PROTEC FIRE DETECTION PLC TERMS AND CONDITIONS OF SUB-CONTRACT

ARTICLES

1 This Sub-Contract relates to the Works which the Contractor has or is intending to contract in relation to the Principal Contract with the Principal Contractor. The Sub-Contract Works form part of the Works.

2 The Sub-Contractor is required to perform all of its obligations under this Sub-Contract so as to facilitate and assist the Contractor's performance of the Principal Contract.

3 The Sub-Contractor is required to take all steps, actions and measures required under this Sub-Contract so as to not constitute, cause or contribute to any breach of the Principal Contract by the Contractor including without limitation as to the standard of work, timeliness of performance and obligations for the supply of information and assistance. The Sub-Contractor shall indemnify the Contractor in respect of any reasonably incurred costs and losses that the Contractor incurs under or arising out of the Principal Contract as a result of any breach by the Sub-Contractor of this Article 3.

4 The Sub-Contractor is accordingly deemed to have full knowledge of the Principal Contract (save for prices and other confidential information) and the implications thereof. The Sub-Contractor acknowledges that any breach by it of this Sub-Contract may result in the Contractor committing breaches of and being liable in damages under or in relation to the Principal Contract and/or other agreements, contracts and sub-contracts entered into by the Contractor in relation to the Works, and/or may cause further loss and/or expense to the Contractor in connection with the Works, and all such damages, loss and expense are agreed to be within the contemplation of the parties hereto as being the probable results of any such breach by the Sub-Contractor.

5 The Sub-Contractor shall carry out and complete the Sub-Contract Works in accordance with the Sub-Contract and for that purpose shall, where and to the extent stated in the Sub-Contract Order, complete the design for the Sub-Contractor's Designed Works in accordance with the CDM Regulations and such directions as the Contractor may give for the integration of the design for the Sub-Contractor's Designed Works with the design of the Works.

Conditions

1. DEFINITIONS

1.1. In these conditions the words and phrases set out below shall have the following meanings:

Word or Phrase	Meaning
"Building Safety Information"	means all information, documents, records, designs, calculations, specifications, certificates, test results, commissioning records, product information, photographs, as-built information and other evidence required to demonstrate compliance with Building Safety Legislation or to maintain the golden thread of information.
"Building Safety Legislation"	the Building Safety Act 2022, the Building Act 1984, the Building Regulations, the Building (Higher-Risk Buildings Procedures) (England) Regulations 2023 and all other applicable legislation, regulations and mandatory requirements relating to building safety.
"Building Regulations"	the Building Regulations 2010 and all regulations, orders, approved documents and statutory guidance made or issued under them, in each case as amended, extended or re-enacted from time to time.
"CDM Regulations"	the Construction (Design and Management) Regulations 2015.
"Construction Product Regulations"	the Construction Products Regulations 2013 (SI 2013 / 1387), the Construction Products Regulation (305 / 2011 / EU), the Construction Products Regulations 1991 (SI 1991 / 1620) and the Construction Products Directive (89 / 109 / EC).
"Contract Manager"	the contract manager employed by the Contractor or the Contractor's agent or representative.
"Contractor"	Protec Fire Detection Public Limited Company (company number: 01170489) whose registered address is at Protec House, Churchill Way, Lomeshaye Ind Est, Nelson Lancs BB9 6RT.
"Corrupt Activity"	means extortion, fraud, deception, collusion, cartels, abuse of power, embezzlement, trading in influence, money-laundering or any similar activity including, without limitation, any activity, practice or conduct which would or could constitute an offence under sections 1, 2 or 6 Bribery Act 2010 if such practice or conduct had been carried out in the United Kingdom whether in connection with the Works or otherwise.
"Deleterious"	means goods materials equipment product or kits: (a) that are generally accepted, or generally suspected, or should have been known in the construction industry or which the Sub-Contractor ought to have known about at the relevant time (i) to be hazardous as posing a threat to the health and safety of any person, or (ii) to pose a threat to the durability, structural stability, performance or physical integrity of the Sub-Contract Works and / or the Works or any part or component of the Sub-Contract Works and / or the Works, or (iii) to reduce, or possibly reduce the normal life expectancy of the Sub-Contract Works and / or the Works or any part or component of the Sub-Contract Works and / or the Works; or (b) that are not in accordance with any relevant British or European standard, relevant code of practice, good building practice or any applicable agreement certificate issued by the British Board of Agreement; or (c) supplied or placed on the market in breach of the Construction Products Regulations; or (d) that do not comply with the guidance set out in the edition of the publication entitled "Good practice in the Selection of Materials"

	published by the British Property Federation and the British Council of Offices current at the relevant time; or (e) that are specifically prohibited under this Sub-Contract or the Principal Contract.
"Higher-Risk Buildings"	has the meaning given to it under applicable Building Safety Legislation.
"Insolvent"	as defined in section 113 of the Housing Grants, Construction and Regeneration Act 1996.
“Intermediary”	as defined in Section 61N(9), (10) and (11) of the Income Tax (Earnings and Pensions Act) 2003 (“ITEPA”).
"Material"	means all designs, drawings, models, plans, specifications, design details, photographs, brochures, reports, notes of meetings, CAD materials, calculations, data, databases, schedules, programmes, bills of quantities, budgets and any other materials prepared by or on behalf of the Sub-Contractor in connection with the Sub-Contract Works and the Works and all updates, amendments, additions and revisions to them and any works, designs or inventions incorporated or referred to in them.
"Numbered Documents"	means all drawings, programmes and/or specifications supplied by the Contractor to the Sub-Contractor including (without limitation) those set out in the Sub-Contract Order.
“Sub-Contractor”	the Sub-Contractor named in the Sub-Contract Order.
"Sub-Contract"	means the Sub-Contract Conditions, the Sub-Contract Order and the Numbered Documents.
“Sub-Contract Order”	the Contractor's Sub-Contract Order to the Sub-Contractor, and all documents referred to therein.
“Sub-Contract Conditions”	means these conditions.
“Sub-Contract Works”	all of the sub-contract works described in the Sub-Contract Order and documents referred to therein to be performed by the Sub-Contractor.
“Principal Contract”	the contract between the Contractor and the Principal Contractor.
“Principal Contractor”	the employing party under the Principal Contract.
“Project”	the Project described in the Sub-Contact Order.
"Public Holiday"	means Christmas Day, Good Friday or a day which under the Banking and Financial Dealings Act 1971 is a bank holiday.
"Working Day"	means any day which is not a Saturday, a Sunday or a Public Holiday.
"Works"	the works as more particularly described in the Principal Contract.

1.2. Clause, Schedule and paragraph headings shall not affect the interpretation of these Sub-Contract Conditions.

1.3. Unless the context otherwise requires, words in the singular shall include the plural and, in the plural, include the singular and a reference to one gender shall include a reference to other genders.

1.4. A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time and shall include all subordinate legislation made from time to time under that statute or statutory provision.

1.5. If the Contractor does not enforce strict compliance by the Sub-Contractor with the terms of this Sub-Contract, this shall not constitute a waiver by the Contractor of any of its rights or of the obligations or liabilities of the Sub-Contractor under this Sub-Contract.

1.6. If the Sub-Contractor shall find any discrepancy or divergence within or between the documents forming the Sub-Contract and the Principal Contract, the Sub-Contractor shall immediately give to the Contractor a written notice specifying the discrepancy or divergence and setting out its propose amendments to remove it. The Contractor shall issue directions in regards thereto and the Sub-Contractor shall comply with them, but such directions shall not, to the extent that they relate to the removal of that discrepancy or divergence, result in any addition to or increase in the Sub-Contract Sum.

1.7. If any divergence or inconsistency appears between these Sub-Contract Conditions, the Sub-Contract Order and the Numbered Documents the order of priority will be (1) the Sub-Contract Conditions; (2) the Sub-Contract Order; then (3) the Numbered Documents. If any divergence appears between the Sub-Contract and the Principal Contract, then subject to clause 1.8 the Sub-Contract shall prevail.

1.8. A matter shall not be deemed to be an inconsistency or divergence for the purposes of clause 1.6 merely because an obligation on the Sub-Contractor arising under or by virtue of the Principal Contract is more onerous than the obligations arising under the Sub-Contract. In such circumstances the Sub-Contractor is obligated to meet both or all obligations.

1.9. The Sub-Contractor acknowledges that it does not enter into this Sub-Contract on the basis of and does not rely, and has not relied upon any statement or representation (whether negligent or innocent) or warranty or other provision (in any case whether oral, written, express or implied) made or agreed to by any person (whether a party to this Sub-Contract or not).

1.10. The words in this Sub-Contract shall bear their natural meaning. The parties have had the opportunity to take legal advice on this Sub-Contract and no term shall therefore be construed contra proferentem.

1.11. The Sub-Contract and applicable provisions of the Principal Contract constitute the entire agreement between the parties and supersede and replace any and all previous agreements arrangements or understandings between the parties in respect of the subject matter hereof.

1.12. The Sub-Contractor acknowledges that any Sub-Contract Works provided prior to the date of this Sub-Contract shall be treated as having been provided under the terms of this Sub-Contract. Notwithstanding any indication otherwise, the Sub-Contractor's continuance of carrying out the Sub-Contract Works or any part of the Sub-Contract Works after the date of the Sub-Contract shall amount to acceptance of this Sub-Contract.

2. SUB-CONTRACTOR'S UNDERTAKING

2.1. The Sub-Contractor will carry out and complete the Sub-Contract Works in a proper and workmanlike manner and in accordance with statutory requirements and all Numbered Documents and all documents referred to therein and in accordance with the obligations relating to those Works contained in the Principal Contract and all documents referred to therein. The Sub-Contract Works shall be completed, in every respect, to the satisfaction of the Contractor and to the satisfaction of the Contract Manager. No approval or consent, expressed or implied, given by the Contractor or the Contract Manager nor any inspection of, or failure to inspect, the Sub-Contract Works shall in any way diminish or relieve the Sub-Contractor of his responsibilities and liabilities under the Sub-Contract.

