

Subcontractor Terms and Conditions

Table of Contents

| | |
|--|----|
| 1. Definitions | 2 |
| 2. Sub-Contractor's Undertaking | 3 |
| 3. Observance of the provisions of the Main Contract | 3 |
| 4. Design Responsibility | 3 |
| 5. Commencement and Completion | 4 |
| 6. Assignment or Sub-Letting | 4 |
| 7. Facilities | 4 |
| 8. Scaffolding and Temporary Works | 5 |
| 9. Statutory and other Regulations | 5 |
| 10. Site Conditions, Setting out and Supervision | 5 |
| 11. Clearance of Site | 6 |
| 12. Access to the Sub-Contractor's Works | 6 |
| 13. Variations and Extra Work | 6 |
| 14. Valuation of Variations | 6 |
| 15. Payment Terms | 7 |
| 16. Safe Working | 8 |
| 17. Responsibilities and Indemnities in respect of injury, damage or loss | 8 |
| 18. Policies of Insurance | 8 |
| 19. Insurance by Others | 9 |
| 20. Maintenance and Defects Liability | 9 |
| 21. Determination of Main Contract | 9 |
| 22. Determination of this Sub-Contract | 10 |
| 23. Provisions in case of Determination | 10 |
| 24. Value Added Tax | 11 |
| 25. Fixed Price | 11 |
| 26. Retention | 11 |
| 27. Health & Safety at Work Act 1974 | 11 |
| 28. Information to be provided to others | 11 |
| 29. Security for Due Performance | 11 |
| 30. Collateral Warranties | 11 |
| 31. Law and Jurisdiction | 11 |
| 32. Arbitration | 12 |
| 33. Adjudication | 12 |

1. Definitions

- (a) "the Contractor" shall mean BusinessWatch UK Fire and Security Limited and/or its subsidiaries.
- (b) "Subsidiaries" shall mean Securi-plex Limited, Trust Security Systems Limited, DOM Technical Services Limited, Activ Security (UK) Limited, FSE Consult Ltd.
- (c) "the Sub-Contractor" shall mean the person, firm or company named in the foregoing Sub-Contract Order.
- (d) "the Sub-Contract Works" shall mean the works described in the foregoing Sub-Contract Order.
- (e) "the Main Contract" shall mean any contract under which the Contractor has been appointed to carryout works of which the Sub-Contract Works form part.
- (f) "the Supervising Officer" shall mean the person, firm or company appointed under the Main Contract as Architect, Engineer, Supervising Officer or other person who has the responsibility under the Main Contract to supervise inter alia work under the Main Contract and the Sub-Contract Works howsoever such Supervising Officer shall be described in the Main Contract.
- (g) "the Employer" shall mean the person, firm or company for whom the Main Contract Works are being carried out.
- (h) "Applicable Law" means:
 - a. any applicable national, municipal or state statute (including the Act), ordinance, or other law, regulation or bye-law or any rule, standard, statute, code, code of practice, judgment, decision or direction having the force of law;
 - b. any regulation, rule, code, code of practice, direction, determination, guidance or other document which does not have the force of law but which any supplier would comply with as a matter of customary good practice; and
 - c. any regulatory licence, consent, permit, authorisation or other approval including any conditions attached thereto, of England and Wales or any part thereof of the European Union (to the extent relevant and directly applicable or directly effective) or of any public body or authority, local or national agency, department, inspector, ministry, official or public or statutory person (whether autonomous or not) which has appropriate jurisdiction;
- (i) "Notice" means any notice given hereunder shall be made in writing and shall be sent by pre-paid first class post, recorded delivery or delivered by hand addressed to the Subcontractor at the address or place of business referred to herein or such other address or place of business last notified in writing by the Subcontractor to the other.

2. Sub-Contractor's Undertaking

The Sub-Contractor undertakes to provide everything and anything which is necessary and / or reasonably implied as necessary for the carrying out and safely completing the Sub-Contract Works subject to and in accordance with the Sub-Contract Order and/or instructions supplied to him from time to time and to deliver up the Sub-Contract Works to the Contractor complete in all respects to the satisfaction of the Contractor and the Supervising Officer.

