

# TERMS & CONDITIONS FOR SUB-CONTRACTORS

TERMS AND CONDITIONS ("THE TERMS") OF SUBCONTRACT FOR THIS SUB-CONTRACT ORDER Insofar as anything in these terms and conditions ("terms") is inconsistent with any terms or conditions contained in the Sub-contractor's quotation (should it form part of the Sub-contract), these terms shall prevail.

- 1. Definitions: Words and expressions used in this Subcontract shall have the same meanings as in the Main Contract except where the context otherwise requires Contractor means Stowe Building Contractors Limited Sub-contractor means the party to whom the Order is addressed or where the context so admits his servants or agents. Sub-contract means the Sub-contract Agreement between the Contractor and the Subcontractor comprising the Order, these terms, and such other documents as may be specified in the Order. Main Contract means the Contract entered into between the Employer and the Contractor. Works means the main contract works including the Sub-Contract Works. Architect/Contract Administrator/Employer's Agent (Architect/CA/EA) means the person appointed by the Employer to administer and supervise the Works Employer means the person with whom the Contractor has entered into the Main Contract. Sub-contract Works means that portion of the Works to be carried out and completed by the Sub-contractor in accordance with this Sub-Contract.
- 2. Execution of the Sub-contract Works: The Sub-contractor shall commence the Sub-contract Works and each section thereof on site within 7 days of the Contractor's instruction to do so and shall regularly and diligently proceed with the same and shall complete the same within the times stated in the Order subject only to any extensions of which may be granted by the Contractor under these terms. Nothing in this clause shall be construed as preventing the Sub-contractor from commencing off site any work necessary for the execution of the Sub-contract Works at any time before receipt of the Contractor's written instructions to commence on site.
- 3. The Sub-contractor shall execute and complete the Sub-contract Works in all respects to the satisfaction of the Contractor and the Architect/CA/EA and in conformity with all reasonable directions and requirements of the Contractor including all reasonable rules of the Contractor for the time being regulating the due execution of the Works.
- 4. Insofar as the Sub-contract Works have been or will be designed and materials and goods have been or will be selected by the Sub-contractor, the Sub-contractor shall be responsible for the design of the Sub-contract Works and the selection of materials and goods. He will also be responsible for the satisfaction of any performance specification or requirements insofar as such performance specification or requirements are included or referred to in the Order or as part of the description of the Sub-contract Works.

## Liability under incorporated provisions of Main Contract:

The Sub-contractor shall:

- 5.1 be deemed to have notice of and to have had reasonable opportunity of inspecting the Main Contract except the rates and prices of the Contractor and shall observe perform and comply with and be bound by all the provisions of the Main Contract so far as they relate and apply to the Sub-contract Works (or any portion of the same) and:
- 5.2 indemnify and save harmless the Contractor against and from: any breach, non-observance or nonperformance by the Sub-contractor of any of the Main Contract provisions; and any act or omission of the Subcontractor which involves the Contractor in any liability to the Employer; and any claim, damage, loss or expense due to or resulting from any negligence or breach of duty by the Sub-contractor.
- **6.** In performing the Sub-contract Works, the Sub-contractor shall have regard to the obligations of the

Contractor under the Main Contract and to the obligations of the Employer and/or Contractor under any other agreement or document to which the Contractor or the Employer is or may become party, the relevant terms of which are notified to the Sub-The Sub-contractor shall exercise contractor. reasonable skill, care and diligence to avoid any act. omission, or default of the Sub-contractor causing or contributing to any breach by the Contractor or the Employer of such obligations and shall do all such things and reveal such notices to allow the Contractor to so comply. The Sub-contractor shall further take full account of any interests or rights enjoyed by any third party on or over the Site (including, without limitation, any easements and rights of way, air or light) and any restrictions or other encumbrances affecting the Site, including any rights of access, and shall ensure that the same are not in any way infringed by the carrying out of the Sub-contract Works