2.2. The Sub-Contractor warrants that it has not and will not specify or approve for use or use anything in the Sub-Contract Works and/or the Works which, at the time of specification or use is Deleterious. If in the performance of its duties under this Sub-Contract the Sub-Contractor becomes aware that it or any other person has specified or used, or authorised or approved the specification or use by others of anything which is Deleterious, the Sub-Contractor will notify the Contractor immediately in writing forthwith.

2.3. The Sub-Contractor shall, and shall procure that its sub-sub-contractors shall, at all material times have and maintain resources (including financial resources) adequate to execute and complete the Sub-Contract Works in accordance with this Sub-Contract and in the circumstances in which the Sub-Contract Works fall to be performed.

2.4. The Sub-Contractor shall use all reasonable endeavours to ensure that any key personnel of the Sub-Contractor, being staff who are engaged in any material aspect of the performance or completion of the Sub-Contract Works by the Sub-Contractor, shall continue to be employed in their specified capacities on the work for so long as and

to the extent that the Sub-Contract Works require. The Sub-Contractor shall not, without the prior written consent of the Contract Manager, replace any such key personnel.

2.5. If the Contractor is of the opinion that any member of the Sub-Contractor's staff at the site is incompetent or has been guilty of misconduct or serious breach of his duties or breach of any law or health and safety regulations or is a risk to health and safety of persons or whose behaviour is otherwise inappropriate he may by notice to the Sub-Contractor require such person to leave the site with immediate effect. The Sub-Contractor shall act on such notice forthwith or as soon as reasonably practicable and shall refuse to admit such person to the site. The Contractor shall have no obligation to reimburse the Sub-Contractor the cost of replacing such person and no liability in respect of any claim against the Sub-Contractor by such person, but shall afford reasonable assistance (not being financial assistance) to the Sub-Contractor in resisting any resultant claim for unfair dismissal arising from the Contractor's exercise of its rights under this clause 2.5.

2.6. The Sub-Contractor shall ensure that in respect of each individual intended to work at the site before the individual begins to attend the site to participate in the Sub-Contract Works:

(a) the results are received of a check of the most extensive available kind made with the Criminal Records Bureau;

(b) a copy of the results of such check are notified to the Contractor; and

(c) evidence of the individual's right to work in the United Kingdom is supplied to the Contractor (such as biometric residence permit and/or card number and/or passport or national identity card) to the satisfaction of the Contractor.

2.7. The Contractor reserves the right to refuse to admit to the site any person who has a conviction or who received a conviction at any time whilst such individual is attending site to participate in the Sub-Contract Works.

2.8. In order to protect the value of the Contractor's client contacts, the Sub-Contractor undertakes, in relation to any services or works similar or connected to the Sub-Contract Works, during the term of this Sub-Contract and for 12 months thereafter not to directly or indirectly (including through any associated companies or other associated individuals) solicit orders from, supply, quote, tender or carry out any services whatsoever directly for the Principal Contractor or its client. Should the Principal Contractor or its client approach the Sub-Contractor, the Sub-Contractor will refuse any such approach and refer the Principal Contractor to the Contractor. If the Principal Contractor or its client will only deal with the Sub-Contractor, the Sub-Contractor shall pay to the Contractor a commission of an amount equal to the amount that the Contractor would have earned on the transaction had the supply been made through the Contractor.

2.9. The Sub-Contractor shall not use a factoring company or otherwise dispose of debts or invoices relating to the Sub-Contract without the Contractor's written consent.

2.10. The Sub-Contractor acknowledges that the Contractor is committed to ensuring that workers employed in its supply chains are treated fairly, humanely and equitably. The Sub-Contractor shall at all times comply with and shall procure that its sub-sub-contractors (as applicable) comply with:

a) the Modern Slavery Act 2015; and

b) the principles of the Ethical Trading Initiative Base Code (which is available on https://www.ethicaltrade.org/eti-base-code) or an equivalent code of conduct specified in the Sub-Contract Order or the Numbered Documents in relation to the Sub-Contract Works.

The Sub-Contractor shall provide the Contractor with such documentary evidence as the Contractor may request to demonstrate compliance with this clause 2.10. The parties agree that breach of this clause 2.10 by the Sub-Contractor entitles the Contractor to determine the Sub-Contractor's employment under the Sub-Contract pursuant to clause 14.3.6.

2.11. The Sub-Contractor warrants that it, and every person appointed or engaged by it in connection with the Sub-Contract Works, has and shall maintain the skills, knowledge, experience and behaviours, and where the Sub-Contractor is an organisation, the organisational capability, necessary to undertake the work for which it is appointed in accordance with the Building Regulations and all applicable Building Safety Legislation. The Sub-Contractor shall provide evidence of such competence and organisational capability upon request and shall immediately notify the Contractor if it ceases, or is likely to cease, to satisfy those requirements.

3. DESIGN, DESIGN DEVELOPMENT AND CO-ORDINATION

3.1. Where the Sub-Contract Order specifies Sub-Contractor's Designed Works, the Sub-Contractor shall, in accordance with the Numbered Documents and the Contractor's instructions, complete the design for the Sub-Contractor's Designed Works and any further design which the Sub-Contractor is required to carry out as a result of a variation or Contractor's instruction, including the selection of any specifications for the kinds and standards of the materials, goods and workmanship to be used in the Sub-Contractor's Designed Works, so far as not described or stated in the Numbered Documents. This will include but will not be limited to: submission of drawings and designs for comment/approval (layout plans, schematics, elevations, equipment details, specifications etc.); incorporation of comments into drawings and designs; production of design working drawings (including design and coordinated information); production of as-fitted drawings to include all final equipment positions, distribution of wiring, ducting, pipes and the like. The Sub-Contractor acknowledges that time is of the essence in the supply of all design and co-ordination information to meet the contract programme and not cause delay.

3.2. The Sub-Contractor warrants and undertakes to the Contractor that:

3.2.1. he has exercised and will continue to exercise in the design of the Sub-Contractor's Designed Works all the skill, care and diligence to be expected of a professionally qualified and competent architect, engineer or other appropriate designer taking into account the size, scope, nature, type and complexity of the Sub-Contract Works;

3.2.2. he shall to the extent relevant to the Sub-Contract Works not specify or approve for use or use anything in the Sub-Contract Works and/or the Works which, at the time of specification or use is Deleterious;

3.2.3. he shall to the extent relevant to the Sub-Contract Works satisfy any/all performance specifications and/or requirements included in and/or specifically referred to in the Numbered Documents and/or Principal Contract;

3.2.4. the Sub-Contract Works comprise or will comprise only materials and goods which are of new and satisfactory quality and which are fit for their intended purpose; and

3.2.5. the Sub-Contract Works will, when completed, comply with any statutory requirements.

3.3. Without prejudice to the generality of clause 2.1, no approval, acceptance, review or comment, expressed or implied, by the Contractor or the Contract Manager shall in any way diminish or relieve the Sub-Contractor of his responsibilities in connection with the Sub-Contractor's Designed Works.

3.4. The Sub-Contractor is responsible for the installation of the distribution network (wiring and/or pipes) and shall ensure it is fully co-ordinated with the remainder of the Works and installed in compliance with the relevant British [and European] Standards.

3.5. Where free issue equipment is supplied by the Contractor to the Sub-Contractor, the Sub-Contractor must fully co-ordinate his distribution network works (wiring and/or pipes), to ensure compliance with all relevant recommendations for such equipment.

3.6. Unless otherwise agreed in writing by the Contractor, the Sub-Contractor shall have no entitlement to additional payment in respect of any failure by the Sub-Contractor to anticipate and allow for all matters relating to the installation of distribution network and its coordination with the remainder of the Works and any free issue equipment supplied by the Contractor.

3.7. Unless otherwise stated in the Sub-Contract, the Sub-Contractor is deemed to have allowed in his prices for all builder's work and making good required in connection with, and in consequence of, carrying out and completing the Sub-Contract Works.

3.8. The Sub-Contractor shall ensure that all design work for which it is responsible complies with the Building Regulations and applicable Building Safety Legislation. The Sub-Contractor shall cooperate with the Contractor and with any client, Principal Designer or Principal Contractor appointed for the purposes of the Building Regulations and shall provide all designs, calculations, specifications, compliance statements and other evidence reasonably required to demonstrate such compliance.

3.9. The Sub-Contractor shall not make or implement any change to its design which may affect compliance with the Building Regulations without first notifying the Contractor and obtaining any approval required under the Sub-Contract or applicable Building Safety Legislation.

4. PERFORMANCE BOND

4.1. Where the Sub-Contract Order states that a performance bond is required to be provided by the Sub-Contractor under this Sub-Contract this will be as detailed in the Sub-Contract Order and the Sub-Contractor shall provide the performance bond to the Contractor within 7 days of a written request from the Contractor to do so. Delivery of a performance bond in accordance with this clause 4.1 is a condition precedent to any payment, or further payment, becoming due to Sub-Contractor under this Sub-Contract.

5. CONFIDENTIALITY

5.1. The Sub-Contractor agrees that documentation, drawings or information supplied by the Contractor are provided only for the purposes of the Sub-Contract Works.

5.2. Save to the extent required by law, the Sub-Contractor shall not divulge or pass on any such information provided to any third party without the approval in writing from a director of the Contractor.

5.3. The Sub-Contractor shall not disclose or publish alone or in conjunction with any other person any articles, photographs, reports, drawings, illustrations or any other documents, information or data relating to the Works or the Project, nor shall the Sub-Contractor adopt, use or re-publish any publication, journal, newspaper, film or radio or television program showing or referencing the Works or the Project, or any information relating to any of them, without written consent from a director of the Contractor. The Sub-Contractor shall not disclose to any person any information concerning the business of the Contractor or the Principal Contractor, or the ultimate client of the Project, of which the Sub-Contractor becomes possessed in its involvement with the Project.

5.4. Nothing in this clause shall prevent the disclosure of information where required by Building Safety Legislation or where reasonably necessary to demonstrate compliance with the Building Regulations, maintain the golden thread of information or satisfy a lawful request by the Building Safety Regulator, a building control authority or any other competent authority.