This Sub-Contract Order comprises the entire agreement between the Parties and supersedes all other agreements or arrangements that may have existed between the Parties. The Sub-Contractor confirms that in entering into the Sub-Contract the Sub-Contractor has not relied upon any warranty, representation, agreement, statement or undertaking other than as are expressly set out in this Sub-Contract. The Sub-Contractor will not (in the absence of fraud) have any claim, right or remedy whatsoever arising out of any warranty, representation, agreement, statement or undertaking including, without limitation, any claim for rescission or damages in respect of innocent or negligent misrepresentation

No approval either expressed or implied by the Contractor or the Supervising Officer shall in any way relieve the Sub-Contractor of his responsibility for complying with the performance of other requirements of this Sub-Contract.

3. Observance of the provisions of the Main Contract

Unpriced copies of the Main Contract having been made available for the reasonable inspection and review by the Sub-Contractor prior to the date of execution of the Sub-Contract Order, the Sub-Contractor shall be deemed to have full knowledge of and shall observe, perform, comply with and be bound by all the provisions of the Main Contract so far as they relate to and are applicable to the Sub-Contract Works or any part thereof and are not inconsistent with the express provisions of the Sub-Contract Order as if the contents thereof had been repeated and incorporated herein.

4. Design Responsibility

Where the Sub-Contract Order requires the Sub-Contractor to design and/or detail the whole or any part of the Sub-Contract Works the Sub-Contractor warrants that such designs and details shall comply with the Applicable Law and be safe and suitable for their intended purpose and insofar as the Sub-Contractor selects materials such materials shall be new of merchantable quality and fit for their intended purposes.

5. Commencement and Completion

- (a) The Sub-Contractor shall unless otherwise specifically instructed in writing commence the Sub-Contract Works within 7 days after a written notice to commence is sent to him by the Contractor. The Sub-Contractor shall complete the Sub-Contract Works and any section or sections thereof within the period or periods specified for such completion in the Sub-Contract Order subject only to such fair and reasonable extension of time as the Contractor may allow where the Sub-Contract Works are delayed by causes which result in an extension of time being awarded under the Main Contract. If no period or periods for completion are stated in the Sub-Contract Order the Sub-Contractor shall carry out the Works diligently and in such order, manner and time as the Contractor may reasonably direct so as to ensure completion of the Main Contract Works or any portion thereof under the Main Contract by the completion date or dates or such extended date or dates as may be allowed under the Main Contract.
- (b) If the Sub-Contractor fails to complete the Sub-Contract Works or any section or sections thereof in accordance with Sub-Clause (a) of this Clause he shall pay or allow to the Contractor a sum equivalent to any estimated sum calculated by the Contractor for any loss and / or damage suffered and / or incurred by the Contractor in respect of the failure of the Sub-Contractor as aforesaid including but not limited to such liquidated and / or unliquidated damages and / or costs as the Contractor may be liable to pay and / or may otherwise incur under the Main Contract and which arise as a consequence of such failure and the Contractor shall be entitled to deduct any sum payable under this Sub-Clause from any amounts which may at any time be due or have become due to the Sub-Contractor from the Contractor whether under the Sub-Contract Order or otherwise.

6. Assignment or Sub-Letting

The Sub-Contractor shall not sub-let or assign the whole or any part of the Sub-Contract Order or the Sub-Contract Works without the prior written consent of the Contractor.

7. Facilities

- (a) Except insofar as the Main Contract may provide for the provision of such facilities by the Contractor, the Sub-Contractor shall supply at his own cost any and all labour, plant, equipment, tools, fuel, water, lighting, power, security, watching and attendance as is necessary for the performance and the safe and proper completion of the Sub-Contract Works.
- (b) The Sub-Contractor shall at his own cost provide and erect all necessary temporary offices, workshops, sheds or other buildings and welfare facilities for his employees and workmen at such places on the site as the Contractor shall from time to time appoint unless otherwise indicated and shall remove the same from site on satisfactory completion of the Sub-Contract Works or on written notice so to do by the Contractor.
- (c) The Sub-Contractor shall at his own cost provide all machinery and mechanical plant necessary for the performance and proper completion of the Sub-Contract Works and shall not use any that may belong to the Contractor or others without prior written approval.
- (d) Any use by the Sub-Contractor of any facilities, plant or equipment provided by the Contractor or others shall be at the sole risk of the Sub-Contractor and the Sub-Contractor shall be responsible for any loss, damage or injury arising in consequence of such use by the Sub-Contractor, his labour or others and the Contractor shall have no liability whatsoever in Contract, Tort, Delict or otherwise in relation to any such loss or damage or injury (save in respect of death or personal injury caused by negligence on the Contractor's part as defined in the Unfair Contract Terms Act 1977).