- 7. Liquidated Damages: If the Sub-contractor fails to complete the Sub-contract Works within the period for completion or any revised period as provided in clause 9, the Contractor shall so notify the Sub-contractor in writing and upon receipt of that notice the Sub-contractor shall pay or allow to the Contractor a sum equivalent to any direct loss and/or expense suffered or incurred by the Contractor and caused by the said failure of the Sub-contractor which for the avoidance of doubt, shall include the Main Contract L&A Damages identified on the face of the Order.
- 8. Indemnity: The Sub-contractor shall be liable for and shall indemnify the Contractor against every liability whatsoever which the Contractor may incur to any other person and against all claims demands proceedings damages costs and expenses made against or incurred by the Contractor by reason of any breach by the Sub-contract.
- 9. Extension of time: If the Sub-contractor is delayed in the execution of the Sub-contract Works by any event entitling the Contractor to an extension of time under the Main Contract or by any variation of the Sub-contract Works not being a variation under the Main Contract or by any breach of this Sub-contract by the Contractor then the Contractor shall grant such extension of time or times as may in all the circumstances be fair and reasonable.
- 10. Variations: The Sub-contractor shall make such variations of the Sub-contract Works, whether by addition, modification or omission as may be ordered by the Architect/CA/EA or the Contractor and confirmed in writing to the Sub-contractor by the Contractor. The value of such authorised variations shall be determined by measurement and valuation at the rates and prices stated or referred to in the Sub-contact Order. If there are no such rates or prices or if they are not applicable then the value shall be such as is reasonable in all the circumstances.
- 11. Assignment/sub-letting: The Sub-contractor shall not assign or sublet the Sub-contract Works or any part thereof without the prior written consent of the Contractor. The Contractor shall be entitled to assign the benefit of this Sub-Contract without the consent of the Contractor being required.

# 12. Payment

12.1 The date that payments shall be due ("Due Date") shall be 13 days after each Monthly Valuation Date. The Sub-contractor shall not less than 5 days before the Monthly Valuation Date submit to the Contractor a written statement of the sum the Sub-contractor considers is due in respect of the value of all work properly executed at the date of the statement and the basis upon which the sum is calculated, which shall contain such details as the Contractor may reasonably require and the value shall be calculated in accordance with the rates and prices, if any, specified in the Sub-contractor ("Payee Notice"). It is and shall be a condition precedent to the Sub-contractor's entitlement to payment that the Sub-contractor submits

- a valid written statement of the sum considered to be due which complies with this clause 12.1 on or before the relevant Monthly Valuation Date, and is compliant with any conditions precedent to payment in this Subcontract at the Monthly Valuation Date.
- **12.2** All payments to the Sub-contractor shall be the total value of work properly executed, less:
- 12.2.1 any previous payments and any discounts and retentions provided for in the Order:
- 12.2.2 such sum as the Contractor estimates to be an amount equal to any amount of expense, damage, loss or other costs or liabilities whatsoever caused to the Contractor by reason of any breach by the Subcontractor of this or any other contract between the parties:
- 12.2.3 an amount equal to any amount to which the Contractor is entitled to payment from the Sub-contractor under this or any other contract between the parties. The exercise by the Contractor of its rights under clauses 12.2.2 and 12.2.3 is without prejudice to and pending the final determination between the parties as to the amount of such expense, damage, loss or other liability, indemnity, contribution or payment.
- 12.3 The final date for payment for each interim payment shall be 17 days from the relevant Due Date and subject to any Pay Less Notice under 12.4 the Contractor shall pay to the Sub-Contractor, or the Subcontractor shall pay to the Contractor as the case may be, the sum set out in the Payee Notice.
- 12.4 If either Party intends to pay less than the sum stated in the Payee Notice, then that Party shall give notice ("Pay Less Notice") not later than 1 day before the final date for payment which shall specify the amount (if any) of the sum that is considered is due to the other Party at the date of the Pay Less Notice, and the basis upon which sum is calculated.
- 12.6 If on or before the final date for payment of any sum due to the Sub-contractor under this Sub-contract the Employer is insolvent (as defined in the Housing, Grants, Construction and Regeneration Act 1996 as amended by the Enterprise Act 2002, and further amended from time to time ("Insolvent")) the Contractor shall not be obliged to pay any such sums to the Sub-contractor unless and if so only to the extent that the Contractor receives payment thereof from the Employer.
- 12.7 In the case of net (taxed) CIS Sub-contracts the Sub-contractor shall be deemed to have allowed and made provision for the Construction Industry Training Board levy in his rates and prices. The Contractor shall be entitled to deduct the amount of the levy from the sums payable to the Sub-contractor under this Sub-contract
- 12.8 The Sub-contractor acknowledges that payments under this Sub-contract will become subject to the VAT reverse charge for construction services once The Value Added Tax (Section 55A) (Specified Services and Excepted Supplies) Order 2019 is enacted.
- 13. Liability for defects: The Sub-contractor shall maintain the Sub-contract Works and make good at no cost to the Contractor and in accordance with the Contractor's directions all defects, shrinkages and other faults ('defects') in the Sub-contract Works or in any part thereof due to materials or workmanship not in accordance with the Sub-contract or due to frost occurring before the date of practical completion of the Sub-contract Works. If the Architect/CA/EA makes a deduction in respect of any defects from the Contract Sum under the Main Contract, an appropriate deduction shall be made from the Sub-contract sum.
- 14. Insurance: The Sub-contractor shall effect and maintain suitable Employers' Liability and Public Liability Insurance for the duration of his obligations under the Sub-contract. Such insurance must provide a limit of indemnity of at least the sum stated in the Order for any one occurrence and for an unlimited number of occurrences. In addition, the Sub-

