

SUB-CONTRACT CONDITIONS

These are the Sub-Contract Conditions referred to in the attached Purchase Order. The Purchase Order and these Sub-Contract Conditions are to be read as a whole.

In these conditions 'Main Contractor' means Green Contract Services Ltd and 'Sub-Contractor' means the sub-contractor to whom the Purchase Order is addressed.

The Main Contractor has sent the Sub-Contractor the Purchase Order and/or additional documentation describing the Sub-Contract Works which the Main Contractor requires the Sub-Contractor to perform for the Main Contractor. The Purchase Order and any additional documentation forms a Sub Contract Agreement which incorporates by reference these Sub-Contract Conditions and the Sub-Contract Documents identified in the Purchase Order.

The Sub-Contractor accepts the Purchase Order either by signing and returning the copy/counterpart agreement or by commencing performance of the Sub-Contract Works.

As a consequence of the Sub-Contractor's acceptance of the Purchase Order the resulting Sub-Contract between the Main Contractor and the Sub-Contractor comprises the Purchase Order, these Sub-Contract Conditions and the Sub-Contract Documents.

The Sub-Contract constitutes the entire agreement between the Main Contractor and the Sub-Contractor relating to the performance of the Sub-Contract Works and supersedes and replaces any and all previous agreements, arrangements or understandings between the Main Contractor and the Sub-Contractor in respect thereof. For the avoidance of doubt, the Sub-Contractor's own standard terms and conditions of engagement shall have no validity under this Sub-Contract.

1. Interpretation

1.1 In this Sub-Contract the following expressions shall have the following meanings unless the context requires otherwise, or this Sub-Contract specifically provides otherwise:

CDM Regulations means the Construction (Design and Management) Regulations 2015, SI 2015/51

Construction Phase Plan means such parts of the Construction Phase Plan for the Main Contract as are applicable to the Sub-Contract Works and which the principal contractor (as defined in the Main Contract) is required to prepare under the CDM Regulations.

Defects Rectification Period means the period commencing on the date of completion of the Sub-Contract Works and expiring on the date of expiry of the period for the rectification of defects being 2 years from the date of practical completion.

Main Contract means the contract entered into between the Employer and the Main Contractor for the design and construction of works.

Sub-Contract Documents means the documents which the Purchase Order indicates are to form part of the Sub-Contract.

Practical Completion means the completion by the Sub-Contractor of the Sub-Contract Works in accordance with the terms of this Sub-Contract and to the satisfaction of the Main Contractor save for any minor items of incomplete work or minor defects and/or blemishes, the existence, completion or rectification of which would not, in the reasonable opinion of the Main Contractor materially interfere with the beneficial use and/or enjoyment of the Sub-contract works.

Statutory Requirements	means all legal and regulatory requirements applicable to the design, carrying out and completion of the Sub-Contract Works
Sub-Contract	means together the Purchase Order, the Sub-Contract Conditions and the Sub- Contract Documents.
Sub-Contract Sum	means the amount set out in the Purchase Order.
Sub-Contract Works	means the works identified in the Purchase Orders as the works to be carried out by the Sub-Contractor under the Sub-Contract including and/or taking account of any variations thereto subsequently instructed by the Main Contractor (pursuant to clause 3).

