work completed to date, the value of Work previously invoiced, the value of Work for the current period, and the amount of any retention withheld. The Company shall, in accordance with the Construction Act, issue any required payment notices or pay-less notices. If the Company intends to withhold any amount from a sum due (including by way of set-off or retention), it will issue a notice under the Contract specifying the amount to be withheld and the reasons (pay-less notice) within the time required by law.



- **4.7 Claims and Notification:** The Sub-Contractor shall notify the Company in writing, as soon as become apparent, of any event or circumstance which the Sub-Contractor considers may entitle it to additional payment or an extension of time. In particular, if the Sub-Contractor wishes to make any claim for additional costs or losses (whether arising from variations, delay or disruption, or otherwise), it must give written notice of the occurrence and its intention to claim as soon as possible and no later than 7 days after the event, and shall submit to the Company monthly updates of the claimed costs with all necessary supporting information. The Company shall not be liable for any claim for additional payment which was not notified in accordance with this clause, and any such claim is deemed waived by the Sub-Contractor.
- **4.8 Suspension for Non-Payment:** If the Company fails to pay the Sub-Contractor any amount due by the final date for payment, the Sub-Contractor shall have the right to suspend performance of its obligations under this Contract. Such right of suspension may only be exercised in accordance with the Construction Act, and is subject to the Sub-Contractor first giving the Company not less than 7 days' notice of intent to suspend performance, stating the ground for suspension, and only if payment is not made within that 7-day notice period. A suspension by the Sub-Contractor in compliance with the Act shall entitle the Sub-Contractor to an extension of time (if the delay affects the completion date) and reimbursement of its reasonable costs of suspension and resumption, as provided under the Construction Act.
- **4.9** The Sub-Contractor acknowledges that the Contract is a measure and value contract (not re-measurement, unless expressly stated otherwise in the Purchase Order). The Contract Price shall only be adjusted by agreed Variations or other provisions of this Contract, and not by re-measurement of actual quantities (except to the extent that the Specification explicitly allows for a schedule of rates or re-measurement mechanism).

5. Progress and Completion of the Work

- **5.1** The Sub-Contractor shall commence the Work by the date agreed or instructed by the Company and shall proceed regularly and diligently in accordance with the agreed programme. The Sub-Contractor's attention is drawn to the Programme Requirements, which the Company will discuss and agree (as far as reasonably possible) with the Sub-Contractor prior to issuing the Purchase Order. The Sub-Contractor shall not commence any Work on Site until a valid Purchase Order has been received and any required prerequisites (e.g. approved risk assessments, method statements, evidence of insurance, etc.) have been provided to the Company.
- **5.2** The Sub-Contractor shall execute the Work in accordance with the Programme Requirements (and any schedule or sequence provided by the Company) and shall avoid any delay or disruption to the progress of the project. The Sub-Contractor shall ensure that it achieves completion of the Work by the due date for completion stated in the Purchase Order or as otherwise instructed, subject only to extensions of time granted in accordance with this Contract.
- **5.3** If at any time the Sub-Contractor becomes aware of any matter which is likely to delay or disrupt the timely completion of the Work, it must immediately give written notice to the Company, stating the cause and expected duration of the delay. The Company will review any notice of delay and, where appropriate and at its sole discretion, may grant a fair and reasonable extension of time for completion of the Work, taking into account any extension of time that the Company itself is granted under the Principal Contract for the same cause. The Sub-Contractor shall take all reasonable steps to mitigate the effects of any delay. Only delays for which the Company is responsible under this Contract or which qualify as neutral events under the Principal Contract (and not caused or contributed to by the Sub-Contractor) shall entitle the Sub-Contractor to an extension of time.
- **5.4 Delay and Liquidated Damages:** The Sub-Contractor acknowledges that timely completion of the Work is of the essence. If the Sub-Contractor fails to complete the Work by the agreed completion date (as extended, if applicable), the Sub-Contractor shall be liable to the Company for all losses, damages, costs and expenses incurred by the Company as a result of such delay. This includes (but is not limited to) any liquidated damages or other delay damages that the Company is required to pay under the Principal Contract attributable to the Sub-Contractor's delay, as well as any additional costs for supervision, management, or substitute performance incurred by the Company. The Company may deduct any such sums from amounts due to the Sub-Contractor (in accordance with Clause 4.5). The Sub-Contractor further agrees that if it defaults in complying with any requirement under this Clause 5 (Progress and Completion), the Company may make a reasonable estimate of the amount of loss or damage suffered due to the delay or breach, and may deduct that amount from the Sub-Contractor's payment. The parties agree that any sums deducted for such delay or non-performance are not penalties but a reasonable pre-estimate of loss or a genuine attempt to quantify the damages suffered by the Company.

6. Specification, Plans, Drawings and Designs

- **6.1** All specifications, drawings, plans, patterns, designs or other documents or information supplied by the Company to the Sub-Contractor in connection with the Work (if any) shall remain the property of the Company. The Company retains all copyright and intellectual property rights in such materials. The Sub-Contractor shall treat all such information as confidential and use it only for the purposes of carrying out the Work. The Sub-Contractor shall return all such materials to the Company upon completion of the Work or earlier termination of the Contract (or earlier, if requested by the Company). The Sub-Contractor shall not copy, use, or disclose any such information to any third party except as strictly necessary for the performance of the Work and with the Company's prior consent.
- **6.2** The Sub-Contractor shall thoroughly examine all information, drawings and specifications supplied by the Company and shall promptly notify the Company of any ambiguities or discrepancies it discovers. The Sub-Contractor is responsible for verifying all dimensions and site conditions relevant to the Work. The Company gives no warranty as to the accuracy or completeness of any information it provides; therefore, the Sub-Contractor must satisfy itself that the information and requirements given are sufficient and suitable for the purposes of the Work.