8. Scaffolding and Temporary Works

- (a) The Contractor may permit the Sub-Contractor to use, at the Sub-Contractors risk, for the purposes of the Sub-Contract Works such standing scaffolding, towers, platforms, walk ways and other temporary works and structures (hereinafter called "scaffolding") as may be available from time to time provided by the Contractor. The Contractor shall not be bound to provide or retain the scaffolding for the Sub-Contractors use. No such permission shall imply any warranty or undertaking by the Contractor as to the fitness, condition and / or suitability of the scaffolding nor shall it impose any liability upon the Contractor, his servants or agents nor relieve the Sub-Contractor of any statutory or other obligations to test or inspect the scaffolding to be used by his servants or agents or to provide suitable scaffolding for their use.
- (b) The Contractor shall have the right to inspect any scaffolding provided by the Sub-Contractor for the Sub-Contractors use or the use of any person and if in the opinion of the Contractor the scaffolding or any part thereof is unsafe or unfit for use he may direct the Sub-Contractor, his servants or agents to vacate the scaffolding until it shall be rendered safe and fit for use by the Sub-Contractor. The Sub-Contractor shall have no claim for loss or expense or extension of time or in respect of any other matters whatsoever as a result of a direction being given by the Contractor under this sub-clause.

9. Statutory and other Regulations

The Sub-Contractor shall at all times observe and comply with the Applicable Law and shall indemnify and keep indemnified the Contractor from and against all or any breach or non-compliance therewith or non-performance of any obligation thereunder.

10. Site Conditions, Setting out and Supervision

- (a) The Sub-Contractor warrants that the Sub-Contractor has inspected the site for the Sub-Contract Works (including verification of any information provided to the Sub-Contractor by or on behalf of the Contractor) and taken account of the following:
 - a. the location of the site for the Sub-Contract Works and the position and nature of any adjoining structures;
 - b. all relevant ground conditions and any existing site infrastructure and services;
 - c. the general condition of any existing buildings (having particular regard to structures and existing services); and
 - d. all factors likely to affect or restrict access to and use of the site for the Sub-Contract Works and/or the carrying out and completion of the Sub-Contract Works.
- (b) The Sub-Contractor shall be responsible for establishing the necessary datums and the accurate setting out of the Sub-Contract works and for ensuring that the positions, levels and dimensions of the Sub-Contract Works are correct according to the drawings, specifications or bill notwithstanding that he may have been assisted by the Supervising Officer or the Contractor therein in the checking of the accuracy thereof.
- (c) The Sub-Contractor shall continuously provide competent supervision for the Sub-Contract Works and shall employ only persons who are fit and skilled in the work assigned to them.

11. Clearance of Site

The Sub-Contractor shall at all times keep the Sub-Contract Works and all areas of the Site made available to him tidy, free from waste material and rubbish and shall on completion leave the whole of the Sub-Contract Works and such areas clean and safe and in a workmanlike condition to the satisfaction of the Contractor and the Supervising Officer.

12. Access to the Sub-Contractor's Works

The Contractor, the Employer and the Supervising Officer and other persons authorised by any of them shall, at all reasonable times, have access to the Sub-Contractor's works, all other areas of the site and to the Sub-Contractor's premises where work or materials are being executed, prepared or stored prior to inclusion in the Sub-Contract Works. Where goods or plant for incorporation in the Sub-Contract Works are being manufactured elsewhere the Sub-Contractor shall procure from the manufacturer thereof permission for the Contractor, the Employer and the Supervising Officer or any person authorised by any of them to have access thereto and to inspect, examine and test the same as if such goods or plant were being manufactured on the Sub-Contractor's premises.