1. Sub-Contract Works

- 1.1 The Sub-Contractor will carry out and complete the Sub-Contract Works in accordance with:
 - 1.1.1 the Purchase Order, these Sub-Contract Conditions and the Sub-Contract Documents
 - 1.1.2 Statutory Requirements
 - 1.1.3 all reasonable instructions, directions and other requirements of the Main Contractor
- 1.2 Insofar as it is responsible for any design in respect of the Sub-Contract Works, the Sub-Contractor shall exercise all reasonable skill, care and diligence of a professional designer in carrying out and completing such design.
- 1.3 The Sub-Contractor shall carry out the Sub-Contract Works in a proper and workmanlike manner.
- 1.4 The Sub-Contractor shall comply with all instructions given by the Main Contractor to the Sub-Contractor relating to the execution of the Sub-Contract Works and which are in accordance with the Sub-Contract. If the Sub-Contractor fails to comply with any written instructions within seven days of receipt the Main Contractor may at its discretion perform the work comprised in the instruction itself and recover from the Sub-Contractor any excess cost the Main Contractor incurs as a result.
- 1.5 The Sub-Contractor and all personnel under its control shall have regard to the safety of all other persons who may work on or visit the site and for those who live and pass near to the site whose health and safety may be affected by the Sub-Contract Works.
- 1.6 Without prejudice to or derogation from the Sub-Contractor's obligations under clauses 1.1 to 1.5, the Sub-Contractor shall at all times have regard to and shall comply with the CDM Regulations and any Construction Phase Plan and any and all instructions and/or directions issued by the Principal Designer and/or Principal Contractor in relation thereto.
- 1.7 Unless otherwise agreed (in writing) with the Main Contractor, goods and materials provided and used by the Sub-Contractor in carrying out the Sub-Contract Works shall be new and of good quality and conform in all respects with the Sub-Contract Documents.
- 1.8 The Sub-Contractor shall not use, permit to be used or specify for use, and will use reasonable skill and care to ensure that others do not use, permit to be used or specify for use in the design and/or construction of the Sub-Contract Works any materials which are not (or which incorporate substances which are not) in conformity with relevant British or European standards or Codes of Practice or generally known within the construction industry at the time of specification and/or use to be dangerous or hazardous to health and safety or deleterious to the integrity or durability of the Sub- Contract Works (or any part(s) thereof) in the particular circumstances in which they are used or which are otherwise not in accordance with legal and regulatory requirements and/or the guidelines contained in the edition of the publication 'Good Practice in the Selection of Construction Materials' published by The British Council for Offices current at the date of this Sub-Contract.

- 1.9 The Main Contractor shall grant to the Sub-Contractor such access to and use of the site as shall be required for the Sub-Contractor to carry out and complete the Sub-Contract Works in accordance with this Sub-Contract and the Sub-Contractor shall make itself, its employees and all personnel under its control aware of any and all site safety and security arrangements.

2. Commencement and completion

- 2.1 The Sub-Contractor shall as soon as possible and in any event within seven days of receiving the Sub-Contract Agreement provide to the Main Contractor a programme for the Sub-Contract Works (if a programme has not already been provided).
- 2.2 The Sub-Contractor shall commence the Sub-Contract Works on the Commencement Date set out in the Purchase Order.
- 2.3 To the extent that any services or works relating to the Sub-Contract Works are carried out by the Sub-Contractor prior to or otherwise than pursuant to this Sub-Contract the appointment of the Sub-Contractor shall be deemed to have commenced with effect from the date when the Sub-Contractor first began to carry out such services or works and the Sub-Contractor warrants that it has carried out such services or works using the same standards of skill and care as those applicable under this Sub-Contract, and those services and works shall be subject to the terms of this Sub-Contract. Where sums have been paid or are owing by the Main Contractor to the Sub-Contractor in connection with such works, those sums shall be included in (and not be in addition to) the Sub-Contract Sum.
- 2.4 The Sub-Contractor shall proceed regularly and diligently with the Sub-Contract Works and, subject to clause 3.2, shall complete the Sub-Contract Works and each part of them by the date(s) for completion set out in the Purchase Order and/or in accordance with the Main Contractor's instructions. The Sub-Contractor shall notify the Main Contractor in writing when it considers the Sub-Contract Works to have reached Practical Completion.
- 2.5 Following completion of the Sub-Contract Works, until expiry of the Defects Rectification Period the Sub-Contractor shall at its own cost and within a reasonable time attend and rectify any and all defects shrinkages or other defects in the Sub-Contract Works which the Main Contractor instructs the Sub-Contractor to attend and rectify. The making good of any such defects, shrinkages or other faults shall be in conformity with the Main Contractor's reasonable directions and requirements.