contractor shall effect and maintain suitable insurance in respect of loss or damage to the Subcontract Works until completion of the Sub-contract Works. The Sub-contractor shall, when requested to do so by the Contractor, provide documentary evidence satisfactory to the Contractor that such insurances are in place and will upon expiry of such insurances forthwith provide evidence to the Contractor of their renewal in accordance with the terms of the Sub-Contract. The Contractor shall not be obliged to make any payment under this Subcontract if the Sub-contractor has not complied with this clause 14. The Sub-contractor consents to the Contractor contacting the Sub-contractor's insurers direct in relation to any claims or potential claims under any insurances required to be maintained by the Sub-contractor under this Sub-contract.

- 15. Use of services: The Sub-contractor shall be entitled at his own risk to the use of services and facilities stated in the Order, but subject thereto he shall provide everything necessary for the execution of the Sub-contract Works.
- 16. Tax: The Sub-contractor is required to be the holder of a valid Authorisation under the Finance Act
- 17. Statutory requirements: The Sub-contractor shall observe and perform all the obligations placed upon the Sub-contract Works by statute including but not limited to the Control of Substances Hazardous to Health Regulations 2002 and the Construction (Design & Management) Regulations 2015

#### 18. Determination and suspension:

- 18.1 If the Sub-contractor becomes Insolvent the Contractor may without prejudice to any other rights, by notice\* determine the Sub-contract with immediate effect.
- fundamental term or condition of the Sub-contract and such breach continues for 7 days following receipt of the Contractor's notice\* specifying the breach to the Sub-contractor, the Contractor may by further notice\* to the Sub-contractor forthwith determine the Sub-contractors employment under the Sub-contract. Thereupon the Contractor may take possession of all materials, plant or other things whatsoever brought on to the site by the Subcontractor and may use them for the purpose of executing completing and maintaining the Subcontract Works. The Contractor may in lieu of determining the Sub-contractor's employment give 7 days' notice\* of his intention to take part only of the Sub-contract Works out of the hands of the Subcontractor and arrange the execution, completion and maintenance of such part by others and recover the additional costs from the Sub-contractor.
- 18.3 If the Contractor fails to pay in full any amount due by the due date for payment, the Sub-contractor may suspend performance of the Sub-contract works upon giving the Contractor 14 days' notice\* of his intention to do so.
- 18.4 If the Sub-contractor is in breach of clause 23 the Contractor may serve a written notice on the Sub-contractor confirming determination of the Subcontractor's employment under the Sub-contract.\*
- \*Notice of determination or suspension must in writing and given by actual delivery, registered post or Royal Mail Signed For 1st Class delivery and sent to the address of the receiving party shown on the face of the Order, and if sent by one of the latter two methods, subject to proof to the contrary, it will be deemed to have been received 48 hours after posting, excluding Saturday, Sunday and Public Holidays.