6. PROGRESS AND COMPLETION

6.1. The Sub-Contractor shall commence the Sub-Contract Works on the date specified in the Sub-Contract Order or as the Contractor may otherwise instruct in accordance with the Contractor's programme, and shall complete the Sub-Contract Works within the period or periods stated within the Sub-Contract Order, subject only to such fair and reasonable extension of time as the Sub-Contractor may be due or entitled under these Sub-Contract Conditions. The Sub-Contractor shall carry out the Sub-Contract Works in a regular, diligent and professional manner and in such order as directed by the Contractor in accordance with the Principal Contract and any programme provided in the Numbered Documents (which may be updated from time to time).

6.2. Prior to commencing the Sub-Contract Works, the Sub-Contractor shall provide the Contractor with a method statement specific to the Works which sets out the way and method in which the Sub-Contractor intends to carry out his Sub-Contract Works, which at all times is compliant with current health and safety requirements and all or any relevant British Standards and CDM Regulations.

6.3. The Sub-Contractor shall not sub-sub-contract the performance of any of the Sub-Contract Works without the Contractor's prior written consent. The terms of any sub-sub-contract will be subject to the Contractor's approval. No sub-sub-contract, or approval of a sub-sub-contract by the Contractor, shall in any way affect the Sub-Contractor's obligations under this Sub-Contract and the Sub-Contractor will be responsible for any work carried out on his behalf as if he had carried out that work.

6.4. The Sub-Contractor shall be responsible for managing, co-ordinating, setting to work and supervising his own Sub-Contract labour or approved Sub-sub-contract labour.

6.5. The Sub-Contractor has reviewed the Contractor’s programme and any other programmes referred to in this Sub-Contract or contained in the Numbered Documents or the Principal Contract, and acknowledges and accepts that it is required to co-ordinate and integrate the Sub-Contract Works with the designs, works and programmes of others. The Sub-Contractor acknowledges and accepts that it will not have exclusive access to and/or possession of the site or any part or parts therefore and that it will be required to work alongside the Principal Contractor, the Contractor and other trades, sub-contractors and/or suppliers.

6.6. If and whenever the commencement, progress or completion of the Sub-Contract Works or any part thereof is being or is likely to be delayed, it is a condition precedent to the Sub-Contractor’s right to an extension for the period for completion in relation thereto (subject always to the terms of this clause 6) that the Sub-Contractor shall forthwith give written notice to the Contractor setting out: (i) the material circumstances including the cause or

causes of the delay, (ii) any matter which is or may constitute a relevant event for the purposes of clause 6.7.1 or as identified or provided for in the Principal Contract and (iii) the Sub-Contractor's estimate of any delay to the commencement, progress or completion of the Sub-Contract Works. The Sub-Contractor shall provide all information the Contractor reasonably requests, including such information as the Contractor would or could be required to provide under the Principal Contract within 4 days of such delay first occurring and, in any event, not later than the time period for the Contractor to provide notification under the Principal Contract.

6.7. If upon receipt of any notice, particulars and estimate under clause 6.6 the Contractor considers that:

6.7.1. any of the causes of delay is an act, omission or default of the Contractor his servants or agent or his sub-contractors, their servants or agents (other than the Sub-Contractor, his servants or agents) or any act, omission or default of the Principal Contractor, his servants or agent or his sub-contractors, their servants or agents, is the occurrence of a relevant event identified within the Principal Contract; and

6.7.2. the completion of the Sub-Contract Works is likely to be delayed in consequence of a cause identified in clause 6.7.1 beyond the period or periods for completion stated in the Sub-Contract Order or any such revised periods,

then the Contractor shall in writing, give an extension of time to the Sub-Contractor by fixing such revised or further revised period or periods for the completion of the Sub-Contract Works as the Contractor then estimates to be reasonable save that any extension of time shall not exceed any extension of time to which the Contractor is entitled under the Principal Contract in respect of the cause or relevant event.

6.8. If upon receipt of any notice, particulars and estimate under clause 6.6, the Contractor properly considers that they are unable to give an extension of time to the Sub-Contractor, the Contractor shall, if reasonably practicable having regard to the aforementioned notice, particulars and estimate, notify the Sub-Contractor in writing.

6.9. The operation of clause 6.1 to 6.7 shall be subject to the proviso that the Sub-Contractor shall use constantly his best endeavours to prevent delay in the progress of the Sub-Contract Works or any part thereof, however caused, and to prevent any such delay resulting in the completion of the Sub-Contract Works being delayed or further delayed beyond the period or periods for completion, and the Sub-Contractor shall do all that may be reasonably required to the satisfaction of the Contractor to proceed with the Sub-Contract Works.

6.10. If the Sub-Contractor fails to complete the Sub-Contract Works within the period or periods for completion or any revised period or periods for completion as provided in clauses 6.1 to 6.8, the Contractor shall so notify the Sub-Contractor in writing within reasonable time of the expiry of those periods. On receipt of the notice, and until the Sub-Contract Works are completed in accordance with this Sub-Contract, the Sub-Contractor shall pay or allow to the Contractor either the sum of liquidated and ascertained damages as set out in the Sub-Contract Order or in the absence of such amount, a sum equivalent to any direct loss and/or expense suffered or incurred by the Contractor and caused by the failure of the Sub-Contractor as aforesaid without limitation to the foregoing. The loss and/or expense may include, without limitation, any actual or potential liability to damages for delay under the Principal Contract.

6.11. The Sub-Contractor shall immediately notify the Contractor in writing upon becoming aware of any matter relating to the Sub-Contract Works which has resulted, or may result, in a breach of the Building Regulations, a material building safety risk, the rejection or delay of any regulatory submission, or the inability to obtain any approval, certificate or consent required under Building Safety Legislation.

7. MAINTENANCE, PROTECTION, PRACTICAL COMPLETION, AND DEFECTS LIABILITY

7.1. During the progress of the Sub-Contract Works the Sub-Contractor shall remain responsible for the protection of all equipment and materials stored on site or installed by him. The Sub-Contractor shall at his own expense, be responsible for making good or replacing any materials or goods that have not adequately been protected by him.

7.2. The Sub-Contractor shall give the Contractor not less than 5 days' notice in writing of the date when he intends to offer the Sub-Contract Works for inspection to confirm they are practically complete and that he has complied with the following:

7.2.1. all documents listed in the Numbered Documents as being required from the Sub-Contractor have been provided by the Sub-Contractor to the Contractor;

7.2.2. any Materials and any/all operation and maintenance manuals and any other documents or thing required to be provided by the Sub-Contractor pursuant to this Sub-Contract have been provided; and

7.2.3. the Sub-Contractor has provided any collateral warranties required under this Sub-Contract.

7.2.4. all Building Safety Information relating to the Sub-Contract Works, including applicable design compliance information, product information, test and commissioning records, certificates, inspection records, as-built information and records of approved changes, has been provided to the Contractor in the required form.

7.3. If the Contractor considers that the Sub-Contract Works are not practically complete and/or that there has not been such compliance with clause 7.2 then the Contractor may give written notice of such decision to the Sub-Contractor, giving reasons within 21 days of the inspection carried out under clause 7.2. Unless the Contractor dissents by such notice, practical completion of such work shall be deemed for all the purposes of this Sub-Contract to have taken place on the date of the inspection of the Sub-Contract Works by the Contractor. If the Contractor gives a notice under this clause 7.3, then the Sub-Contractor will remedy the matters notified by the Contractor and the process described in clauses 7.2 and 7.3 shall be repeated until the Contractor is satisfied that practical completion has been achieved and the requirements of clause 7.2 satisfied, and practical completion of the Sub-Contract Work shall for all the purposes of this Sub-Contract take place on the date notified by the Contractor, or such other date as is either agreed in writing or determined in accordance with the dispute resolution procedures of this Sub-Contract.

7.4. Any defects, shrinkages and other faults which exist in the Sub-Contract Works during the defects liability period applicable thereto under the Principal Contract and which are due to any failure of the Sub-Contractor to comply with his obligations under this Sub-Contract shall be made good by the Sub-Contractor to the standards required by this Sub-Contract and the Principal Contract within the period required under the Principal Contract at the Sub-Contractor's own cost.

7.5. When the Sub-Contractor considers any such making good has been achieved, he shall notify the Contractor and, as soon as the Contractor is satisfied that that has been achieved, he shall notify the Sub-Contractor. Making good shall be deemed to have taken place on the date notified by the Contractor or on such date as is either agreed in writing or determined in accordance with the dispute resolution procedures of this Sub-Contract, provided that the Sub-Contractor's obligations under clause 7.4 shall arise in respect of any defects, shrinkages or faults identified during the defects liability period (notwithstanding the giving of an earlier notice, and without prejudice to the Contractor's other rights in connection with defects in the Sub-Contract Works).

8. SCAFFOLDING AND MOBILE ACCESS EQUIPMENT

8.1. The Sub-Contractor at his own risk and cost shall provide his own scaffolding and/or mobile access equipment. The Sub-Contractor shall use any scaffolding, ladders and/or other items of plant strictly subject to the Contractor's consent and in line with any conditions or requirements to Contractor may stipulate, and shall ensure that all his employees are fully trained in the erection and the use of the same. The Sub-Contractor will indemnify the Contractor in respect of any damage or claim loss or expense involving any equipment or plant, whether supplied by the Sub-Contractor, hired or loaned or otherwise made available to the Sub-Contractor for the Sub-Contractor’s benefit. .

8.2. The Sub-Contractor shall provide all access equipment, for example, steps, mobile scaffold towers, fixed scaffold or similar should be in sound condition and complete will all safety guards, so as to comply with the current health and safety legislation and guidance.

9. STORAGE, OFFICES, WELFARE FACILITIES AND TEMPORARY SERVICES

9.1. The Sub-Contractor shall, at his own risk, have reasonable and free use, in common with other contractors on site, and without interfering with the reasonable use of other contractors, of any water supply, temporary plumbing, temporary lighting and/or electrical power. The Sub-Contractor shall, at his own risk, be provided with reasonable and free office accommodation and welfare facilities that have been allowed to the Contractor under the Principal Contract or that may be provided by the Contractor, the Sub-Contractor will however provide his own storage. The Sub-Contractor shall be provided with general lighting as detailed in the Numbered Documents, but shall provide all his own task lighting, small tools, plant, machinery, workshops, generators, transformers and everything that is necessary for him to carry out his works. The Sub-Contractor shall indemnify the Contractor and the Principal Contractor and/or their employees against any claim for loss, damage or personal injury arising from the use of welfare facilities that may be provided.

