

Terms & Conditions for the Sale Supply of Construction Goods and
Services

Between:

Heming Services Limited

(Construction)

-and-

The Customer

These Terms and Conditions ("the Terms") govern the sale of all Construction related Goods and Services (together the "Products") by Heming Services Limited, together with all and any of its business divisions and subsidiaries (together the "Supplier") to the Customer. The Customer is urged to read these Terms carefully to ensure it fully understands them before ordering any Good or Services. By ordering any of the Goods and Services, the Customer is deemed to be bound by these Terms.

These Terms apply notwithstanding any conflicting, contrary or additional terms and conditions in any order, quote, tender or other document or communication from the Supplier or the Customer. To the extent that there is any inconsistency between these Terms and any other document issued by the Supplier or the Customer, these Terms will take priority.

These Terms may only be waived or modified in a written agreement signed by an authorised representative of the Supplier. Neither the Supplier's acknowledgment of an order nor the Supplier's failure to object to conflicting, contrary or additional terms and conditions in an Order shall be deemed an acceptance of such terms and conditions or a waiver of the provisions hereof.

The Supplier amends these Terms from time to time. Each time the Customer wishes to Order Goods and/or Services, the Customer is encouraged to check the current version of these Terms. These Terms and any Contract between the Supplier and the Customer are only in the English Language.

1. INTERPRETATION

1.1 Definitions.

In these Conditions, the following definitions apply:

Business Day: a day (other than a Saturday, Sunday or a public holiday) when banks in London are open for business.

Commencement Date: has the meaning set out in clause 2.2.

Conditions: these terms and conditions as amended from time to time in accordance with clause 17.7.

Contract: the contract between the Supplier and the Customer for the supply of Goods and/or Services in accordance with these Conditions.

Collection Location: has the meaning set out in clause 4.3

Customer: the person or firm who purchases the Goods and/or Services from the Supplier.

Deliverables: the deliverables set out in the Order.

Delivery Location: has the meaning set out in clause 4.2.

Force Majeure Event: has the meaning given to it in clause 15.

Goods: the goods (or any part of them) set out in the Order.

Goods Specification: any specification for the Goods, including any relevant plans or drawings that is agreed in writing by the Customer and the Supplier.

Intellectual Property Rights: patents, rights to inventions, copyright and related rights, trade marks, business names and domain names, rights in get-up, goodwill and the right to sue for passing off, rights in designs, database rights, rights to use, and protect the confidentiality of, confidential information (including know-how), and all other intellectual property rights, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world

Order: the Customer's order for the supply of Goods and/or Services, as set out in the Customer's purchase order form or the Customer's written acceptance of the Supplier's quotation as the case may be.

Services: the services, including the Deliverables, supplied by the Supplier to the Customer as set out in the Service Specification below.

Service Specification: the description or specification for the Services provided in writing by the Supplier to the Customer.

Supplier: Heming Services Limited registered in England and Wales with company number 04972682.

Supplier Materials: has the meaning set out in clause 8.1(g).

1.2 Construction.

In these Terms, the following rules apply:

- (a) a **person** includes a natural person, corporate or unincorporated body (whether or not having separate legal personality);
- (b) a reference to a party includes its personal representatives, successors or permitted assigns;
- (c) a reference to a statute or statutory provision is a reference to such statute or statutory provision as amended or re-enacted. A reference to a statute or statutory provision includes any subordinate legislation made under that statute or statutory provision, as amended or re-enacted;
- (d) any phrase introduced by the terms including, include, in particular or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms; and
- (e) a reference to **writing** or **written** includes faxes and emails.

2. BASIS OF CONTRACT

2.1 The Order constitutes an offer by the Customer to purchase Goods and/or Services in accordance with these Conditions. The Customer is deemed to have read, understood and accepted these Conditions at the point of submitting their Order.

2.2 The Order shall only be deemed to be accepted when the Supplier issues written acceptance of the Order at which point and on which date the Contract shall come into existence (**Commencement Date**).