13. Variations and Extra Work

- (a) No variation to the Sub-Contract Works shall vitiate this Sub-Contract but the Sub-Contractor shall not undertake any variation to the Sub-Contract whether by way of addition, alteration, modification or omission except as may be:-
 - (i) ordered by the Supervising Officer under the Main Contract and confirmed in writing to the Sub-Contractor by the Contractor; or
 - (ii) agreed to be made by the Employer and the Contractor and confirmed in writing to the Sub-Contractor by the Contractor; or
 - (iii) ordered in writing by the Contractor.
- (b) If the Sub-Contractor receives a written order otherwise than under Sub-Clause (a) above or any verbal order he shall refer the same to the Contractor who shall give him written directions thereon within a reasonable period and the Sub-Contractor shall only act upon such order as given in writing by the Contractor.

14. Valuation of Variations

- (a) All variations to the Sub-Contract Works authorised pursuant to the preceding clause shall be valued in the manner provided by this Clause and the value thereof shall be added to or deducted from the Sub-Contract price.
- (b) The valuation of all variations shall be ascertained either by measurement priced at the Sub-Contract rates for like or analogous work insofar as such rates are applicable or, if not so applicable, then at fair and reasonable rates agreed by the Contractor and in accordance with the valuation principles set out in the Main Contract.

15. Payment Terms

The Sub-Contract price shall be paid by the Contractor to the Sub-Contractor in the following manner:-

- (a) For the purpose of making any and all Applications for Payment hereunder (both interim and final) the Sub-Contractor shall at his own expense prepare and submit an Application for Payment at least 5 (five) calendar days before the Due Date comprising a fully detailed Application for Payment which shall clearly identify the total value of the Sub-Contract Works properly executed up to and including the Due Date (less any previous Applications for Payment).
- (b) Each Application for Payment shall be submitted in a form required by the Contractor in accordance with the dates indicated on the Schedule of Application Dates appended to this Sub-Contract, or in the absence of such a Schedule, at the dates advised by the Contractor so as to enable him to comply with the provisions of the Main Contract or, in the absence of such a Schedule or such advice, for a Due Date comprising the 26th day of any given calendar month.
- (c) The Final Date for Payment shall be 30 days following the end of the month of the receipt by the Contractor of any valid Application for Payment.
- (d) Following the receipt of a valid Application for Payment, and not later than 5 days after the Due Date, or would have become due if (a) the Sub-Contractor had carried out his obligations under the Sub-Contract and (b) no set-off or abatement was permitted to any sums claimed to be due under one or more other contracts, the Contractor shall certify the payment proposed to be made and the basis on which that amount was calculated. Subject to the provisions of Sub-Clauses (e) and (f) hereof the Contractor shall pay to the Sub-Contractor the amount certified.
- (e) In addition to any other provision hereof the Contractor may deduct from and / or set-off against any sum paid or payable hereunder to the Sub-Contractor and / or any Contra-charges including any amount, levy or other sum that the Contractor estimates may be or become liable for and deduct such amount from any sum paid or payable to the Sub-Contractor. The Contractor shall issue a notice of intention to withhold payment to the Sub-Contractor not later than 1 (one) day before the Final Date for Payment specifying the amount proposed to be withheld and the ground or grounds for withholding this amount, or if there is more than one ground, each ground and the amount attributable to it. Where the payment certificate issued in accordance with Sub-Clause (d) hereof details any amounts to be withheld and the grounds for withholding it, the certificate shall be a valid notice of intention to withhold payment.
- (f) If the Employer makes or proposes to make any arrangement or composition with its creditors or has a receiver, administrative receiver, administrator, liquidator, manager or similar officer appointed in respect of all or any part of its assets or passes a resolution for winding up other than for the purpose of a solvent amalgamation or reconstruction where the resulting entity assumes all obligations under the project or in the case of an individual, has a bankruptcy order made against him or has his estate sequestered or grants a trust deed for creditors or dies or in the case of a partnership is dissolved or undergoes or suffers any analogous acts or proceedings under the law of if any of the foregoing is threatened then the Contractor shall only be required to pay the Sub-Contractor, 60 days after the receipt of monies from the Employer, any sums received in connection with the Sub-Contract Works.
- (g) All sums paid hereunder shall be made on account only and any such payments shall not be held to signify approval by the Contractor and/or the Supervising Officer of the whole or any part of the Sub-Contract Works executed nor shall any such payment prejudice any claim the Contractor may have in respect of any defects in the Sub-Contract Works whenever such defect may appear. Notwithstanding anything to the contrary elsewhere in these Conditions if the Employer is insolvent as defined, the Contractor shall not be obliged to make any further payment to the Sub-Contractor of any amount which is due or may become due to the Sub-Contractor unless the Contractor has received payment in respect thereof from the Employer and then only to the extent of such receipt.