- **6.3** The obligations in this Clause 6 (and any sub-clauses hereunder) shall survive termination or completion of the Contract. (For example, the Sub-Contractor's confidentiality and intellectual property obligations remain in effect even after the Work is finished or the Contract is ended.)
- **6.4 Design Undertaking (if applicable):** Where the Work includes the preparation of any designs, drawings, plans, calculations, or other design documentation by the Sub-Contractor, the Sub-Contractor warrants that such designs and documents shall be suitable, complete, and fit for their intended purpose and for the purposes required by the Company. The Sub-Contractor shall ensure that its design complies with all applicable laws, codes, standards, and the requirements of the Contract. The Sub-Contractor agrees to indemnify the Company against any loss, damage, expense or claim arising from any defect, error or inadequacy in such designs, drawings or specifications prepared by the Sub-Contractor (including any claim made against the Company by the client or any third party as a result of such design defects). This indemnity is in addition to any other remedies available and shall continue to operate notwithstanding completion of the Work or termination of the Contract.
- **6.5** The **intellectual property rights** (including copyright) in all designs, drawings, plans, calculations, reports and other documents or materials prepared or provided by the Sub-Contractor under this Contract shall, from creation, vest in the Company. To the extent that any such intellectual property rights would otherwise vest in the Sub-Contractor or its employees or any third party, the Sub-Contractor hereby assigns (or shall procure the assignment of) all such rights to the Company absolutely, with full title guarantee. The Sub-Contractor shall do (and shall ensure its sub-consultants or designers do) all acts and execute all documents required to give effect to this assignment and to enable the Company (or its nominee) to fully enjoy and enforce the assigned rights. The Sub-Contractor warrants that the Work and any design or documents it provides will not infringe any patent, copyright, design right, trademark or other intellectual property of any third party, and shall indemnify the Company against any breach of this warranty.
- **6.6** The Sub-Contractor hereby irrevocably waives (and shall procure that its relevant employees or sub-contractors waive) any moral rights under the Copyright, Designs and Patents Act 1988 (as amended) in any designs or documents produced for the Work, to which the Company is entitled by virtue of Clause 6.1 or 6.5. This waiver is made to the fullest extent permitted by law and is granted in favor of the Company and the Company's assigns and successors in title.
- **6.7** The Sub-Contractor shall not rely on any design, drawing, specification or other information provided by the Company or any third party without verifying its suitability for the intended purpose of the Work. In any event, the Sub-Contractor remains responsible for the adequacy of the design of the Work (or any part of the Work designed by or on behalf of the Sub-Contractor) notwithstanding any approval or review of such design by the Company or its client. The Sub-Contractor shall satisfy itself that any design information provided to it (whether prepared by the Company, the client, or others) is consistent with the requirements of the Work, and shall promptly notify the Company of any aspects that it considers to be unsuitable or in need of modification.
- **6.8** The Sub-Contractor shall be responsible for and shall bear any extra costs resulting from any discrepancies, errors or omissions in any drawings, plans, specifications or other design details that the Sub-Contractor provides as part of the Work, whether or not such documents have been reviewed or approved by the Company. If the Company incurs additional cost due to such error or omission, the Sub-Contractor shall reimburse the Company or such cost may be deducted from payments due.
- **6.9** The Sub-Contractor shall execute and deliver all design documents and other information in a timely manner and in such sequence as required to allow the Work (and the overall project) to be completed in accordance with the Contract and the Programme Requirements. Delays in providing design or technical information shall be treated as delays to the Work. If the Sub-Contractor's delay in providing design causes delay to the project, it shall be subject to the provisions of Clause 5.4 (regarding delay damages).

7. Title and Risk in Materials and Goods

- 7.1 Title in (ownership of) all goods, materials, plant, equipment, plans or designs or any other items supplied by the Sub-Contractor for incorporation into the Work shall remain with the Sub-Contractor until they are delivered to the Site and formally accepted by the Company. Upon such delivery and acceptance, title to those items shall pass to the Company absolutely. The Company shall thereafter have the right to freely use and/or incorporate such goods, materials, plans or designs into the project or the Work. This transfer of title shall not relieve the Sub-Contractor of its obligations to complete the Work or to safeguard the materials. Notwithstanding any termination of the Contract (for whatever reason), the Company shall retain ownership of all such delivered items and shall be entitled to use them to complete the Work or the overall project.
- 7.2 The risk of loss or damage to any goods, materials or equipment to be incorporated in the Work remains with the Sub-Contractor until those items have been fully and properly incorporated into the completed Work and the Work has been accepted in full by the Company. The Sub-Contractor is responsible for the care of its materials on Site and in transit. If any loss or damage occurs to the Sub-Contractor's materials or work in progress before completion and acceptance of the Work, the Sub-Contractor shall, at its own cost, repair or replace the same so as to comply with the Contract, without entitlement to additional payment. This responsibility remains even if the cause of the loss or damage is not the Sub-Contractor's fault (except to the extent that such loss or damage is caused by the Company's own negligence or breach of Contract). The Sub-Contractor is advised to insure its work, materials and equipment accordingly.