10. PLANT AND TOOLS

10.1. All power tools employed by the Sub-Contractor on any site shall not exceed 110 volts AC single phase. All such electrical equipment used to carry out the Sub-Contract works must satisfy the requirements of current legislation,

be in good mechanical condition and suitable for the electric power supply and fittings either brought to or made available on site.

11. BUILDING FABRIC/SUB-CONTRACTORS

11.1. The Sub-Contractor shall at all times take due care when cutting away or drilling holes or carrying out other work that impacts other works or any existing structures. The Sub-Contractor shall put right at his own expense any damage caused by him and indemnifies the Contractor for any actual or potential liabilities arising under the Principal Contract.

11.2. The Sub-Contractor shall satisfy himself before commencing work as to the suitability of the site and any surfaces on which or to which he is to fix equipment or apply or lay his work.

12. RESPONSIBILITIES AND INDEMNITIES IN RESPECT OF DAMAGE OR LOSS

12.1. The Sub-Contractor shall indemnify the Contractor against and from all claims, causes of action, and/or costs in respect of:

12.1.1. the personal injury or death to any person employed by him or the Contractor or any other person employed by any third party on/or within the Project, or damage to any property arising out of or, or in the course of, or caused by any Sub-Contract Works executed by the Sub-Contractor (including but not restricted to the use of any plant, equipment or facilities whether in connection with such execution or otherwise).

12.1.2. any negligence or breach of duty on the part of the Sub-Contractor, his sub-sub-contractors, his servants and/or agents.

12.1.3. any breach or non-performance or non-observance by the Sub-Contractor, his sub-sub-contractors, or his servants or agents, for the provisions of the Principal Contract in so far as they relate or apply to the Sub-Contract works.

12.1.4. any act, omission, default or neglect of the Sub-Contractor, his sub-sub-contractors, or his servants or agents which involves the Contractor in any liability under the Principal Contract and/or which reduces or extinguishes any entitlement the Contractor might otherwise have had under the Principal Contract.

12.2. the Sub-Contractor shall adequately insure his and the Contractor's liability (on joint names terms where the Contractor may require) in respect of claims, causes of action, costs, loss and expense as a result of any matters referred to in clause 12.1 above and shall produce to the Contractor adequate evidence of such insurance before commencing the Sub-Contract works.

12.3. The Sub-Contract Works, materials, tools, plant, scaffolding machinery and buildings of the Sub-Contractor, the subject of or used in connection with the Sub-Contract whether on site or not, shall in every respect be at the Sub-Contractor’s risk except for those risks for which the Sub-contractor is expressly not responsible under the terms of this Sub-Contract.

12.4. Without prejudice to clause 12, the Sub-Contractor shall indemnify the Contractor against reasonably incurred costs, losses, liabilities and expenses arising from the Sub-Contractor’s breach of clause 40, including the reasonable costs of investigating, correcting and demonstrating the correction of any non-compliant Sub-Contract Works.

13. INSURANCE REQUIREMENTS

13.1. The Sub-Contractor shall provide the insurance set out in this clause 13, unless varied in writing by a Director of the Contractor.

13.2. The Sub-Contractor shall provide insurance cover to a minimum level of that stated within the Sub-Contract Order, for:

13.2.1. all risks insurance, employer's liability insurance and public liability insurance from the date of commencement of the Sub-Contract Works up to and including the expiry of any defects liability period under the Principal Contract or the date of issue of the Notice of Completion of Making Good under the Principal Contract (whichever the later); and

13.2.2. professional indemnity insurance (or, where specified in the Sub-Contract Order or otherwise agreed by the Contractor in writing, product liability insurance) from the date of commencement of the Sub-Contract Works for the duration of the limitation period under this Sub-Contract.

13.3. The insurance held or taken out under clause 13.2 shall be:

13.3.1. with insurers of good repute carrying on business in the United Kingdom

13.3.2. on customary and usual terms and conditions prevailing for the time being in the insurance market, provided that the Contractor and the Principal Contractor shall benefit from indemnity to principals provisions;

13.3.3. on terms that would not adversely affect the rights of any person to recover from the insurers under the Third Parties (Rights against Insurers) Act 2010 as amended by the Insurance Act 2015 and the Third Parties (Rights against Insurers) Regulations 2016.

13.4. If the insurance referred to in clause 13.2 ceases to be available at reasonable commercial rates or on reasonable commercial terms, the Sub-Contractor shall immediately inform the Contractor so that the Sub-Contractor and the Contractor can discuss how best to protect the respective positions of the Contractor and the Sub-Contractor regarding the Sub-Contract Works, the Project and the site. The Sub-Contractor shall fully co-operate with any measures requested by the Contractor in relation to taking out and maintaining alternative insurance. Any increased or additional premium required by insurers because of the Sub-Contractor's claims record or other acts, omissions, matters or things particular to the Sub-Contractor shall be deemed to be within reasonable commercial rates.

13.5. Sub-Contractor shall provide the Contractor on demand the policies of any insurance effected in accordance with this or any other clause in the Sub-Contract together with any receipt for payment of premiums. If the Sub-Contractor fails to produce any such policy and/or receipt on demand, then the Contractor shall be entitled to arrange such insurance as necessary and deduct the total value of the premium paid and any other cost associated with arranging such insurance from any monies due or becoming due to the Sub-Contractor or may recover the same as a debt from the Sub-Contractor.

13.6. It is a condition precedent to payment being made to the Sub-Contractor that the Sub-Contractor provides the documentation required under this clause 13 within 7 days of the Contractor's request to do so.

14. SUSPENSION OR DETERMINATION OF SUB-CONTRACTOR'S EMPLOYMENT

14.1. The Contractor may terminate this Sub-Contract at any time for any reason by giving the Sub-Contractor 5 Working Days' written notice. Termination shall take effect on the expiry of 5 Working Days after the notice given under this clause 14.1, or on such later date as that notice may specify, and the terms of clause 15 shall apply.

14.2. The Contractor may at any time instruct the Sub-Contractor to suspend the performance of all or part of the Sub-Contract Works or its other obligations under this Sub-Contract by giving the Sub-Contractor not less than 5 Working Days' written notice. Subject to clause 15.5, the Sub-Contractor shall resume the performance of the Sub-Contract Works as soon as reasonably practicable after receiving notice from the Contractor to do so.

14.3. The Contractor may, without prejudice to clause 14.1 and any other of its right or remedies, determine the Sub-Contractor's employment under the Sub-Contract in respect of the whole or any portion of the Sub-Contract Works, by giving notice in writing to the Sub-Contractor, should the Sub-Contractor:

14.3.1. after 7 days' notice in writing from the Contractor, fail to act upon any instruction issued by the Contractor or proceed diligently with the Sub-Contract Works or any part thereof, or fail to carry out the Sub-Contract Works to the reasonable satisfaction of the Contractor, Contract Manager or the employer's agent or project manager employed in connection with the Principal Contract, or fail to carry out the Sub-Contract Works in such a manner as will, in the opinion of the Contractor, prejudice the completion of the whole or any part of the Sub-Contract Works under the Sub-Contract or Work to be performed under the Principal Contract;

14.3.2. fail to comply with any of his obligations under the Sub-Contract within 7 days after receiving notice in writing from the Contractor to do so;

14.3.3. fail, forthwith upon notice from the Contractor, to commence remedial work or to correct any defective workmanship and/or materials or fail to proceed with the same with due diligence and to complete such remedial work to the satisfaction of the Contractor or the or the Contract Manager, or employer's agent or project manager employed in connection with the Principal Contract, and within

such period as the Contractor may specify or, in the absence of any specified period, within a reasonable time that shall not prejudice the satisfactory completion of the Sub-Contract Works under the Sub-Contract or Principal Contract;

14.3.4. fail to complete and deliver the whole or any part of the Sub-Contract Works by the times specified by the Contractor or by such extended time or times which may be allowed by Contractor under the Principal Contract;

14.3.5. fail to withdraw immediately, at the request of the Contractor, any one or more of the Sub-Contractor's employees or agents to whom the Contractor reasonably objects or whose presence on the Project may contravene the Conditions of the Sub-Contract or the Principal Contract; or

14.3.6. fail to comply with clause 2.10.

14.4. The Contractor retains the right to determine the Sub-Contractor's employment with immediate effect by giving written notice if the Sub-Contractor makes an arrangement with his creditors, has a bankruptcy order made against him, executes a bill of sale or commits any act of bankruptcy, or if the Sub-Contractor is a company, the ownership of the shares or the identity of the principal directors changes, the Sub-Contractor becomes Insolvent or is likely in the reasonable opinion of the Contractor to become HGCRA Insolvent and/or CIGA Insolvent, a resolution is proposed or made to wind up, winding up or administration proceedings are begun, or an administrative or other receiver is appointed.

14.5. Subject to the terms of any collateral warranty provided in accordance with this Sub-Contract, if the employment of the Contractor is determined under the Principal Contract (or Principal Contractor's employment under the Main Contract) the employment of the Sub-Contractor under this Sub-Contract shall thereupon also automatically determine and the Contractor or the person acting for the Contractor shall immediately so inform the Sub-Contractor.

14.6. The Contractor may immediately suspend any part of the Sub-Contract Works where it reasonably considers that continued performance may result in a breach of Building Safety Legislation or create a material risk to building safety.

14.7. The Contractor may determine the Sub-Contractor's employment where the Sub-Contractor commits a material breach of clause 40 or repeatedly fails to provide Building Safety Information within the period reasonably required by the Contractor.

15. PROVISIONS IN CASE OF SUSPENSION OR DETERMINATION

15.1. Should the Sub-Contractor's employment be determined in accordance with clause 14 or clause 31 (corruption), the Sub-Contractor shall not be entitled to any further payment until completion of the Works has been achieved by the Contractor or by others on its behalf.