16. Safe Working

The Sub-Contractor shall be responsible for the safe execution of the Sub-Contract Works and shall comply with and observe all laws and regulations having the force of law in respect thereof and in particular with any site safety regulations with which the Contractor may have been required by the Employer or the Supervising Officer to comply and shall indemnify the Contractor against all consequences of any breach of non-observance thereof. Without prejudice to the foregoing generality the Sub-Contract shall ensure that he does not breach or place the Contractor in breach of the Construction (Design and Management) Regulations 1994 or any remaking thereof or any amendments thereto. The Sub-Contractor shall ensure that he will meet all duties incumbent upon him in terms of the said Regulations and he will ensure that he provides any information requested by the Contractor or the Planning Supervisor in terms of the said Regulations which is required for the preparation of a Health & Safety in terms of the said Regulations.

17. Responsibilities and Indemnities in respect of injury, damage or loss

The Sub-Contract Works, materials, tools, plant, scaffolding, machinery and buildings of the Sub-Contractor, the subject of or used in connection with this Sub-Contract whether at his workshop or on the site shall be at the Sub-Contractor's sole risk for all loss and damage (other than that excepted under Clause 19 hereof) and the Sub-Contractor shall be responsible for and shall forthwith make good at his own expense (except as provided in Clause 19) any loss or damage that may occur. The Sub-Contractor shall also be liable for and shall indemnify the Contractor and the Employer against all claims, demands, proceedings, damages, costs, charges and expenses whatsoever in respect of:-

- (a) any death, injury, loss or damage to any person whomsoever or to the Main Contract Works (including any existing buildings) or to any other property whatsoever including adjoining premises, or their occupants, or to the Contractor's or other Sub-Contractor's plant or materials which may arise out of, or in consequence of, the execution of the Sub-Contractor's Works or the execution thereof by his servants or agents; and
- (b) any breach, non-observance, non-performance by the Sub-Contractor, his servants or agents of the provisions of the Main Contract or the Sub-Contract or any of them; and
- (c) any act, omission, default or neglect of the Sub-Contractor, his employees, servants or agents which involves the Contractor in any liability under the Main Contract.

18. Policies of Insurance

Without prejudice to the Sub-Contractors obligations to indemnify the Contractor and Employer under Clause 17 hereof; the Sub-Contractor shall take out and maintain adequate and appropriate insurance policies acceptable to the Contractor in respect of any and all claims whatsoever which may arise thereunder and shall produce on demand policies of such insurances together with the receipts for premiums.

In the event of neglect by the Sub-Contractor to effect any insurance or in the event of failure to produce on demand policies of such insurance's together with the receipts for premiums the Contractor may insure on behalf of the Sub-Contractor and deduct the premiums so paid from any monies due or becoming due to the Sub- Contractor.

19. Insurance by Others

Where the main contractor states that such risks have been insured either by the Consultant or the Employer the Sub-Contractor shall not be responsible for loss or damage caused by fire, storm, tempest, lightning, flood, earthquake, aircraft or anything dropped therefrom, aerial objects, riot and civil commotion to the Sub-Contract Works or to any materials (other than temporary buildings, plant, tools, scaffolding and machinery provided by the Sub-Contractor, or any scaffolding or other plant which is loaned to him by the Contractor) properly upon the site and in connection with and for the purpose of this Sub-Contract.

In the event of any such loss or damage, the Sub-Contractor shall, if and when directed by the Contractor in writing, proceed immediately with the rectification or replacement of the damaged work and materials and the completion of the Sub-Contract Works in full accordance with the terms and conditions hereof.