8. Variations to the Work

8.1 The Sub-Contractor shall not vary or deviate from the Work described in the Specification **except** as directed in writing by the Company. The Company (through its authorized representatives, such as the project manager or site manager) may at any time issue a written instruction requiring a change to the Work. Such change may include additions, omissions, substitutions, alterations, or changes in



sequence or timing of the Work (each a "Variation"). The Sub-Contractor shall promptly comply with any such instruction. No Variation will vitiate or invalidate the Contract.

- **8.2** If the Company requests a Variation or the Sub-Contractor identifies a necessity for a change, the Sub-Contractor shall provide in writing a quotation or estimate of the effect of the proposed Variation on the Contract price and programme, for the Company's consideration. The Sub-Contractor shall not proceed with a proposed change until the Company issues a written Variation instruction. The price (or rate) to be paid for any Variation shall be agreed in writing *prior* to the Sub-Contractor executing the Variation work, whenever practicable. Where a price for the Variation cannot be agreed in advance, the Company may instruct the Sub-Contractor to proceed on a daywork or time-and-material basis at pre-agreed rates (or, if none are agreed, at fair and reasonable rates to be determined by the Company). In such case, the Sub-Contractor shall maintain and submit proper records of time and materials expended, signed daily by the Company's site representative.
- **8.3** If a Variation's price is to be determined on a daywork basis, the standard working hours shall be 8:00 AM to 5:00 PM, Monday to Saturday (inclusive), totalling 9 hours per day, unless otherwise agreed in writing. Overtime or out-of-hours work must be specifically authorized. It is a condition precedent to payment for any Variation on a daywork or time-charge basis that the Sub-Contractor obtains the written verification (signature) of the Company's site manager or project manager on the daily time and material records for the work, and that the Sub-Contractor submits a written statement of the labour, materials and plant employed in executing the Variation with its application for payment. The Company reserves the right to reject claims for payment for Variations that are not adequately supported by such signed records.
- **8.4** The Sub-Contractor shall not be entitled to any extension of time or additional payment for a Variation unless it has received a written instruction from the Company for that Variation. If the Sub-Contractor believes that any instruction or event constitutes a Variation for which it should be paid or given extra time, but which was not clearly identified as such by the Company, the Sub-Contractor must notify the Company in writing before proceeding with the work or as soon as reasonably possible. Failure to do so may waive the Sub-Contractor's right to claim additional time or money for that work.

9. Quality, Inspection and Defects

- **9.1** The Sub-Contractor shall execute and complete the Work (including any Variations) in accordance with the Principal Contract and the Specification, and to the entire satisfaction of the Company. This includes meeting all quality standards, performance requirements, and using proper materials and workmanship as specified. The Sub-Contractor shall also be responsible for making good, at its own cost, any defects, shrinkages or other faults in the Work that appear during the defects liability period applicable to the main project under the Principal Contract (or such other defects correction period as may be stated in the Purchase Order or Specification), to the extent such defects arise from the Sub-Contractor's breach of contract or failure to comply with the required standards.
- **9.2** The Company and persons authorized by the Company (including the Company's client or its representatives) shall have the right at all reasonable times to inspect, examine, and/or test the Work (including any materials to be used for the Work) whether on the Site or at the Sub-Contractor's premises or those of its suppliers. The Sub-Contractor shall provide full access and cooperation for such inspections or tests. However, no inspection, testing, approval, or acceptance of any part of the Work by the Company or others shall relieve the Sub-Contractor of its responsibility to deliver the Work in accordance with the Contract and free of defects. The Sub-Contractor shall also provide all facilities, assistance, and samples reasonably required for inspection and testing at its own cost. If the Contract includes any performance tests or commissioning of equipment installed by the Sub-Contractor, the Sub-Contractor's price is deemed to include the cost of all such testing, commissioning, and any necessary adjustments to achieve the specified performance.
- **9.3** If, at any time, any materials, goods, or workmanship forming part of the Work are found (in the Company's reasonable opinion) to be defective or not in accordance with the Contract or the Specification, the Company may reject such materials or workmanship by giving written notice to the Sub-Contractor. This applies whether the issue is apparent during the Work or during the defects liability period (including latent defects that become apparent). Upon such rejection, the Sub-Contractor shall immediately rectify or replace the defective items or work at its own expense, so that it conforms to the Contract requirements. If the Sub-Contractor fails to rectify the defect within a reasonable time specified by the Company, the Company may arrange for the defect to be corrected by others and recover the cost from the Sub-Contractor. In addition, the Sub-Contractor shall be liable for any loss of profit, additional costs, or consequential losses suffered by the Company as a result of the defective work and its remediation. The Sub-Contractor shall indemnify the Company against any such losses, costs or damages arising from the Sub-Contractor's provision of defective work or materials.
- **9.4** If any defect or non-compliance in the Work is discovered during the execution of the Work or within the applicable defects liability or warranty period, the Sub-Contractor shall, upon notification, promptly make good the defect at its own cost. This obligation extends to any damage to other work caused by the defect. If the Sub-Contractor does not promptly fulfill its obligations under this clause, the Company may remedy the defect itself or through others and recover all resulting costs from the Sub-Contractor. The Sub-Contractor agrees that the Company may deduct any such costs from payments due to the Sub-Contractor (pursuant to Clause 4.5 on set-off). The provisions of this Clause 9 remain in force throughout the defects liability period specified in the Principal Contract, and any work remedied under this clause shall carry an additional warranty period equal to that initial defects liability period from the date of repair. These rights are in addition to any other remedies the Company may have at law or under the Contract.