# 19. Dispute resolution:

**19.1** If any dispute or difference arises under the Sub-contract ('dispute') either party may refer it to

adjudication in accordance with the adjudication procedure under the Main Contract.

19.2 Subject to clause 19.1, any dispute shall be determined by legal proceedings or, if disputes under the Main Contract are to be determined by arbitration, referred to the arbitration of a person to be nominated at the request of either party by the nominating body named in the Main Contract and such arbitration will be subject to the same arbitration rules as apply under the Main Contract

#### 20. Terms of Engagement

20.1 The Sub-Contractor shall indemnify the Contractor on demand and keep it indemnified at all times against any liability, loss, damage, costs (including legal costs on an indemnity basis) and expense of whatsoever nature incurred or suffered by the Contractor arising from the Sub-Contractors or its designated personnel's ("Designated Personnel") performance of or breach of the Sub-Contractor's obligations or warranties under this Agreement including, without limitation :-

- any fees or remuneration or benefits (including but not limited to all employment income, benefits, benefits in kind, holiday pay (whether statutory or contractual), sick pay, expenses, bonuses and incentive payments) payable to the Designated
- any claim for notice pay, pay in lieu of notice, damages for wrongful dismissal, redundancy pay (whether contractual or statutory) and compensation for unfair dismissal made by any of the Designated Personnel:
- any claim by any of the Designated Personnel that there existed during the period of the Sub-Contract a contract of employment between the Contractor and the Designated Personnel including any claim for compensation for any unlawful act related to such employment:
- any income tax, national insurance contributions (including secondary contributions to the extent permitted by law) (including any interest, penalties or gross-up thereon) arising in respect of the Designated personnel for which the Contractor is called upon to account to the relevant taxing
- any act, neglect or default of the Designated Personnel or any claim that the Contractor is vicariously liable for the acts of the Designated
- any liability for any employment related claim or any claim based upon worker status brought by the Sub-Contractor or the Designated Personnel arising out of or in connection with the provision of the specified works :
- any injury suffered by any of the Designated Personnel : and
- any breach resulting in a successful claim by a third party."
- 21. Declaration of Non-Collusion: The Sub-Contractor confirms that his tender submitted in respect of the Sub-contract Works was bona-fide, intended to be competitive, and that he did not fix or adjust the amount of the tender or the rates and prices quoted by agreement or arrangement with any other person. The Sub-Contractor has not and insofar as he is aware neither has any other tenderer:
- entered into any agreement or arrangement with any other person with the aim of preventing tenders being made or as to the fixing or adjusting of the amount of any tender or the conditions on which any tender is made;
- informed any other person of the amount or approximate amount of the tender except where such disclosure was necessary, in confidence, to obtain quotations for insurances and/or performance bonds;
- caused or induced any person to enter into such agreements or arrangements described above or

- to inform the Sub-Contractor of the amount of or approximate amount of any rival tenders or had the benefit of any inside information about the intentions of any other tenderer;
- offered or agreed to pay or give any money, inducement or consideration directly or indirectly to any person for doing or having caused to be done any act or omission in relation to any other tender

The Sub-Contractor agrees that the Contractor has relied in its consideration of the Subcontractor's tender and may rely in any subsequent actions upon the statements within this declaration

#### 22. Not used

# 23. Bribery and Corruption, Modern Slavery and

Public Contract Regulations 23.1 The Subcontractor war The Subcontractor warrants that:

2it is fully aware of the provisions of the Bribery Act 2010 and that it has not and will not commit any act or omission which would place the Subcontractor or the Contractor in breach of the Bribery Act 2010, whether in connection with the Works or the Subcontract Works or otherwise; and