2.3 The Contract constitutes the entire agreement between the parties. The Customer acknowledges that it has not relied on any statement, promise, representation, assurance or warranty made or given by or on behalf of the Supplier which is not set out in the Contract.

2.4 Any samples, drawings, descriptive matter or advertising issued by the Supplier and any descriptions of the Goods or illustrations or descriptions of the Services contained in the Supplier's catalogues or brochures are issued or published for the sole purpose of giving an approximate idea of the Services and/or Goods described in them. They shall not form part of the Contract or have any contractual force.

2.5 These Conditions apply to the Contract to the exclusion of any other terms that the Customer seeks to impose or incorporate, or which are implied by trade, custom, practice or course of dealing.

2.6 Subject to clause 9.3, any quotation given by the Supplier shall not constitute an offer, and is only valid for a period of 20 Business Days from its date of issue.

2.7 All of these Conditions shall apply to the supply of both Goods and Services except where application to one or the other is specified.

3. GOODS

3.1 The Goods are described in the Supplier's catalogue as modified by any applicable Goods Specification or the Goods Specification.

3.2 To the extent that the Goods are to be manufactured in accordance with a Goods Specification supplied by the Customer, the Customer shall indemnify the Supplier against all liabilities, costs, expenses, damages and losses (including any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal and other reasonable professional costs and expenses) suffered or incurred by the Supplier in connection with any claim made against the Supplier for actual or alleged infringement of a third party's intellectual property rights arising out of or in connection with the Supplier's use of the Goods Specification. This clause 3.2 shall survive termination of the Contract.

3.3 The Supplier reserves the right to amend the specification of the Goods or the Goods Specification if required by any applicable statutory or regulatory requirements.

4. DELIVERY OF GOODS

4.1 The Supplier shall ensure that:

(a) each delivery of the Goods is accompanied by a delivery note which shows the date of the Order, all relevant Customer and Supplier reference numbers, the type and quantity of the Goods (including the code number of the Goods, where applicable), special storage instructions (if any) and, if the Order is being delivered by instalments, the outstanding balance of Goods remaining to be delivered; and

(b) if the Supplier requires the Customer to return any packaging material to the Supplier, that fact is clearly stated on the delivery note. The Customer shall make any such packaging materials available for collection at such times as the Supplier shall reasonably request. Returns of packaging materials shall be at the Supplier's expense.

4.2 The Supplier shall deliver the Goods to the location set out in the Order or such other location as the parties may agree (**Delivery Location**) at any time after the Supplier notifies the Customer that the Goods are ready. Delivery of the Goods shall be completed on the Goods' arrival at the Delivery Location.

4.3 In the event that the Customer elects to collect the Goods from the Supplier's premises or such other location as may be advised by the Supplier (**Collection Location**) the Customer shall collect the Goods within three Business Days of the Supplier notifying the Customer that the Goods are ready. Delivery of the Goods shall be completed of loading the Goods at the Collection Location.

4.4 Any dates quoted for delivery of the Goods are approximate only, and the time of delivery is not of the essence. The Supplier shall not be liable for any delay in delivery of the Goods that is caused by any Customer specifications (affecting such matters including but not limited to ordering and lead times) or a Force Majeure Event or the Customer's failure to provide the Supplier with adequate delivery instructions or any other instructions that are relevant to the supply of the Goods.

4.5 If the Supplier fails to deliver the Goods, its liability shall be limited to the costs and expenses incurred by the Customer in obtaining replacement goods of similar description and quality in the cheapest market available, less the price of the Goods. The Supplier shall have no liability for any failure to deliver the Goods to the extent that such failure is caused by a Force Majeure Event the Customer's failure to provide the Supplier with adequate delivery instructions for the Goods or any relevant instruction related to the supply of the Goods.