10. Site Facilities and Equipment

10.1 The Sub-Contractor shall provide, at its own cost, all facilities, equipment, tools, scaffolding, cranage, personal protective equipment, and other things necessary for the safe and proper execution of the Work, except to the extent (if any) specifically stated in the Purchase



Order or Specification that the Company will provide certain facilities. If the Sub-Contractor is permitted by the Company to use any facilities, equipment or materials which are present on the Site (for example, using the main contractor's scaffolding, hoist, power supply, or welfare facilities), such use is entirely at the Sub-Contractor's own risk. The Sub-Contractor shall indemnify the Company in respect of any loss or damage caused to such facilities or equipment, or any injury, loss or damage arising from the Sub-Contractor's use thereof (except to the extent caused by the Company's own negligence). The Sub-Contractor remains responsible for arranging and providing all items needed for its Work unless explicitly agreed otherwise.

- 10.2 In the event of termination of the Contract for any reason (other than termination of the Principal Contract itself), the Company shall have the right to continue to use any temporary facilities, equipment or site infrastructure that have been provided by the Sub-Contractor under this Contract, for the purpose of completing the Work or the main project. The Sub-Contractor grants the Company an irrevocable, royalty-free licence to use such facilities and equipment until completion of the project. The Company will, at its own expense, return any remaining facilities and equipment to the Sub-Contractor (or make them available for collection) after the Work (or the main contract works) have been completed.
- **10.3** The Sub-Contractor's own tools, plant and equipment brought onto Site are at the sole risk of the Sub-Contractor. The Company shall have no liability for loss or damage to any of the Sub-Contractor's tools or equipment, howsoever caused. The Sub-Contractor is responsible for removing all its tools, equipment and temporary facilities from the Site upon completion of the Work or upon earlier termination of the Contract, and shall leave any Company-provided facilities in clean and serviceable condition.

11. Injury, Damage and Third-Party Liability

- **11.1** The Sub-Contractor shall conduct the Work in such a way as to avoid causing any damage to the property of the Company, the Company's client, or any other contractors or persons on or adjacent to the Site. The Sub-Contractor shall make good, at its own cost, any damage or loss it or its workers cause to any such property.
- **11.2** The Sub-Contractor shall indemnify and keep indemnified the Company against all claims, losses, damages, costs and expenses arising from:
- **11.2.1** Personal injury to or the death of any person (including any employee of the Sub-Contractor or of the Company) and/or damage to any property (including property of the Company or third parties) to the extent caused by any negligence, breach of statutory duty, or default of the Sub-Contractor, its sub-contractors, or their respective employees or agents in connection with the Work.
- **11.2.2** Any defect in the Work, or any breach by the Sub-Contractor of the warranties and obligations under this Contract (whether express or implied), including without limitation any costs or liabilities incurred by the Company under the Principal Contract as a result of the Sub-Contractor's defective work or other breach.
- 11.2.3 Any other breach or non-performance of this Contract by the Sub-Contractor or those for whom it is responsible.

This indemnity shall apply whether such claims arise under statute, in contract or in tort (including negligence) or otherwise at law, and shall not be limited by the amount of insurance available or provided by the Sub-Contractor. The Sub-Contractor's liability to indemnify shall be reduced proportionally to the extent that any injury or damage is caused by the negligence or default of the Company. Nothing in this Contract shall limit either party's liability for death or personal injury caused by its negligence.

12. Removal of Rubbish and Clean-Up

- 12.1 The Sub-Contractor shall keep its work areas on the Site in a tidy and safe condition and free from the accumulation of debris or rubbish. The Sub-Contractor is responsible for the frequent **removal of all rubbish** and waste resulting from its Work to a designated waste area or container as directed by the Company. Upon completion of the Work (or at such earlier times as the Company may instruct), the Sub-Contractor shall clear away and remove from the Site all remaining waste, surplus materials, temporary works, plant, and equipment brought in by the Sub-Contractor, leaving the Site and the Work in a clean, neat and workmanlike condition to the satisfaction of the Company. If the Sub-Contractor fails to comply with this clause and the Company incurs costs to clear or dispose of the Sub-Contractor's waste or materials, all such costs will be deducted from any monies owing to the Sub-Contractor (pursuant to Clause 4.5 on set-off).
- **12.2** The Sub-Contractor is deemed to be aware of and shall comply with the requirements of the Control of Pollution (Amendment) Act 1989 and any other environmental or waste management laws relevant to construction waste. The Sub-Contractor shall indemnify the Company against any fines, penalties or costs incurred by the Company due to the Sub-Contractor's failure to manage or dispose of waste in accordance with legal requirements.

13. Cutting Away and Making Good

- **13.1** The Sub-Contractor shall not cut away, excavate, alter or damage any part of the existing site or structures (including drilling or forming holes, chases, or openings in walls, floors, or other elements) unless it has obtained the prior written consent of the Company. Any cutting or making penetrations shall be carried out only to the extent approved and by appropriate methods to avoid damage to surrounding areas or structures.
- **13.2** The Sub-Contractor shall, before commencing its Work, satisfy itself as to the condition and suitability of any existing surfaces or preceding work to which it will attach or apply its Work. If the Sub-Contractor has any concerns about the adequacy of any preceding



work or substrate, it shall notify the Company before proceeding. By carrying out the Work on an existing surface or structure, the Sub-Contractor will be deemed to have accepted that surface as fit and will assume responsibility for any damage resulting from its Work. The Sub-Contractor shall make good any damage caused by its cutting or fixing operations and ensure proper integration of its Work with existing work.