15.2. No further payments shall be made to the Sub-Contractor until the Works are fully completed and the final payment notice has been issued by the Contractor. Notwithstanding any other provision of this Sub-Contract, the Sub-Contractor shall only be entitled to payment for parts of the Sub-Contract Works it carried out prior to the date of determination, together with reimbursement of any sums reasonably incurred and paid by the Sub-Contractor to third parties in anticipation of continuing and completing the Sub-Contract Works, provided the Sub-Contractor was legally obliged to pay such sums and could not have cancelled, recovered, avoided or mitigated them. Any losses, expenses or damages suffered, or which may be suffered, by the Contractor by reason of the determination of the Sub-Contractor's employment and/or in relation to completion of the Works will be deducted from any sums payable to the Sub-Contractor pursuant to this clause 15.2.

15.3. Notwithstanding any other provision of this Sub-Contract, in the event the Sub-Contractor's employment is determined, the Sub-Contractor's sole entitlement to further payment shall arise under clause 15.2 and the Contractor shall have no liability to the Sub-Contractor for any claim, remuneration, payment or compensation of any kind whatsoever including any claim for loss of fees, loss of profit, loss of contribution, loss of overhead, loss of expectation, loss of opportunity or any other economic, direct, indirect and/or consequential loss or damage, or claim based upon *quantum meruit* or unjust enrichment.

15.4. For the purposes of completing the Sub-Contract Works the Contractor shall have the right to obtain and have free use of the Sub-Contractor's accommodation, plant, materials, Building Safety Information and/or any other items which the Contractor may (in its discretion) consider necessary or essential to complete the Sub-Contract Works. The Sub-Contractor will remove from the site at his own expense, any items which the Contractor does not require within 7 days of written notice by the Contractor to that effect. Should the Sub-Contractor fail to respond or act upon the Contractor's instruction, then the Contractor shall be entitled to remove and sell such

items, provided that the net proceeds of sale (after deduction of the costs thereof) shall be credited to the account of the Sub-Contractor in calculating any sums due under the Sub-Contract.

15.5. In the event of suspension of the Sub-Contract Works in accordance with clause 14.2, the Contractor shall pay the Sub-Contractor any instalments of the Sub-Contract Sum properly due to the Sub-Contractor at the date of the suspension, together with a fair and reasonable proportion of the next instalment of the Sub-Contract Sum commensurate with the Sub-Contract Works properly performed at the date of suspension, and such payment shall be the Sub-Contractor's sole compensation for suspension of any or all of the Sub-Contract Works and its other obligations under this Sub-Contract and shall be applied for and paid as if it were a payment subject to the terms of clause 16. If, following a suspension, the Sub-Contract Works are resumed in accordance with clause 14.2, any payment made under this clause 15.5 shall rank as payment on account towards payment to be made to the Sub-Contractor under this Sub-Contract.

16. PAYMENT

16.1. The Sub-Contractor shall issue his interim application for payment to the Contractor in accordance with this clause 16 and in accordance with the Sub-Contract order and those Numbered Documents.

16.2. Where the Sub-Contract period identified in the Sub-Contract Order is greater than 45 days, interim or stage payments shall be due to the Sub-Contractor from the Contractor. Payment shall be made in the manner set out in clauses 16.3 to 16.16;

16.3. The Sub-Contractor shall issue his interim application for payment to the Contractor on the dates or at the intervals set out within the Sub-Contract Order (the "Payment Application Dates"). In the event that no Payment Application Dates are included in the Sub-Contract Order, the first application shall be due for receipt by the Contractor's head office accounts department no later than on the last Friday of the month (or, if that day is not a Working Day, the next following Working Day) following commencement on site and subsequent applications shall be due for receipt by the Contractor's head office accounts department no later than on the last Friday of each of the following months (or, if that day is not a Working Day, the next following Working Day) up to practical completion of the Sub-Contract Works. For the avoidance of doubt, receipt of the Sub-Contractor's fully substantiated interim application by the relevant Payment Application Date or as set out in this clause 16, is a condition precedent to payment of that application being processed by the Contractor for that month. Any application received (or substantiated) after these dates will be processed in accordance with the relevant Payment Application Date for the next following month. The amount of each interim application shall be calculated in accordance with the rates specified within the Sub-Contract Order and each interim application shall be valued up to and including the Payment Application Date.

16.4. The due date for payment shall be the date stated in within the Sub-Contract Order (the “Payment Application Dates”). In the event no Payment Application Dates are included, the due date shall be 45 days from the last day of the month following receipt of a valid application for payment in accordance with clause 16.1 & 16.3 above (the "Due Date"). The Contractor shall issue a payment notice to the Sub-Contractor specifying the sum that the Contractor considers due on the Due Date and the basis on which the sum is calculated no later than 5 days after the Due Date (the "Payment Notice").

16.5. The final date for payment by the Contractor shall be 15 days after the Due Date (the "Final Date for Payment").

16.6. Not later than 1 days before the Final Date for Payment of any interim or final payment, the Contractor may give a written notice ("Pay Less Notice") to the Sub-Contractor which shall state the Contractor's intention to pay less than the amount set out in the Payment Notice or the Sub-Contractor's payment application (as applicable) and shall specify the sum the Contractor considers to be due on the date the notice is served together with the basis on which that sum is calculated. If the Contractor serves a Pay Less Notice, it shall pay the Sub-Contractor the amount stated in the Pay Less Notice by the Final Date for Payment. If no Pay Less Notice is given, the Contractor shall pay the amount stated in the Payment Notice by the Final Date for Payment.

16.7. All interim payments due to the Sub-Contractor shall be subject to retention at a percentage detailed in the Sub-Contract Order, of which, half shall be released in the payment following the issue of the practical completion certificate under the Principal Contract subject to receipt of the Sub-Contractor’s corresponding application in accordance with clause 16.3. The remaining balance of the retention shall be released in the payment following the expiry of the defects liability period under the Principal Contract, or the issue of the making good defects certificate under the Principal Contract, whichever is the later, subject to receipt of the Sub-Contractor’s corresponding application in accordance with clause 16.3.

16.8. All interim payments and the final payment due to the Sub-Contractor shall be subject to Discount at the rate/value stated, and on the terms set out, in the Sub-Contract Order.

16.9. Should the Sub-Contractor become Insolvent or is likely in the reasonable opinion of the Contractor to become HGCRA Insolvent and/or CIGA Insolvent, all sums due to the Sub-Contractor shall be withheld, whether interim or otherwise and any further payment shall only be made in accordance with clause 15 of these Sub-Contract Conditions.

16.10. Should the Employer or the Principal Contractor under the Principal Contract, or any other person payment by whom is (directly or indirectly) a condition of payment by the Employer or the Principal Contractor, become Insolvent the Contractor shall not be obliged to pay any further sum to the Sub-Contractor save to the extent that the Contractor receives payment in respect thereof from the Principal Contractor (or Employer or other person).

16.11. Should the Contractor fail to pay the Sub-Contractor any sum properly due and payable (subject to any Pay Less Notice) by the Final Date for Payment as required by clause 16.4 and such failure shall continue for 14 days after the Sub-Contractor has given to the Contractor written notice of his intention to charge interest on the sum due, the Contractor shall pay to the Sub-Contractor in addition to the amount not properly paid simple interest thereon for the period until such payment is made. The rate of interest shall be two per cent (2%) per annum above the Bank of England base rate current at the date the payment by the Contractor became overdue. The parties agree that the payment of simple interest under this clause 16.11 shall constitute a substantial remedy for the purposes of the Late Payment of Commercial Debts (Interest) Act 1998.

16.12. Without prejudice to any other rights and remedies which the Sub-Contractor may possess, if the Contractor shall (subject to any Pay Less Notice) fail to pay the Sub-Contractor any sum properly due and payable by the Final Date for Payment and such failure shall continue for at least 14 days after the Sub-Contractor has given to the Contractor written notice of his intention to suspend the performance of any part or all of his obligation under the Sub-Contract and the grounds on which he intends to suspend performance, the Sub-Contractor may suspend performance of such obligations until such payment occurs. The Sub-Contract must immediately re-commence performance of its obligation on receipt of payment.

16.13. No later than 1 month after practical completion of the Sub-Contract Works in accordance with clause 7 the Sub-Contractor shall provide to the Contractor a full set of the Sub-Contractor's records of the account for the Sub-Contract Works and all other documents necessary for the computing the ascertained final Sub-Contract Sum in accordance with this Sub-Contract.

16.14. Not later than 11 months after receipt by the Contractor of the documents referred to in clause 16.13 (and, if sooner, no later than the issue of the final certificate under the Principal Contract), the Contractor shall prepare and issue to the Sub-Contractor a statement of the computation of the ascertained final Sub-Contract Sum.

16.15. Should the Sub-Contractor not provide the documents referred to in clause 16.13 within the time period stipulated in that clause, the Contractor shall proceed with the computation of the ascertained final Sub-Contract Sum on the basis of all information reasonably available to it 1 month after practical completion of the Sub-Contract Works in accordance with clause 7.

16.16. Subject to clause 15, the final payment to the Sub-Contractor shall be the ascertained final Sub-Contract Sum less the total amount previously paid in respect of the Sub-Contract Works. The final payment shall be due 45 days after the issue by the Contractor of notice in writing notifying the Sub-Contractor of the amount of final payment to be made to the Sub-Contractor and the basis on which such amount was calculated. The final date for payment of the final payment shall be 25 days after the date it becomes due in accordance with this clause 16.16.

17. VARIATIONS, EXTRA WORKS, OMISSIONS AND DAYWORKS

17.1. The Contractor may by instruction to the Sub-Contractor require variations to the Sub-Contract Works and the Sub-Contractor shall comply with such instruction, in accordance with the terms of this clause 17 and the provisions of this Sub-Contract. The issue of variation instructions by the Contractor shall not in any way prejudice or diminish the Sub-Contractor's obligations under this Sub-Contract, and the terms of the Sub-Contract shall apply to the Sub-Contract Works as varied. It is a condition precedent to the Sub-Contractor's right to payment in respect of a variation that the Sub-Contractor shall notify the Contractor in writing within 4 days of it becoming aware of any work it considers will constitute a change to the Sub-Contract Works, and at the same time shall provide fully substantiated and priced particulars in writing showing any proposed adjustment to the Sub-Contract Sum.