3. Variations

- 3.1 The Main Contractor shall be entitled to issue, in writing, reasonable variations of the Sub-Contract Works to the Sub-Contractor. The value of variations required by the Contractor shall be agreed with the Sub-Contractor but in the absence of agreement shall be determined on the basis of fair rates and prices by the Main Contractor's quantity surveyor. Where applicable he shall have regard to the rates and prices contained in this Sub-Contract in making his determination and payment for the Sub-Contract Works shall be adjusted accordingly.
- 3.2 If completion of the Sub-Contract Works or any part of them is delayed and the delay is caused by a written instruction from the Main Contractor requiring a variation to the Sub-Contract Works or by any other matter which entitles the Main Contractor to an extension of time under the Main Contract and which is not something for which the Sub-Contractor is responsible or in default or if the delay is caused by an act omission or default by the Main Contractor or another of its other subcontractors then the Sub-Contractor will notify the Main Contractor in writing. The Main Contractor will grant the Sub-Contractor such extension of time for the completion of the Sub-Contract Works as is reasonable in the circumstances. Where appropriate the Sub-Contractor will supply the Main Contractor with sufficient information to enable the Main Contractor to apply for an extension of time under the Main Contract.

4. Liabilities

- 4.1 The Sub-Contractor will be responsible for and bear the risk of:
 - 4.1.1 the Sub-Contract Works (until Practical Completion) except where the Sub-Contract Works have been completed and fully and finally incorporated in the main contract works between

the Employer and Main Contractor and loss or damage to them is caused solely by the Main Contractor's negligent act or that of a third party then the Main Contractor will bear the risk

4.1.2 whether or not they are on site, materials plant tools and other property of the Sub- Contractor and its servants or agents

4.2 The Sub-Contractor will indemnify the Main Contractor and keep it indemnified from and against:

4.2.1 any breach by the Sub-Contractor of any of the provisions of the Main Contract insofar as they are applicable to the Sub-Contract Works

4.2.2 any act or omission on the Sub-Contractor's part which involves the Main Contractor in liability to the Employer

4.2.3 any claim liability damage loss or expense arising under statute or at common law in respect of injury to or death of any person or damages to any property real or personal which arises out of or by reason of the Sub-Contract Works and is not due to any act or neglect of the Main Contractor or that of any person for whom the Main Contractor is responsible or that of the Employer

5. Insurances

5.1 The Sub-Contractor warrants to the Main Contractor that it will:

5.1.1 take out and maintain, for the duration of the Sub-Contract, policies of insurance to cover the Sub-Contractor's liabilities under clauses 4.1 above

5.1.2 take out and maintain public liability insurance and employer's liability insurance in respect of any legal liability arising in respect of or as a consequence of the carrying out of the Sub-Contract Works and with a limit of indemnity not less than that required by the Main Contract

5.2 As and when reasonably required to do so, the Sub-Contractor shall provide the Main Contractor with reasonable documentary evidence that the insurance required under this clause 5 are in force and being maintained.

6. Payment

6.1 The Sub-Contract Sum shall be paid by instalments as set out in the Purchase Order subject to timely receipt of a valid request from the Sub-Contractor and subject to these conditions.

6.2 The Main Contractor may give one or more written notices to the Sub-Contractor which shall specify its intention to pay less than the notified sum set out in the Sub-Contractor's invoice. If the Sub- Contractor disagrees with the notice served try the Main Contractor under this clause then the Dispute Resolution procedure at clause 10 of these conditions should be invoked. The amount the Main Contractor considers to be due on the date the notice is served and the basis on which that sum is calculated.

6.3 The main contractor reserves the right to retain from the sub-contractor an amount for retention as specified in the Sub-Contractor Agreement .

6.4 Not later than four months after Practical Completion of the Sub-Contract Works the Sub-Contractor shall send to the Main Contractor all documents necessary for the purpose of the adjustment of the Sub-Contract Sum.

6.5 The final payment, being the difference (if any) between the sums due under the Sub-Contract and the aggregate of all interim payments including release of retention previously made shall become due not later than 6 months after Practical Completion. This final payment shall be paid within 28 days of the date it becomes due.