14. Use of Site and Access

- **14.1** The Sub-Contractor shall use the Site only for the purpose of carrying out the Work and for no other purpose. The Company shall provide the Sub-Contractor with such access to the Site as is reasonably required for the Sub-Contractor to carry out and complete the Work, in coordination with other contractors and site operations. The Sub-Contractor shall cooperate with the Company and other contractors in sharing access and use of Site facilities. The Sub-Contractor shall not obstruct or impede access to the Site or any part of the works for the Company's personnel, other subcontractors, or any statutory authorities or utility companies who may require access. Where required by the Company, the Sub-Contractor shall coordinate its work schedule to allow other contractors and authorized personnel to perform their work on the Site.
- 14.2 The Sub-Contractor and its employees on Site shall comply with all Site rules and regulations as provided or made known by the Company. This includes (but is not limited to) regulations regarding health and safety, working hours, site security, material storage, use of site facilities, noise control, and general conduct. The Sub-Contractor shall ensure that its personnel observe any restrictions on smoking, eating, drinking, or playing music on Site as directed. The Sub-Contractor's staff shall carry any required identification and shall attend any site induction or safety briefings as required by the Company or Principal Contract. Non-compliance with site regulations will be treated as a breach of contract.

15. Information and Instructions

- 15.1 The Company shall endeavour to issue the Sub-Contractor, in a timely manner, all instructions, drawings, information, or permissions required for the Sub-Contractor to carry out the Work. However, the Sub-Contractor acknowledges that the Company is dependent on third parties (such as the project design team or the client) for much of this information. The Company shall not be liable for any delay or disruption to the Sub-Contractor's progress arising from the late receipt or non-receipt by the Sub-Contractor of any such instructions, drawings or information, provided that the Company has made reasonable efforts to obtain and relay them. If any such delay occurs or is foreseen, the Sub-Contractor must notify the Company immediately in writing, giving details of the delay's cause and likely duration. The Sub-Contractor shall use its best endeavors to mitigate the impact of any missing or late information. In no case shall the Sub-Contractor cease work or demobilize from Site without written direction, even if information is delayed, unless a suspension is properly enacted under Clause 4.8. If the Sub-Contractor incurs proven additional cost or delay directly and solely due to the Company's failure to provide required information by agreed dates (and not due to any fault of the Sub-Contractor), such matters shall be dealt with as a Variation or extension of time, respectively, under Clauses 8 and 5.3. However, the Sub-Contractor shall not be entitled to loss of profit, loss of opportunity, or indirect costs arising from such delays, and any compensation shall be strictly limited to demonstrable additional costs (if any) of labor or plant standing time.
- **15.2** The Sub-Contractor shall furnish all technical information, drawings, documents, risk assessments, method statements, certificates and the like as may be requested by the Company or as required by the Principal Contract, in a timely manner so as not to delay the project. All such submissions must be of acceptable quality and format. The Sub-Contractor must also promptly provide any guarantees, product data sheets, operation and maintenance manuals, test certificates or similar documentation relating to the Work as required under the Contract or reasonably requested by the Company, and delivery of such documentation may be a condition precedent to final payment. The Sub-Contractor shall ensure that in carrying out the Work, it does not cause any avoidable disturbance or interference with the work of the Company or other contractors, and it shall coordinate as necessary.

16. Health, Safety and Welfare

- **16.1** The Sub-Contractor shall carry out all Work in accordance with the Company's Health, Safety and Environmental (HSE) Code for Subcontractors (as provided or made available to the Sub-Contractor) and in compliance with all applicable health and safety legislation. The Sub-Contractor is solely responsible for the safety of its operations, employees, and sub-contractors on Site. The Sub-Contractor shall ensure that all persons under its control are competent and adequately trained in their tasks and in site safety procedures.
- **16.2** The Sub-Contractor must at all times maintain a safe working environment and shall supply and enforce the use of all necessary safety equipment (including PPE) for its workforce. All plant and equipment used by the Sub-Contractor must be safe, well-maintained, and used by qualified personnel. If at any time the Company's representative deems any of the Sub-Contractor's activities or equipment to be unsafe or not in compliance with the Company's HSE requirements, the Sub-Contractor shall immediately take corrective action, including stopping work if necessary, until the issue is resolved. No claim arising from such a stoppage will be entertained if it was due to the Sub-Contractor's safety breach.
- **16.3** The Sub-Contractor shall provide adequate welfare facilities for its workers on Site to the extent not provided by the Company (e.g. access to toilets, drinking water, rest areas as required by law). The Sub-Contractor's personnel must adhere to site rules regarding use of the welfare facilities provided by the Company or others.