17.2. Variations or extra works shall be valued at the rates set out in the Numbered Documents, or otherwise by reference to the basis on which the Sub-Contract Sum is calculated. If the valuation of a variation or extra works is accepted by the Contractor, or otherwise agreed, in writing, the Sub-Contract Sum shall be adjusted

commensurately, and the Contractor shall pay the Sub-Contractor the adjusted Sub-Contract Sum in accordance with clause 16.

17.3. The Sub-Contractor shall not undertake any variations or extra works without prior written authority of the Contractor, including written confirmation of any adjustment to the Sub-Contract Sum. The Contractor's written confirmation under this clause 17.3 is a condition precedent to any entitlement to additional payment to the Sub-Contractor in respect of any variation or additional work.

17.4. Where the Contractor's instruction under clause 17.1 requires the omission of any part or all of the Sub-Contract Works then the Sub-Contract Sum shall be reduced commensurately in line with the valuation rules in clause 17.2 and, notwithstanding any other provision in this Sub-Contract, Contractor shall not be entitled to claim for loss of profit or overheads as a consequence of the omission of any part of the Works.

17.5. No daywork will be permitted except with the Contractor's written consent where, in the opinion of the Contractor, it would be unreasonable to value such work at other than by daywork rates and where daywork rates are set out in the Numbered Documents or otherwise agreed in writing. Where the Sub-Contractor considers he has a claim to daywork, due notice must be given to and approved by the Contractor in writing prior to the Sub-Contractor carrying out such work. In the event of agreement to carry out works under daywork arrangements, fully detailed and signed daywork sheets must be submitted to the Contractor for consideration within 7 days after completion of the described works. Payments against daywork sheets submitted outside the 7-day period will be made at the sole discretion of the Contractor.

17.6. Before implementing any variation, the Sub-Contractor shall notify the Contractor if the variation may affect compliance with the Building Regulations or require notification to, or approval from, the Building Safety Regulator, a building control authority or any other competent authority.

17.7. No instruction or approval issued by the Contractor shall relieve the Sub-Contractor from the obligation to obtain or support any approval required under Building Safety Legislation.

18. DIRECT LOSS AND/OR EXPENSE

18.1. If the Sub-Contractor incurs any direct loss and/or expense as a consequence of the regular progress of the Sub-Contract Works being materially affected by an act, omission or default of the Contractor his servants or agent or his sub-contractors, their servants or agents (other than the Sub-Contractor, his servants or agents) or any act, omission or default of the Principal Contractor, his servants or agent or his sub-contractors, their servants or agents, or is materially affected by any one or more of the relevant matters under the Principal Contract then, subject to clause 18.2, the Sub-Contractor shall be entitled to reimbursement of reasonable and properly incurred direct loss and/or expense, provided it has used all reasonable endeavours to mitigate such loss and/or expense.

18.2. It is a condition precedent to the Sub-Contractor having any entitlement to additional payment for loss and/or expense that it shall within 1 week of such material effect becoming apparent or (if shorter) the time period under the Principal Contract for the Contractor to make such claim less one day make written application to the Contractor:

18.2.1. as soon as it has become, or should reasonably have become, apparent to him that the regular progress of the Sub-Contract Works or any part thereof has been or is likely to be affected as aforesaid; and

18.2.2. submitting to the Contractor such information in support of his application as is reasonably necessary to show what the regular progress of the Sub-Contract Works or of any part thereof has been or is likely to be affected as aforesaid; and

18.2.3. submitting to the Contractor details of direct loss and/or expense the Sub-Contractor considers it has incurred as a consequence of a matter described in clause 18.1, and such further information as the Contractor requests in order reasonably to substantiate that the direct loss and/or expense as aforesaid and demonstrate it has been reasonably and properly incurred and mitigated.

18.3. It shall be a condition precedent to any entitlement to recover direct loss and/or expense that the Sub-Contractor complies in full and with all elements of Clauses 18.1 and 18.2.

18.4. For the avoidance of doubt, where any loss and/or expense arises in connection with a variation or additional work for which the Sub-Contract Sum is adjusted (by way of lump sum valuation or the application of day rates) in accordance with clause 17, that adjustment shall be deemed to include all associated costs and the Sub-Contractor shall have no separate or further entitlement under this clause 18.

18.5. If, and to the extent that, it is necessary for the agreement of any direct loss and/or expense applied for under clause 18.0, the Contractor shall state in writing to the Sub-Contractor what extension of time, if any, has been made under clause 6 in respect of the relevant events entitling the Contractor to an extension of time under the Principal Contract.

19. COPYRIGHT

19.1. The Sub-Contractor owns all intellectual property rights (including copyright) relating to the Material that it produces. The Sub-Contractor grants to the Contractor, with immediate effect, a non-exclusive, irrevocable, non-terminable, royalty-free licence to copy and make full use of the Material for any purpose relating to the Project and the site, including (but not limited to) the construction, completion, maintenance, letting, sale, promotion, advertisement, reinstatement and repair of the Project, but not to reproduce the designs contained in the Material in any extension. The licence carries the right to grant sub-licences and is transferable to third parties without the Sub-Contractor's consent.

19.2. The Sub-Contractor shall not be liable for any use of the Material for any purpose other than that for which it was prepared and provided by or on behalf of the Contractor.

19.3. Where the copyright in any of the Material is not vested in the Sub-Contractor, the Sub-Contractor shall procure that the person in whom the copyright is vested grants to the Contractor a licence similar to that granted under this clause 19 (or the Sub-Contractor shall itself grant a sub-licence having the same effect, if it has the right to do so) in relation to all such Material.

19.4. The Contractor may at any time (whether before or after completion of the Sub-Contract or termination of the Sub-Contractor's engagement under this Sub-Contract) request a copy or copies of (some or all of) the Material from the Sub-Contract. The Sub-Contractor will provide such copy or copies of the Material without charge to the Contractor.

19.5. The Sub-Contractor waives any moral right which it may have under Chapter IV of the Copyright Designs and Patents Act 1988 as the author of the Material. Where the Sub-Contractor is not the author, the Sub-Contractor shall use its best endeavours to obtain for the Contractor a corresponding waiver from the author.

19.6. The Sub-Contractor shall indemnify the Contractor from and against all claims, proceedings, damages, costs and expenses suffered or incurred by the Contractor arising out of or in connection with the infringement or alleged infringement of any copyrights, design rights, registered design, patent or other intellectual property rights of third parties by the Sub-Contractor in the course of or in connection with this Sub-Contract.

19.7. The licence granted under this clause includes the right to store the Material electronically, incorporate it into any golden-thread or building-information system, and disclose and provide it to the Contractor, Principal Contractor, client, building owner, accountable person, Principal Accountable Person, Building Safety Regulator, building control authority and any other person requiring it for building-safety, regulatory, operation, maintenance, repair or compliance purposes.

20. EXPORT CONTROL AND CUSTOMS

20.1. The Sub-Contractor shall inform us in its business documents, or by other means of communication as specified by us, about any applicable requirements or restrictions for the (re-) export of the items (goods, software and technology) under applicable export control and customs regulations, as well as under the export control and customs regulations of the country of origin of the items.

The Sub-Contractor shall send the following information on items subject to (re-) export license requirements or restrictions to ExportControl@protec.co.uk in no less than ten (10) working days prior to the first delivery:

- Material number,
- Product description,
- All applicable export list numbers including the Export Control Classification Number pursuant to the U.S. Commerce Control List (ECCN),
- Country of origin of the items under commercial policy (non-preferential origin),
- HS Code of the items.

The Sub-Contractor warrants that this information is complete and accurate and shall inform the Contractor without delay in case of any changes of export license requirements or export list numbers, including ECCN, for its items due to amendments of technical parameters, amendments of export control or customs laws or official directives. The Sub-Contractor shall provide the ECCN (including EAR99) to the Contractor for all items subject to U.S. export controls.

20.2. The Sub-Contractor is obliged to implement supply chain security measures in accordance with the WCO SAFE Framework and, where applicable, support us in obtaining and maintaining Authorized Economic Operator (AEO) status. The Sub-Contractor shall provide appropriate evidence, e.g. authorizations or declarations such as security declarations, declarations within the scope of C-TPAT or similar programs. We or our nominated representative shall have the right, upon reasonable prior notice and during normal business hours, to verify such documentation at the Sub-Contractor's premises.

20.3. The Sub-Contractor hereby confirms that the goods supplied by the Sub-Contractor do not originate in Russia or (as applicable) do not incorporate inputs originating in Russia which are listed in Annex XVII stipulated in Article 3g paragraph 1. d) of the Council Regulation (EU) 833/2014, in Art. 14a paragraph 2 of Swiss regulation 946.231.176.72; in UK Regulation 46IA and 46IB, and Schedule 3B) of The Russia (Sanctions) (EU Exit) Regulations 2019; in the Norwegian directive and Section 17e. (d) Prohibition related to iron and steel products as listed in Annex XVII).

20.4. For all deliveries crossing customs borders, the Sub-Contractor shall provide complete and accurate documentation including, but not limited to, a commercial invoice and delivery note, together with all information necessary for a correct and timely import customs declaration. Any delay, penalty, or cost arising from non-compliance shall be borne by the Sub-Contractor.

20.5. Unless otherwise agreed in writing, any cross-border transfer of software, technology, or digital data (e.g. cartographic data) shall occur solely by secure electronic means (e.g., encrypted email or secure download). This does not apply to "embedded software", defined as software that is physically and permanently integrated into hardware components.

20.6. Without prejudice to any other rights, we shall have the right to suspend performance or terminate the contract without notice and without liability in the event that the Sub-Contractor fails to comply with any of its obligations under clauses 20.1–20.5 on more than two occasions, or materially breaches such obligations in a way that endangers our compliance with export control laws.

20.7. The Sub-Contractor warrants that it is not, and shall not become, a party listed on any government-issued restricted or denied party list, including but not limited to the U.S. Treasury Department's Specially Designated Nationals (SDN) List, the EU Consolidated Financial Sanctions List, or the UK Consolidated List. The Sub-Contractor further warrants that it shall not transfer any item subject to this contract to any restricted end-user, end-use, or destination in violation of applicable sanctions or embargoes.

20.8. The Sub-Contractor shall indemnify and hold harmless the Contractor from and against any and all claims, damages, penalties, fines, or costs (including legal fees) arising out of or related to any breach of its obligations under this Clause 20, including inaccurate export control classification, documentation errors, or violation of sanctions or export laws.