20. Maintenance and Defects Liability

- (a) The Sub-Contractor undertakes to maintain and protect the Sub-Contract Works and shall make good every defect, shrinkage or other fault including damage from whatsoever cause arising until the completion of work under the Main Contract and shall not be entitled to any payment for so doing.
- (b) After completion of the work under the Main Contract the Sub-Contractor shall remedy any defects in the Sub-Contract Works arising therein before the expiry of the defects liability period of the Main Contract at a time to be decided by the Contractor, provided that the limitation of the defects liability period shall not apply to any defect in the Sub-Contract Works which reasonable inspection or examination at any reasonable time during the carrying out of the Works would not have disclosed.
- (c) The Contractor may on failure or refusal by the Sub-Contractor at any time after written notice so to do remove any defective workmanship and materials and make good the same or employ others to make good the same within a reasonable time or at any time carry out and remedy any such work or supply materials as is necessary and the Sub-Contractor shall pay to the Contractor any costs and expenses thereby incurred including the costs of identifying or locating defective work or materials and reinstatement by all trades affected thereby and any such costs or expenses may be set-off against amounts due or becoming due to the Sub-Contractor.

21. Determination of Main Contract

If for any reason the Contractor's employment under the Main Contract is determined before the Sub-Contractor has fully performed his obligations under this Sub-Contract then the employment of the Sub-Contractor shall thereupon be automatically determined and the Sub-Contractor shall, subject to Clause 15(c) hereof, be entitled to be paid:-

- (a) The value of the Sub-Contract Works completed at the date of such determination such value to be calculated according to Sub-clause 15(b) hereof.
- (b) The value of the Sub-Contract Works begun and executed but not completed at the date of such determination such value to be calculated according to Clause 15(b) hereof.
- (c) The value of the unfixed materials and goods delivered upon site for use in the Sub-Contract Works the property in which has passed to the Employer under the provisions of the Main Contract.
- (d) The cost of the materials or goods properly ordered for the Sub-Contract Works for which the Sub-Contractor shall have paid or delivery of which he is legally bound to accept. On such payment by the Contractor any materials or goods so paid for shall become the property of the Contractor.

- (e) The reasonable costs of removal from site of his temporary offices, buildings, plant, machinery, appliances, goods and materials provided that payment shall be conditional upon the Contractors employment under the Main Contract is determined by reason of breach by the Contractor.

If the Main Contract is determined by the Employer in consequence of any breach of the Sub-Contract by the Sub-Contractor then the above provisions as to payment shall not apply but the rights of the Contractor and Sub-Contractor hereunder shall be the same as if the Sub-Contractor had been in breach of the Sub-Contract under Clause 22 hereof.

22. Determination of this Sub-Contract

If the Sub-Contractor:-

- (a) fails within seven days of notice in writing from the Contractor to proceed regularly and diligently with the Sub-Contract Works to the reasonable satisfaction of the Contractor; or
- (b) without reasonable cause suspends the Sub-Contract Works or any part thereof; or
- (c) refuses, delays or fails within seven days of notice in writing from the Contractor to rectify or remove defective work or improper materials to the reasonable satisfaction of the Contractor; or
- (d) is sequestrated or declared bankrupt or enters into a trust deed or deed of arrangement or compositions with his creditors or being a company has a receiver appointed or goes into liquidation) other than a voluntary liquidation for the purpose of reconstruction) or
- (e) commits any breach of the terms of this Sub-Contract which results in any liability on the Contractor's part to the Employer under the Main Contract; or
- (f) fails to withdraw immediately, at the request of the Contractor, any one or more of his employees to whom the Contractor objects or whose presence on the work may contravene the conditions of this Sub-Contract or the Main Contractor or may cause labour disputes in the Sub-Contractor's or any other trade and to replace such employees immediately with others against whom there is not such objection;

then in any such event and without prejudice to any other rights and remedies which the Contractor may possess the Contractor may by written notice to the Sub-Contractor forthwith determine the Sub-Contractor's employment under this Sub-Contract.

23. Provisions in case of Determination

If the Contractor shall, in the exercise of the power contained in the preceding clause, determine this Sub-Contract, then the Contractor may take possession of all materials, machinery, plant, goods and other things whatsoever brought on to site by the Sub-Contractor any may use them for the purpose of executing, completing and maintaining the Sub-Contract Works any may if he thinks fit sell all or any of them and apply the proceeds in or towards the satisfaction of monies otherwise due to him from the Sub-Contractor. The Sub-Contractor shall at no time bring any goods, materials, machinery, plant, appliances and other things whatsoever onto the site unless the above right has been reserved to the Contractor in respect of all and each of them.