17. Compliance with Laws and Regulations



- **17.1** The Sub-Contractor, its sub-contractors, employees and agents shall comply with all applicable laws, statutes, regulations, codes of practice, and requirements of local authorities or other regulatory bodies that are applicable to the Work or to the Sub-Contractor's presence on the Site. Any breach of this clause is a breach of contract. In particular, the Sub-Contractor shall (without limitation):
- **17.1.1** Conform to all applicable employment laws and regulations (including wage laws, working hours, and equality legislation), all health and safety laws, and maintain all required employer's liability and public liability insurance coverages.
- **17.1.2** Obtain every license, permit, consent or authority that may be required in connection with the Work (such as street opening licenses, hoisting permits, etc.), unless the same are expressly obtained by the Company under the Principal Contract. The Sub-Contractor shall give all notices and pay all fees necessary to comply with legal requirements in the execution of the Work.
- **17.1.3** At all times comply in all respects with the Construction (Design and Management) Regulations 2015 (CDM 2015), and any subsequent amendments. The Sub-Contractor shall fulfill all duties imposed on it by CDM 2015 and cooperate with the Principal Contractor and Principal Designer (as those terms are defined in CDM 2015) to enable them to comply with their duties. The Sub-Contractor confirms that it has been provided with the relevant parts of the Pre-Construction Information and Construction Phase Plan and will perform its work in accordance with them.
- 17.1.4 If electrical work forms part of the Work, ensure that all such work complies with the applicable IEE (Institute of Electrical Engineers) Regulations and that it is carried out by appropriately certified personnel. The Sub-Contractor shall be (or employ) a contractor approved by the National Inspection Council for Electrical Installation Contracting (NICEIC) for electrical installation work. The Sub-Contractor shall indemnify the Company against all loss or damage suffered by the Company as a result of any breach of this sub-clause or any non-compliance with applicable electrical standards.
- **17.2** The Sub-Contractor shall give all notices and allow all inspections required under the Building Regulations or by any utility providers in connection with the Work (for example, for plumbing, gas, electrical or other installations), and shall ensure that all final certificates, approvals or sign-offs are obtained from the relevant authorities or inspectors for its portion of the Work. Copies of any such approvals or certificates shall be provided to the Company.
- 17.3 The Sub-Contractor shall comply with the requirements of all specific Acts of Parliament and regulations relevant to the Work, including but not limited to the Health and Safety at Work etc. Act 1974, the Consumer Protection Act 1987, the Control of Substances Hazardous to Health Regulations 2002 (COSHH), and any updated or related legislation. In particular, if the Sub-Contractor will be supplying any substances or materials that are hazardous to health, it shall provide to the Company's site manager, no later than 5 working days before bringing such substances to Site, all relevant information and material safety data sheets, risk assessments, and method statements concerning the safe transport, storage, use and disposal of those substances. The Sub-Contractor shall ensure that its personnel are informed of and follow all safe handling guidelines. The Sub-Contractor shall indemnify the Company against any and all losses, fines, or costs incurred as a result of the Sub-Contractor's failure to comply with any health, safety or environmental law or regulation.

18. Termination

- **18.1** Without prejudice to any other rights or remedies, the Company may terminate the Sub-Contractor's employment under the Contract immediately by written notice to the Sub-Contractor upon the occurrence of any of the following events:
- **18.1.1 Termination of the Principal Contract:** If for any reason the Principal Contract is terminated (whether by frustration, default or any other cause) before completion, the Company may terminate this Sub-Contract by giving notice to the Sub-Contractor.
- **18.1.2 Failure to Comply with Instructions or Variations:** If the Sub-Contractor fails to proceed with or fails to carry out a lawful instruction or necessary Variation issued by the Company under Clause 8, or otherwise fails to perform any substantial requirement of the Contract, and (if such failure is remediable) does not remedy the failure within 7 days after receiving written notice from the Company specifying the failure.
- **18.1.3 Lack of Diligence or Incompetence:** If the Sub-Contractor fails to proceed with the Work *regularly and diligently* or otherwise in a competent manner, or suspends the Work (other than pursuant to a right of suspension under Clause 4.8 or as permitted by law), and such default continues for 7 days after the Company has given written notice to the Sub-Contractor to rectify the same.
- **18.1.4 Defective Work Not Remedied:** If the Sub-Contractor refuses or fails to repair or make good any defective work or materials within a reasonable time after being instructed in writing to do so by the Company.
- **18.1.5 Other Breach:** If the Sub-Contractor commits any other breach of the Contract which is capable of remedy and fails to remedy such breach within 7 days of a written notice from the Company specifying the breach and requiring its remedy.
- **18.1.6 Personnel Misconduct or Non-Compliance:** If the Sub-Contractor fails to remove from the Site any person working on its behalf whose conduct or presence is, in the Company's reasonable opinion, undesirable, unsafe, or in breach of the site rules or the Principal Contract, and the Sub-Contractor does not immediately comply with a written request from the Company to remove such person from the Site and replace them with suitable alternative personnel.
- **18.1.7 Insolvency:** If the Sub-Contractor becomes insolvent or is unable to pay its debts. This includes if the Sub-Contractor makes any arrangement or composition with its creditors, or if (being an individual or partnership) the Sub-Contractor becomes bankrupt, or if (being



a company) an administrator, administrative receiver or receiver is appointed, or an order is made or a resolution passed for the winding-up of the Sub-Contractor (except for the purpose of solvent amalgamation or reconstruction), or any step is taken with a view to the Sub-Contractor's administration, receivership or liquidation.