21. COMPLIANCE, SOCIAL RESPONSIBILITY AND SUSTAINABILITY

21.1. In its trade dealings with us, the Sub-Contractor undertakes not to offer or give, or request or accept, any incentive in breach of applicable anti-corruption legislation, neither in its business affairs nor when dealing with public officials.

21.2. In its trade dealings with us, the Sub-Contractor undertakes not to make any agreements with other undertakings or to participate in concerted practices which have as their object or effect the prevention, restriction or distortion of competition under applicable antitrust regulations.

21.3. The Sub-Contractor guarantees payment of fair wages and equal remuneration for work of equal value without distinction of any kind, and to comply with the applicable laws governing the general minimum wage; the Sub-Contractor shall commit its sub-suppliers accordingly. On request, the Sub-Contractor shall prove compliance with the foregoing guarantee. In the event of a breach of the foregoing guarantee to comply with the applicable

laws governing the general minimum wage, the Sub-Contractor shall indemnify us and hold us harmless from all third party claims and is obliged to reimburse any fines imposed on us in this context.

21.4. The Sub-Contractor shall comply with the applicable statutory provisions and regulations governing the environmental protection, health and safety at work, treatment of employees and the protection of human rights. Further, the Sub-Contractor shall observe the requirements of the Code of Conduct for Business Partners (see under https://www.protec.co.uk/wp-content/uploads/2023/02/Code-of-Conduct-for-Business-Partners.pdf) and the Principles of the Global Compact initiative of the United Nations (www.unglobalcompact.org) and procure for its sub-suppliers to act in accordance with the same. These essentially concern the protection of universal human rights, elimination of forced labour and abolition of child labour, elimination of discrimination in respect of employment and occupation, and environmental responsibility.

21.5. The Sub-Contractor shall respond to inquiries to compliance, social responsibility and sustainability in the supply chain within reasonable time and in line with stipulated formalities. In the event of a suspected violation of the obligations under clauses 21.1 to 21.4, the Sub-Contractor shall promptly investigate any potential violations and inform us of investigative measures undertaken, and, where warranted, notify us of the affected suppliers. If the suspicion proves to be warranted, the Sub-Contractor must inform us within a reasonable period of time of the measures undertaken internally within its organization in order to prevent future violations. If the Sub-Contractor fails to comply with these obligations within a reasonable period of time, we reserve the right to rescind from contracts with the Sub-Contractor or terminate them with immediate effect.

21.6. In the event of severe violations of the law by the Sub-Contractor and in the event of violations of clauses 21.1 to 21.4, we reserve the right to rescind from existing contracts or terminate them without notice.

22. HOLIDAYS

22.1. Unless otherwise agreed in writing the Sub-Contractor must observe the particular site holiday arrangements and/or standard statutory or national holidays. The Sub-Contractor is therefore deemed to have included within the Sub-Contract price due allowance for any additional costs due to the phasing of the works to comply with recognised holiday periods.

23. RUBBISH/EXCESS MATERIALS

23.1. The Sub-Contractor shall be responsible for the removal of all rubbish and/or surplus materials and plant from site. If, following reasonable notice, the Sub-Contractor fails to comply with the Contractor's instruction to remove rubbish and/or surplus materials, arrangements may be made to remove such items on behalf of the Sub-Contractor and to deduct payment to a value of at least the cost of doing so from any monies otherwise owing to the Sub-Contractor or recover such value as a debt from the Sub-Contractor.

24. HEALTH AND SAFETY

24.1. The Sub-Contractor shall at no cost to the Contractor at all times comply with the Contractor's requirements, policies and reasonable directions on matters affecting safety on site and all statues, bye laws and other regulations affecting the carrying out the Works. All Sub-Contractor's employees or representatives visiting site shall comply with the Principal Contractor/ Contractor's health and safety requirements including but not limited to the appropriate training and holding of an ECS/CSCS Card or equal approved, relevant to the individuals post holding.

24.2. A Daily Labour Return Sheet (in the form set out in the Numbered Documents) is to be completed and submitted by the Sub-Contractor to the Contractor each day detailing the names and number of operatives on site and the hours worked by each operative.

24.3. The Sub-Contractor shall at no cost to the Contractor within the time reasonably required, comply with any request by the Contractor for information reasonably necessary to demonstrate such compliance with this clause 24.

24.4. The Sub-Contractor shall at no cost to the Contractor comply with all reasonable directions and requirements of the Principal Designer and the Principal Contractor (both as defined under the CDM Regulations and as notified to the Sub-Contractor by the Contractor) relating to compliance with applicable CDM Regulations including the supply of all documents and information reasonably necessary for the purposes of the health and safety file. No extension of time or additional payment shall be made in respect of such compliance.

24.5. The Sub-Contractor warrants and undertakes that it shall carry out and fulfil in all respects, the duties of a designer under the CDM Regulations and it is fully aware of its obligations under the CDM Regulations and it possesses the requisite degree of competence and level of resources to meet those obligations.

24.6. The Sub-Contractor shall also cooperate with and comply with the reasonable directions and information requirements of any Principal Designer or Principal Contractor appointed for the purposes of the Building Regulations, insofar as those directions relate to the Sub-Contract Works.

25. FLUCTUATIONS

25.1. The sum identified in the Sub-Contract Order (as adjusted in line with clause 17, 18 and 29) is a lump sum fixed price and shall be the maximum price payable to the Sub-Contractor to carry out the Sub-Contract Works and perform all the Sub-Contractor's obligations under this Sub-Contract, without addition in respect of any overhead costs including the costs of employer's liability and other insurances which the Sub-Contractor is required to maintain whether under this Sub-Contract or otherwise. The Sub-Contract Sum shall only be adjusted in accordance with the conditions of clauses 17, 18 and 29 relating to variations, extra works, dayworks, loss and/or expense and provisional sums.

26. SUB-LETTING AND ASSIGNMENT

26.1. The Sub-Contractor is not permitted without prior written permission of the Contractor to sublet, assign or otherwise deal with the Sub-Contract (in whole or in part) or the whole or any portion of the Sub-Contract Works.

26.2. The Sub-Contractor shall ensure that every approved sub-subcontract incorporates obligations equivalent to those contained in clause 40, including obligations relating to competence, cooperation, information provision, record keeping and notification. The Sub-Contractor shall remain fully responsible for compliance by its sub-subcontractors.

27. INFORMATION PROVIDED FOR OTHERS

27.1. Any instructions, drawings or information relating to the Sub-Contract Works that are requested from the Sub-Contractor must be provided within the designated time to prevent any disruption or delay to any obligations of the Contractor to the Principal Contractor or others. The Sub-Contractor must ensure at all times that the Sub-Contract Works are undertaken in accordance with any agreed programme and method statement and so as to avoid and minimise disturbance, delay or disruption to the Contractor or any other Sub-Contractor of the Contractor or any other Contractor involved on/in the Project.

27.2. All Building Safety Information provided by the Sub-Contractor shall be accurate, complete, current, legible, properly identified, capable of being stored and transferred electronically and, where applicable, subject to appropriate version control. The Sub-Contractor shall promptly correct any information which it becomes aware is inaccurate, incomplete or out of date.

28. USE OF SITE

28.1. Access to the site and any welfare facilities is given to the Sub-Contractor only for the purpose of carrying out the works and therefore, neither the site nor any accommodation or facilities on it must be misused by the Sub-Contractor.

29. PROVISIONAL SUMS

29.1. The Sub-Contractor shall not carry out any work in respect of any provisional sums included or allowed within the tender value or Sub-Contract Sum unless the Contractor has given a written instruction requiring such work to be carried out and confirming the agreed value of such work in accordance with clause 17. No adjustment to or deduction of a provisional sum shall not entitle the Sub-Contractor to submit claims for direct or indirect loss of profit or any other consequential losses (including without limitation loss of business and loss of contract) in respect of such instructions.

30. PRINCIPAL CONTRACT CONDITIONS

30.1. Without prejudice to Articles 1 to 5 (inclusive), the Sub-Contractor is deemed to have full knowledge of the conditions of the Principal Contract, in so far as they are applicable to this Sub-Contract, and no claim will be accepted or considered by the Contractor resulting from lack of knowledge by the Sub-Contractor. The Contractor

reserves the right to apply the terms and conditions of the Principal Contract mutatis mutandis as between the Contractor and the Sub-Contractor.

31. CORRUPTION

31.1. The Sub-Contractor shall comply with this clause together with the provisions of the Contractor's Code of Ethics referred to in the Numbered Documents and Code of Conduct for Business Partners (clause 21.4) as if it were an employee as the code has been written.

31.2. The Sub-Contractor shall not itself or in conjunction with any other person solicit, receive or agree to receive for itself or for any other person, or offer to agree to give any person in the Contractor's service, or other sub-contractor or other party who has a contract with the Principal Contractor, any gift or consideration of any kind as an inducement or reward for doing or not doing anything, or for showing favour or disfavour to any person, in relation to this Sub-Contract or any other Contract.

31.3. The Sub-Contract shall not, itself or in conjunction with any other person, enter into any contract with the Contractor or in respect of the Project in connection with which commission has been paid or agreed to be paid by it or on its behalf or to its knowledge unless, before any such contract is made, particulars of any such commission, and of the terms and conditions of any agreement for the payment thereof, have been disclosed in writing to the Contractor and the Contractor's written consent obtained.

31.4. The Sub-Contractor undertakes to the Contractor that:

31.4.1. it has not and its current and former directors, officers and employees have not and shall not engage in any Corrupt Activity;

31.4.2. it has not and its current and former directors, officers and employees have not and shall not engage in any activity, practice or conduct which could or would place the Employer in breach of section 7(1) Bribery Act 2010;

31.4.3. it shall maintain and implement adequate procedures to ensure compliance with this clause 31.2 and clause 31.1

31.5. The Contractor may by notice with immediate effect determine the appointment of the Sub-Contractor under this Sub-Contract and any other Sub-Contract if:

31.5.1. the Contractor is reasonably satisfied that the Sub-Contractor or anyone employed by it or acting on its behalf (whether with or without the knowledge of the Sub-Contractor) is in breach of this clause 31; or

31.5.2. the Sub-Contractor or anyone employed by it or acting on its behalf is convicted of any offence under the Bribery Act 2010, or any relevant bribery laws, or any subsequent modification or re-enactment thereof in relation to this Sub-Contract or any other Sub-Contract, or is convicted of a criminal offence related to business or preferential conduct, or commits an act of grave misconduct in the course of business or profession; or

31.5.3. the Sub-Contractor is guilty of serious misrepresentation in providing any information required of it under this Sub-Contract or any Sub-Contract; or

31.5.4. in accordance with clause 31.7 the Contractor is reasonably satisfied that a conflict of interest exists, or may exist, and following written notice from the Contractor the Sub-Contractor has failed to cease such other activity or activities which is causing the conflict within a reasonable time.