- 23.1.1 there is no outstanding investigation of it under any bribery legislation and in the last six years it has not been convicted of any offence under any bribery legislation or reached any settlement in relation to any alleged breach of any bribery legislation and has not selfreported any breach or suspected breach of any bribery legislation; and
- 23.1.2 it will comply with the most recent guidance issued by the Secretary of State pursuant to the Bribery Act 2010 and in so doing will put in place and monitor, adequate and effective procedures to prevent a breach of any bribery legislation which procedures adhere to the following principles namely: proportionate and clear anti bribery policies and procedures that are promoted, communicated and enforced by senior management, a risk-based approach when adopting procedures. due diligence with regard to third parties (in particular those engaged to perform services on the Sub-contractor's behalf) communication of procedures (including relevant training) alongside procedures to monitor and review compliance; and
- 23.1.3 it will procure that each of its subcontractors, agents or others performing services on its complies with this clause; and
- 23.1.4 it will report to the Contractor any suspicion of any breach or alleged breach of any bribery legislation. including by any of its Subcontractors or others performing services on its behalf, and co-operate with the Contractor and/or the Employer and/or any regulator and/or prosecutor in any investigation relating to the same.
- 23.2.1 The Sub-Contractor represents and warrants that:
  - it is, and its staff are, fully aware of the provisions of the Modern Slavery Act and that it has not and will not commit any act and/or omission which would place the Sub-Contractor or the Contractor in breach of the Modern Slavery Act, whether in connection with the Works, the Sub-Contract Works or otherwise:
  - it has not been and is not engaged in any practices involving the use of child labour, forced labour, the

- exploitation of vulnerable people. or human trafficking ("slavery and human trafficking");
- its employees and agency workers are paid in compliance with all applicable employment laws and minimum wage requirements;
- it will take all reasonable steps to prevent slavery and human trafficking in connection with the Sub-Contractor's business. including due diligence procedures its own suppliers, and subcontractors other participants in its supply chains, to ensure that there is no slavery or human trafficking in its supply chains; and
- it will report to the Contractor any actual or suspected slavery or human trafficking in a supply chain which has a connection with this agreement, including by any of its subcontractors or others performing services on its behalf.
- 23.2.2 If the Contractor agrees that the Subcontractor may subcontract any of its obligations, the Sub-contractor shall procure that each of its subcontractors complies with the requirements of the Modern Slavery Act and the requirements of this clause and implements an appropriate system of due diligence, audit, and training designed to ensure compliance with the requirements of the Modern Slavery Act.
- 23.2.3 The Sub-contractor shall demonstrate to the Contractor's satisfaction that the representations and warranties given above are true and accurate.
- 23.2.4 The Sub-contractor shall maintain a complete set of records to trace the supply chain of all goods, materials and services provided to the Contractor and the Employer in connection with this Sub-contract. The Sub-contractor agrees to respond to all requests for information required by the Contractor for the purposes of completing the Contractor and/or the Employer's annual anti-slavery and human trafficking statement as required by the Modern Slavery Act.
- 23.2.5 The Sub-contractor will permit the Contractor, the Employer and their third party representatives, on reasonable notice during normal business hours, but without notice if there are reasonable grounds to suspect an instance of slavery and human trafficking to access and take copies of the Sub-contractor's records and any other information held at the Sub-contractor's premises and to meet with the Sub-contractor's personnel and more generally to audit the Sub-contractor's compliance with its obligations relating to slavery and human trafficking. The Sub-contractor shall give all necessary assistance to the conduct of such audits during the term of the Sub-contract.
- 23.2.6 The Sub-contractor warrants that, where the Main Contract is one to which regulation 73(1) of the Public Contracts Regulations 2015 apply, it has not committed and will not commit any of the offences listed in regulation 57(1) of the Public Contracts Regulations 2015.
- The Sub-contractor shall be liable for. and indemnifies the Contractor against,

- any expense, liability, loss, claim or proceedings whatsoever in respect of any breach by the Sub-contractor of the provisions of this clause.
- In the event of any breach by the Subcontractor of the provisions of this clause, the Contractor shall be entitled by notice to the Sub-contractor to terminate the employment of the Subcontractor under this Sub-contract.

#### 24 Other Conditions

### 24.1 Status and authority

The Sub-contractor represents and warrants that it is an independent contractor. Nothing in this Sub-contract shall render the Sub-contractor or any person or persons engaged and/or employed by the Sub-contractor in connection with the Sub-contract Works whether directly or otherwise (the "Designated Personnel") an employee, agent or partner of the Contractor and the Sub-contractor shall not hold itself out as such and shall procure that the Designated Personnel shall not hold themselves out as such. The Contractor shall not be vicariously liable for the acts or omissions of the Sub-Contractor or any of the Designated Personnel. The Sub-contractor shall indemnify the Contractor on demand and keep it indemnified at all times against any liability, loss, damage, costs (including legal costs on an indemnity basis) and expense of whatsoever nature incurred or suffered by the Contractor arising from the Sub-contractor's or Designated Personnel's performance of and / or breach of the Sub-contractor's obligations or warranties under this clause.