- **18.1.8** If any execution, sequestration or other legal process is levied on the Sub-Contractor's assets or property and is not lifted or discharged within 7 days.
- **18.1.9** If the Sub-Contractor ceases or threatens to cease to carry on business, or materially cuts back its operations such that its ability to perform the Work is in jeopardy.
- **18.1.10 Serious Breach or Anticipatory Breach:** If the Sub-Contractor is in breach of any material term of this Contract which is not capable of remedy, or if circumstances indicate that the Sub-Contractor is unwilling or unable to perform its obligations (for example, the Sub-Contractor abandons the Work or repudiates the Contract).
- 18.2 Upon termination under Clause 18.1, the Company may employ others to complete the Work. The Sub-Contractor's entitlement to further payment shall be suspended at that point. The Company shall be entitled to use any materials, plant and equipment on Site belonging to the Sub-Contractor for the purpose of completing the Work (and the Sub-Contractor hereby licenses such use). When the Work is completed and the Company has ascertained the total cost of completion, the Company shall prepare an account of the value of work properly executed by the Sub-Contractor up to the termination date (taking into account the Contract rates/prices), less any additional costs, losses or damages incurred by the Company in completing the Work and/or arising from the termination. If the resulting balance is in favor of the Sub-Contractor, the Company shall pay that balance to the Sub-Contractor. If the balance is in favor of the Company, the Sub-Contractor shall pay the difference to the Company on demand. The Company shall have the right to recover any such difference from any retention held or other money due to the Sub-Contractor. Until completion of the Work and calculation of the final account under this clause, the Company shall not be obliged to make any further payment to the Sub-Contractor (other than potentially a reasonable payment for any materials on Site that were not used by the Company and are returned to the Sub-Contractor). Termination of the Sub-Contractor's employment under the Contract shall not prejudice any rights of the Company that may have accrued up to the date of termination (including the right to recover damages in respect of any breach by the Sub-Contractor).
- **18.3 Termination by Sub-Contractor:** If the Company fails to make payment of an amount due by the final date for payment, and fails to rectify such non-payment within 7 days of receiving a notice from the Sub-Contractor requiring payment and stating the intention to terminate, then the Sub-Contractor may (without affecting the rights of the Company in respect of Work done up to termination) terminate its employment under this Contract by further written notice. This right of termination is in addition to the Sub-Contractor's right to suspend work under Clause 4.8 for non-payment. Apart from non-payment, the Sub-Contractor shall not be entitled to terminate or abandon the Work except as may be expressly allowed by law. In the event of a valid termination by the Sub-Contractor for non-payment, the Sub-Contractor will be entitled to payment for Work executed and reasonable demobilization costs, but shall not be entitled to any other damages or compensation.

19. Assignment and Sub-Contracting

- 19.1 The Sub-Contractor shall not assign, transfer or sub-let the whole or any part of the Work or this Contract without the prior written consent of the Company. Consent may be withheld or granted on such terms as the Company deems appropriate. If the Company permits the Sub-Contractor to sub-contract any part of the Work, such permission shall not relieve the Sub-Contractor from any liability or obligation under the Contract, and the Sub-Contractor shall be responsible for the acts, defaults and work of any sub-contractors as if they were its own. The Sub-Contractor shall ensure that any sub-contract it enters into imposes on the sub-subcontractor equivalent obligations as those imposed on the Sub-Contractor under this Contract (including back-to-back obligations where relevant to the sub-subcontractor's work). The Sub-Contractor shall provide the Company with copies of any such sub-contracts upon request.
- **19.2** The Company shall have the right to assign or novate the benefit of this Contract (or any part of it) to any other entity, such as the Company's client or another contractor, or any entity acquiring the project or the Company's interest therein, and the Sub-Contractor agrees to execute any documentation reasonably required to effect such assignment or novation. The Company may also sub-contract any of its obligations under the Principal Contract to the Sub-Contractor through this Contract.

20. General and Miscellaneous Provisions

- **20.1 Third Party Rights:** This Contract is made solely for the benefit of the Company and the Sub-Contractor. Unless expressly stated otherwise in the Special Terms or in any collateral warranty, nothing in this Contract confers or purports to confer on any third party any benefit or right to enforce any term of this Contract under the Contracts (Rights of Third Parties) Act 1999. For the avoidance of doubt, the Company's client under the Principal Contract shall not be deemed a party to this Contract and shall not have direct rights hereunder, save to the extent provided by a collateral warranty executed pursuant to Clause 3.4.
- **20.2 Cumulative Rights; Waivers:** The rights and remedies of the Company under this Contract are cumulative and are in addition to any other rights or remedies the Company may have at law or under the Principal Contract. No failure or delay by the Company in exercising any right or remedy shall constitute a waiver of that (or any other) right or remedy, nor shall any single or partial exercise of any right preclude any further exercise of that or any other right or remedy. A waiver by the Company of any right or remedy must be in writing and shall apply only to the specific instance expressly stated.