31.6. If the Contractor determines the appointment of the Sub-Contractor under this Sub-Contract and any other Sub-Contract in accordance with clause 31.5 then the Contractor shall be entitled to recover from the Sub-Contractor the amount or value of any loss or damage arising in connection with such determination, or the conduct that give rise to it.

31.7. The Sub-Contractor warrants that it is not aware of any actual or potential conflict of interest between any Project appointment, participant or stakeholder and any other interest or activity of the Sub-Contractor. The Sub-Contractor must immediately inform the Contractor where it is aware of any actual or potential conflict of interest, and the Contractor may serve written notice on the Sub-Contractor requesting that it cease the other activity or activities causing the actual or potential conflict of interest. Where the Sub-Contractor fails to cease such activity within a reasonable time, the Contractor may terminate the appointment of the Sub-Contractor in accordance with clause 31.5.

31.8. All references to the Sub-Contractor shall be deemed to include every holding company of that company for the time being, and every subsidiary for the time being of every such holding company.

32. THIRD PARTIES

For the purposes of the Contracts (Rights of Third Parties) Act 1999 nothing in this agreement confers or purports to confer on any third party any benefit or right to enforce any terms of this agreement unless otherwise specifically detailed in the documents forming this Sub-Contact.

33. ADJUDICATION

33.1. In the event that a dispute or difference shall arise between the Contractor and the Sub-Contractor under the Sub-Contract, then either the Contractor or the Sub-Contractor may, at any time, give notice to the other indicating its intention to refer the dispute or difference to adjudication. The Adjudicator shall be a nominated by the President or Vice President of the Royal Institution of Chartered Surveyors and the adjudication shall be conducted in accordance with the procedural rules for adjudication known as the CIC Model adjudication Procedure Fifth Edition (the "CIC Rules") or any modification thereof current at the date of the Notice of Adjudication.

33.2. The Adjudicator may determine how the payment of his fees and expenses is to be apportioned.

33.3. The adjudicator shall be permitted to correct his decision so as to remove a clerical or typographical error arising by accident or omission.

33.4. Without prejudice to any provision of the CIC Rules the Adjudicator's decision is binding on the parties until the dispute or difference is finally determined by legal proceedings, arbitration or agreement.

34. ARBITRATION

34.1. Where the Sub-Contract Order states that arbitration applies, the parties agree that, subject to and without prejudice to the right of either party to refer a matter to an Adjudicator as set out within clause 33, if any question or dispute arises on any matter out of or in connection with the Sub-Contract, the same shall (except where the Principal Contact provides for such to be subject to the final decision of the Architect or Engineer) be referred for arbitration to a person agreed upon between the parties or, failing agreement, to a person appointed by the nominating body stated in the Sub-Contract Order or, if no such person is nominated, or no such body named, by the President or Vice President at the time of the Royal Institute of Chartered Surveyors. The decision of the Arbitrator appointed shall in every case be binding and accepted by both parties within the meaning of and subject to the Arbitration Act 1996 and any subsequent amendments or modifications thereof.

34.2. The arbitration shall be conducted in accordance with such rules stated in the Sub-Contract Order or, if no such rules are provided for, in accordance with the Construction Industry Model Arbitration Rules 2016 Edition or any subsequent modification thereof current at the date of the Sub-Contract. The language of the arbitration shall be English. The seat and venue of the arbitration shall be London, England.

34.3. No arbitration proceedings are to be commenced (unless the Contractor decides otherwise) until after the date of final completion of all works executed under the Principal Contract.

35. LAW

35.1. Whatever the nationality, residence or domicile of the Contractor or the Sub-Contractor and wherever the Works are situated the Law of England and Wales shall be the law applicable to this Sub-Contract.

35.2. Subject to clauses 33 and 34, the Contractor and the Sub-Contractor irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute arising out of or in connection with this Sub-Contract or its subject matter including non-contractual disputes or claims).

36. SET OFF

36.1. The Contractor may set off against any amounts otherwise due or becoming due to the Sub-Contractor under the order any amounts which the Sub-Contractor may owe the Contractor under this Sub-Contract or otherwise, whether under another contract between the Contractor and the Sub-Contractor or arising from liability under tort, negligence, statute or otherwise.

37. COLLATERAL WARRANTIES

37.1. Where the Sub-Contract Order provides for the giving by the Sub-Contractor of collateral warranties, the Sub-Contractor shall within 7 days of the Contractor requesting the Sub-Contractor so to do execute as deeds and deliver to the Contractor collateral warranties in the form or forms contained in the Numbered Documents or if no such form(s) are appended in such other form(s) as are required under the Principal Contract in favour of the beneficiaries identified in the Sub-Contract Order or in favour of any person that the Principal Contractor may require under the Principal Contract, or who otherwise has or acquires an interest in the Works. The Contractor shall not be obliged to make any payment under this Sub-Contract until the Sub-Contractor has complied with this clause 37. The Sub-Contractor shall not be entitled to any additional payment in connection with delivering collateral warranties as required in this clause 37.

38. NOTICES AND COMMUNICATIONS

38.1. Any notice or other communication given to a party under or in connection with this Sub-Contract (including without limitation each application, approval, consent, confirmation, counter-notice, decision, instruction or other notification) shall be in writing and shall be delivered:

38.1.1. by hand or by pre-paid first-class post or other next Working Day delivery service at its registered office (if a company) or its principal place of business (in any other case); or

38.1.2. sent by email to the address specified in the Sub-Contract Order or otherwise agreed in in writing.

38.2. Any notice or communication shall be deemed to have been received:

38.2.1. if delivered by hand, on signature of a delivery receipt or at the time the notice is left at the proper address;

38.2.2. if sent by pre-paid first-class post or other next Working Day delivery service, at 9.00 am on the second Working Day after posting or at the time recorded by the delivery service;

38.2.3. if sent by email, at the time of transmission, or, if this time falls outside working hours 9am – 4pm in the place of receipt, when such working hours again resume.

38.3. Email communications will not be effective for the service of any proceedings or other documents in any legal action, arbitration or adjudication or, where applicable, any other method of dispute resolution.

38.4. If in an emergency any communication is made orally with respect to health and safety, risk of damage to property or insurance matters, written confirmation of it shall be sent as soon thereafter as is reasonably practicable.

38.5. Any notification under clause 40 shall be made in accordance with clause 38 and uploaded to any information-management or common data environment specified by the Contractor. Where the matter is urgent or involves a material building-safety risk, notice shall be given immediately by the quickest reasonably available means and confirmed in writing.

39. IR35 RELATED PROVISIONS

39.1. The parties agree that the UK tax resident personnel engaged in the supply of services to the Contractor, or any personnel engaged in the supply of services in the UK to the Contractor, shall not be contracted (directly or indirectly) through an Intermediary, and shall have PAYE and National Insurance Contributions applied to their earnings (whether by the Sub-Contractor, agency or third party).

39.2. The Sub-Contractor warrants that it is not itself an Intermediary and confirms that it will notify the Contractor within 30 days if at any point following entering this Agreement the Sub-Contractor becomes an Intermediary.

39.3. The Sub-Contractor indemnifies the Contractor against any claims, losses, costs or damages arising out of or in connection with any breach of this Clause 39.

40. BUILDING SAFETY

40.1. The Sub-Contractor shall comply with the Building Safety Act 2022, Building Regulations 2010 and all other applicable legislation, regulations and statutory requirements insofar as they apply to the Sub-Contract Works and to the Sub-Contractor's design, construction, installation, testing, commissioning and information-provision activities.

40.2. The Sub-Contractor warrants that it and all persons engaged by it possess and shall maintain the skills, knowledge, experience and behaviours, and where applicable the organisational capability, necessary to perform their respective duties in accordance with the Building Regulations.

40.3. The Sub-Contractor shall cooperate with the Contractor and all relevant clients, designers, contractors, Principal Designers, Principal Contractors, accountable persons, building control bodies and regulatory authorities and shall comply with their reasonable requirements relating to the Sub-Contract Works and Building Safety Legislation.

40.4. The Sub-Contractor shall promptly provide all Building Safety Information reasonably required by the Contractor. Such information shall be accurate, complete, current, legible, properly identified, capable of electronic storage and transfer and, where applicable, maintained under appropriate version control.

40.5. The Sub-Contractor shall not make or implement any change to the Sub-Contract Works which may affect compliance with the Building Regulations without first notifying the Contractor and obtaining all approvals required under the Sub-Contract and Building Safety Legislation.

40.6. The Sub-Contractor shall immediately notify the Contractor upon becoming aware of:
(a) any actual or suspected breach of Building Safety Legislation;
(b) any material building-safety risk relating to the Sub-Contract Works;
(c) any error, omission or inconsistency in Building Safety Information;
(d) any matter which may require notification to a regulatory authority; or
(e) any matter which may prevent or delay the obtaining of a regulatory approval or completion certificate.

40.7. The Sub-Contractor shall rectify, at its own cost, any breach of this clause or non-compliance with Building Safety Legislation arising from its act, omission, default or breach of the Sub-Contract.

40.8. The obligations in this clause shall continue following practical completion, termination or expiry of the Sub-Contract to the extent necessary to comply with Building Safety Legislation, provide or correct Building Safety Information and remedy any breach occurring before such completion, termination or expiry.

40.9. The Sub-Contractor shall ensure that equivalent obligations are incorporated into every approved sub-subcontract and shall remain responsible for the acts, omissions and compliance of its sub-subcontractors.