6.6 If the Main Contractor is in default over payments of amounts properly due in respect of the Sub-Contract Works, and no pay less notice has been given pursuant to clause 6.2, the Sub-Contractor may suspend performance of any or all of the Sub-Contract Works. This right is subject to the Sub- Contractor first giving the Main Contractor not less than seven days' notice in writing of such

intention and stating the grounds for suspension. The right to suspend performance shall cease when the Main Contractor makes payment of the amount due.

7. Liability for delay and disruption

If the Sub-Contractor fails to complete the Sub-Contract Works or any part of them within the required period (or any extended period) the Sub-Contractor will pay to the Main Contractor any loss or damage which the Main Contractor may suffer or incur including any liquidated damages (or a fair proportion of them if their payment is not attributable solely to the delay in completion of the Sub-Contract Works or a part thereof) payable by the Main Contractor to the Employer under the Main Contract.

8. Termination

8.1 If the Main Contractor's employment under the Main Contract is terminated for any reason (whether by the Main Contractor or by the Employer and whether due to any default or otherwise) then the Sub-Contractor's employment under the Sub-Contract shall also immediately terminate and the Sub-Contractor shall immediately leave the site. In those circumstances the Sub-Contractor shall be entitled to be paid:

8.1.1 the value of the Sub-Contract Works completed at the date of such termination

8.1.2 the value of work begun and executed but not completed at the date of such determination

8.1.3 the value of any unfixed materials and goods delivered to and on the site for use in the Sub-Contract Works, the property in which has passed to the Employer under the terms of the Main Contract

8.1.4 any reasonable cost of removal from the site of the Sub-Contractor's temporary buildings plant machinery appliances goods and materials

8.2 The Main Contractor may (without prejudice to any other rights or remedies it may have) terminate the Sub-Contractor's employment under this Sub-Contract, if:

8.2.1 the Sub-Contractor fails to proceed regularly and diligently with the Sub-Contract Works or is in material breach of its obligations under this Sub-Contract, or

8.2.2 the Sub-Contractor ceases to carry on business or is declared bankrupt or, if the Sub-Contractor is a company, goes into liquidation (except for the purpose of solvent amalgamation or reconstruction), administration or receivership, or otherwise becomes insolvent

8.3 In the event of the Sub-Contractor's employment under the Sub-Contract being terminated under the provisions of clause 8.2.1 or 8.2.2 the Main Contractor shall be entitled to suspend all payments to the Sub-Contractor until there has been secured to the Main Contractor's satisfaction the performance of the Sub-Contractor's obligations under or arising from the Sub-Contract insofar as they remain to be performed (including the Sub-Contractor's actual or contingent liability to remedy defects under clause 2.5) or until the Contractor ceases to have a liability for the Sub-Contract Works

9. Contracts (Rights of Third Parties) Act 1999

Unless expressly granted in writing in this Sub-Contract, nothing in this Sub-Contract confers or purports to confer on any third party any benefit or right to enforce any term of the Sub-Contract which would not have existed but for the Contracts (Rights of Third Parties) Act 1999.

10. Dispute resolution

10.1 If either the party disagree with any action of the other which could result in a dispute or difference arising between them, the parties agree first to try in good faith to settle the disagreement by negotiation before invoking adjudication or any other dispute resolution procedure.

10.2 Failing agreement within 21 days, alternative dispute resolution such as arbitration or mediation or adjudication or a without prejudice meeting with solicitors shall be conducted on the application of either party.

10.3 This Sub-Contract shall be governed by and construed in accordance with English Law and the English Courts shall have jurisdiction over any dispute that may arise.

11. Notices

11.1 Any notice or communication given or made in accordance with this Sub-Contract (a 'Notice') shall be in writing and shall (save as otherwise agreed) be deemed to be properly given if delivered in accordance with clause 11.2 to the addresses of the parties shown in this Sub-Contract , or such other address as either party may from time to time notify to the other in writing

11.2 A notice may be delivered by hand or sent by pre-paid first class mail. A notice delivered by hand shall be deemed to have been received when delivered. A notice sent by mail shall be deemed to have been received two working days after posting, provided that it is not returned through the post office undelivered.