- 20.3 Notices: Any formal notice or communication to be given under this Contract shall be given in writing. Notices to the Company shall be sent to its registered office address (or such other address as notified in writing for this purpose). Notices to the Sub-Contractor shall be sent to its registered office (if a company) or its last known principal address. Notices may be delivered by hand, sent by first-class post, or by electronic mail (if an email address has been provided for contract notices). Notices sent by post shall be deemed delivered 2 working days after posting. Notices by email shall be deemed delivered when a read receipt or reply is received, or if sent during normal business hours (9am–5pm on a working day) then upon sending (otherwise the next working day), provided no bounce-back or error message is received.
- **20.4 Entire Agreement:** The Contract (consisting of the Purchase Order, these Terms, and any Special Terms or documents expressly incorporated by reference) constitutes the **entire agreement** between the Company and the Sub-Contractor with respect to the Work. It supersedes all prior negotiations, representations or agreements (either written or oral) relating to the Work. The Sub-Contractor confirms that it has not relied on any statement, promise or representation made or given by or on behalf of the Company that is not expressly set out in the Contract. Nothing in this clause shall limit or exclude any liability for fraud or fraudulent misrepresentation.
- **20.5 Severability:** If any provision of this Contract is found by a court or other competent authority to be invalid, illegal or unenforceable, that provision (or the offending part of it) shall be deemed modified to the minimum extent necessary to make it valid and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification or deletion of a provision under this clause shall not affect the **validity and enforceability** of the rest of the Contract, which shall remain in full force and effect. The parties shall negotiate in good faith to replace any invalid or unenforceable provision with a valid provision that, as far as possible, achieves the intended commercial result of the original provision.
- **20.6 Governing Law:** This Contract and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter shall be governed by and construed in accordance with the laws of England and Wales. The Sub-Contractor irrevocably submits to the jurisdiction of the English courts. The Company reserves the right (for its exclusive benefit) to enforce any judgment or seek interim or injunctive relief in any other competent jurisdiction worldwide if necessary.

21. Dispute Resolution

- 21.1 In the event of any dispute or difference arising under or in connection with this Contract, the parties shall first seek to resolve the matter by direct negotiation between senior representatives. If negotiation fails, either party may refer the dispute to adjudication at any time under the Housing Grants, Construction and Regeneration Act 1996 (as amended). The adjudicator shall be agreed between the parties, or, failing agreement, nominated on the application of either party by the Royal Institution of Chartered Surveyors (RICS) or other applicable nominating body. The adjudication procedure and timetable shall follow the Scheme for Construction Contracts (England and Wales) Regulations 1998 (as amended) unless the parties have agreed on an alternative adjudication procedure. The adjudicator's decision shall be binding until the dispute is finally determined by litigation or arbitration.
- 21.2 If any dispute remains unresolved after adjudication (or if neither party has referred it to adjudication), the dispute may, by mutual agreement, be referred to arbitration or another form of alternative dispute resolution. If the Principal Contract provides for disputes between the Company and its client to be resolved by arbitration, then (at the Company's election) any dispute under this Sub-Contract may also be referred to arbitration for consistency. In the case of arbitration, the arbitrator shall be a person agreed upon by the parties, or, failing agreement, appointed on the application of either party by the President of the RICS. The arbitration shall be conducted in accordance with the Arbitration Act 1996 and any procedural rules agreed or, failing which, as directed by the arbitrator. The seat of arbitration shall be London, England, and the language of the arbitration shall be English. The arbitral award shall be final and binding. Unless otherwise agreed in writing, no reference to arbitration shall be made until after practical completion of the main project works, except for disputes in regard to termination or payment which may be referred earlier.
- **21.3** Nothing in this Contract shall prejudice the parties' rights to seek urgent interim relief (such as an injunction) from a court of competent jurisdiction at any time. The Company shall also be entitled to join the Sub-Contractor into any dispute resolution proceedings with the client or others, where claims relate to the Sub-Contractor's Work, to the extent a court or tribunal permits such joinder.

22. Acts of Parliament and Legal Compliance

- 22.1 The Sub-Contractor shall comply with all Acts of Parliament, regulations, bylaws, and statutory instruments that are applicable to the Work or the Sub-Contractor's operations. This includes any rules or regulations imposed by local or statutory authorities in the area of the Site. The Sub-Contractor shall indemnify the Company and its client against any fines, penalties, or liabilities incurred due to the Sub-Contractor's breach of any such legal requirements. The Sub-Contractor shall provide evidence of compliance (such as certificates, test results, or inspection approvals) to the Company upon request.
- 22.2 The Sub-Contractor confirms that it will (and will ensure that its supply chain will) comply with the requirements of the Modern Slavery Act 2015, the Bribery Act 2010, and all applicable anti-bribery, anti-corruption, anti-slavery and human trafficking laws. Any breach of this clause shall be grounds for immediate termination. The Sub-Contractor also agrees to comply with the General Data Protection Regulation (UK GDPR) to the extent applicable, and shall handle any personal data in accordance with law and only for the purposes of fulfilling its obligations.
- **22.3** The Sub-Contractor shall further comply with any project-specific security or regulatory requirements notified by the Company (for example, if working on a secure or sensitive site, background checks or passes may be required). The Sub-Contractor shall ensure that



all its employees carry any required passes or identification and adhere to any confidentiality or information security protocols required by the Company or the Principal Contract.

22.4 Nothing in these Terms shall excuse the Sub-Contractor from compliance with applicable law. Where these Terms or the Contract impose a higher standard or additional obligation beyond that required by law, the Sub-Contractor shall meet both the legal requirements and the Contract requirements. In case of any conflict between a legal requirement and a Contract requirement such that both cannot be met, the Sub-Contractor shall immediately inform the Company in writing and follow the Company's instructions while ensuring legal compliance.

Terms and Conditions

This order is issued on a back-to-back basis with RS Response Ltd's client obligations.

By accepting this order, you confirm:

- You've read, understood, and accepted the attached T&Cs.
- You will comply fully with RS Response Ltd site rules and policies.