The costs, charges and expenses so incurred in completing the Sub-Contract Works together with any damages or consequential loss arising out of the determination or incurred by the Contractor prior thereto together with a reasonable sum by way of overhead charges and supervision shall be set-off against any monies due or to become due on any account whatsoever to the Sub-Contractor and so far as not satisfied by any such set-off shall be payable by the Sub-Contractor to the Contractor on demand without prejudice to any other claim or right of action which the Contractor may have against the Sub-Contractor.

24. Value Added Tax

The Contractor shall in addition to the Sub-Contract Price pay to the Sub-Contractor such Value Added Tax as may be properly chargeable on payments due under the Sub-Contract. The arrangements for payment of Value Added Tax by the Contractor and applications by the Sub-Contractor therefore shall unless otherwise agreed by the same as under the provisions of the Main Contract.

25. Fixed Price

The Sub-Contract Price shall be fixed and shall not be subject to adjustment in respect of any increase or decrease in the cost to the Sub-Contractor of the performance of the Sub-Contract Works.

26. Retention

5% of the value of the subcontractor's application may be retained during the currency of the works. One half of the retention will be released after the issue of the "Certificate of Practical Completion" on the Main Contract; the balance will be released following the issue of the "Final Making Good of Defects Certificate" after the expiry of the Defects Liability period of the Main Contract.

27. Health & Safety at Work Act 1974

The Sub-Contractor, his servants or agents before entering upon the Sub-Contract Works shall report to the Contractors appointed representative who will issue notice(s) to the Sub-Contractor regarding the duties of Sub-Contractors which sets out any Safety and Security policies required by the Contractor which must be accepted by the Sub-Contractor and strictly complied with both before and during any operations undertaken on the site.

28. Information to be provided to others

Any instructions, specifications, drawings, levels and / or other information which is required to be provided by the Sub-Contractor to others must be provided in due time upon written request to the Sub-Contractor provided always that the information is not requested unreasonably close to the date on which it is necessary for others to receive the same. The Sub-Contractor shall be responsible for providing any information required from him by others upon specific written request.

29. Security for Due Performance

If required by the Contractor the Sub-Contractor shall provide a Surety and / or Guarantee Bond or an Insurance or Guarantee Policy subject to the Contractor's approval and to an extent that does not exceed 15% of the Sub-Contract price by way of Guarantee for the due and faithful performance of the Sub-Contract. Such Guarantee shall be binding notwithstanding any variations, alterations or extensions of time that may be made, given, conceded or agreed hereunder and shall be valid until one month after the issue of the Final Certificate under the Main Contract.

30. Collateral Warranties

When requested by the Contractor, the Sub-Contractor undertakes to execute and provide any collateral warranties which are required from the Sub-Contractor in terms of the Main Contract.

31. Law and Jurisdiction

If the Sub-Contract works are situated outside England or Wales, the law of the country applying to the Main Contract shall apply to this Sub-Contract. Otherwise, this Sub-Contract shall be regarded as an English Contract and shall be construed and the rights of the parties on all matters arising hereunder determined in all respects according to the law of England and in so far as not already subject thereto, the parties submit to the jurisdiction of the English Courts.

32. Arbitration

The Final determination of any dispute or difference that as arisen out of or in connection with this contract shall be finally determined by the appointment of a single arbitrator agreed between the parties, or failing agreement within fourteen calendar days, after either party has given to the other a written request to concur in the appointment of an arbitrator, by an arbitrator who shall be appointed by the President or a Vice President of the Chartered Institute of Arbitrators. The Arbitration shall be governed by the Arbitration Act 1996 as amended. The seat of the Arbitration shall be in the city of London in the United Kingdom.

33. Adjudication

Any dispute arising under or connected with this Sub-Contract Agreement shall firstly be decided in accordance with the rules and provisions contained within Part 1 of the Scheme for Construction Contracts (England and Wales) Regulations 1998 as amended by the Scheme for Construction Contracts (England and Wales) Regulations 1998 (Amendment) (England) Regulations 2011. Unless otherwise expressly stated in this Sub-Contract or otherwise agreed in writing, the Adjudicator shall be nominated by the Chartered Institute of Arbitrators.