# 24.2 Set-Off

The Contractor may at any time, without notice to the Sub-contractor (other than pursuant to a Payment or Pay Less Notice) set-off any liability of the Subcontractor to the Contractor against any liability of the Contractor to the Subcontractor, whether either liability is present or future, liquidated or unliquidated, and whether or not either liability arises under this Sub-contract or under another agreement or contract between the Contractor and the Subcontractor whether relating to this Subcontract or not. Any exercise by the Contractor of its rights under this clause shall not limit or affect any other rights or remedies available to it under this Subcontract or otherwise

# 24.5 Data Protection and GDPR

- .1 For the purpose of this clause 9.10 "Controller". "Data Subject". "Personal Data", "Process", "Processed". "Processing", "Processor" and "Special Categories of Personal Data" shall have the meanings given to them in the Data Protection Laws: and
- .2 In relation to any Personal Data that the Contractor provides or makes available to the Subcontractor, or that the Subcontractor Process on behalf of the Contractor pursuant to this Subcontract, the Sub-contractor shall:
  - · use, access or otherwise Process the Personal Data only

- in accordance with the Contractor's lawful instructions:
- take appropriate technical and organisational measures which are sufficient to comply with at least the obligations placed on the Contractor by the requirements regarding the security of the Personal Data, as set out in the Data Protection Laws;
- not transfer any Personal Data outside the European Economic Area without the Contractor's prior written consent;
- on request, allow the Contractor or any regulator to audit the Sub-Contractor's compliance with this Clause 9.10:
- take all reasonable steps to ensure the reliability and integrity of any of the Sub-Contractor's employees, consultants, contractors and agents who will have access to any Personal Data ("Personnel"), and ensure that each member of Personnel shall have entered into an appropriate contractual agreement that requires them to keep the Personal Data
- not sub-contract any Processing of the Personal Data without the Contractor's prior written consent;
- comply with the obligations imposed upon a Processor under the Data Protection Laws, and use all reasonable endeavours to assist the Contractor to comply with the requirements of the Data Protection Laws (including the obligations pursuant to Articles 32 to 36 of the GDPR (inclusive)); and
- on termination of this Sub-contract return to the Contractor all copies of the Personal Data, except to the extent the Sub-contractor is required to retain copies by any law of the European Union (or the law of one of the Member States of the European Union) ("Applicable EU Law").
- 3 The Sub-contractor shall notify the Contractor immediately (and in any event, within twenty-four (24) hours), if the Sub-contractor:
  - become aware of any: (i) Personal
    Data Breach; (ii) breach of this
    Clause 9.10; or (iii) breach of the
    Data Protection Laws, whether
    committed by the Sub-contractor,
    its Personnel or sub-contractors:
  - is required by any Applicable EU
     Law to act other than in accordance
     with any of the instructions given
     under Clause 9.10, provided the
     Sub-contractor is not prohibited by
     law from so notifying the
     Contractor; or
- considers in the Sub-contractor's opinion (acting reasonably), that any of the Contractor's instructions under Clause 9.10 infringe any of the Data Protection Laws.
- The Sub-contractor shall notify the Contractor promptly (and in any event within forty-eight (48) hours) following receipt of any actual or purported request or notice or complaint from (or on behalf of) a Data Subject exercising their rights under the Data Protection Laws (a "Data Subject Request") or any

- correspondence or communication (whether written or verbal) from the UK Information Commissioner's Office ("ICO Correspondence"), and shall: (i) not disclose any Personal Data in response to any Data Subject Request or ICO Correspondence without the Contractor's prior written consent; and (ii) provide to the Contractor with all reasonable co-operation and assistance required in relation to any such Data Subject Request or ICO Correspondence
- 25. Entire Agreement : This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter contained in this Sub-Contract and supersedes all prior agreements, understandings and negotiations between the parties.