4.6 If the Customer fails to accept or take delivery of the Goods within 3 Business Days of the Supplier notifying the Customer that the Goods are ready, then except where such failure or delay is caused by a Force Majeure Event or by the Supplier's failure to comply with its obligations under the Contract in respect of the Goods:

- (a) delivery of the Goods shall be deemed to have been completed at 9.00 am on the third Business Day following the day on which the Supplier notified the Customer that the Goods were ready; and
- (b) the Supplier shall store the Goods until delivery takes place, and charge the Customer for all related costs and expenses (including insurance).

4.7 If 10 Business Days after the Supplier notified the Customer that the Goods were ready for delivery the Customer has not taken or accepted delivery of them, the Supplier may resell or otherwise dispose of part or all of the Goods and, after deducting reasonable storage and selling costs, account to the Customer for any excess over the price of the Goods or charge the Customer for any shortfall below the price of the Goods.

4.8 The Customer shall not be entitled to reject the Goods if the Supplier delivers up to and including 5 per cent more or less than the quantity of Goods ordered, but a pro-rata adjustment shall be made to the Order invoice on receipt of notice from the Customer that the wrong quantity of Goods was delivered.

4.9 The Supplier may deliver the Goods by instalments, which shall be invoiced and paid for separately. Each instalment shall constitute a separate contract. Any delay in delivery or defect in an instalment shall not entitle the Customer to cancel any other instalment.

5. QUALITY OF GOODS

5.1 The Supplier warrants that on delivery, and for a period of 12 months from the date of delivery (**warranty period**), the Goods shall:

- (a) conform in all material respects with their description and any applicable Goods Specification or the Goods Specification;
- (b) be free from material defects in design, material and workmanship;
- (c) be of satisfactory quality (within the meaning of the Sale of Goods Act 1979); and
- (d) be fit for any purpose held out by the Supplier.

5.2 Subject to clause 5.3, if:

- (a) the Customer gives notice in writing during the warranty period within a reasonable time of discovery that some or all of the Goods do not comply with the warranty set out in clause 5.1;
- (b) the Supplier is given a reasonable opportunity of examining such Goods; and
- (c) the Customer (if asked to do so by the Supplier) returns such Goods to the Supplier's place of business at the Customer's cost,

- (d) the Supplier shall, at its option, repair or replace the defective Goods, or refund the price of the defective Goods in full.
- 5.3 The Supplier shall not be liable for the Goods' failure to comply with the warranty in clause 5.1 if:
- the Customer makes any further use of such Goods after giving a notice in accordance with clause 5.2;
 - the defect arises because the Customer failed to follow the Supplier's oral or written instructions as to the storage, installation, commissioning, use or maintenance of the Goods or (if there are none) good trade practice;
 - the defect arises as a result of the Supplier following any drawing, design or Goods Specification supplied by the Customer;
 - the Customer alters or repairs such Goods without the written consent of the Supplier;
 - the defect arises as a result of fair wear and tear, wilful damage, negligence, or abnormal working conditions;
 - the Goods differ from their description or the Goods Specification as a result of changes made to ensure they comply with applicable statutory or regulatory standards.
- 5.4 With respect to the Goods which do not meet applicable manufacturer's specifications and with respect to value-added work by the Supplier which does not meet the Customer's specifications, the Supplier's liability is limited, at the Supplier's election, to:
- a refund of the Buyer's purchase price for such Goods (without interest);
 - a repair of such Goods; or
 - a replacement of such Goods.
- 5.5 Except as provided in this clause 5, the Supplier shall have no liability to the Customer in respect of the Goods' failure to comply with the warranty set out in clause 5.1.
- 5.6 The terms of these Conditions shall apply to any repaired or replacement Goods supplied by the Supplier under clause 5.2.
- 6. TITLE AND RISK**
- 6.1 The risk in the Goods shall pass to the Customer on completion of delivery.
- 6.2 Title to the Goods shall not pass to the Customer until the Supplier has received payment in full (in cash or cleared funds) for:
- the Goods; and
 - any other goods that the Supplier has supplied to the Customer in respect of which payment has become due.
- 6.3 Until title to the Goods has passed to the Customer, the Customer shall:
- hold the Goods on a fiduciary basis as the Supplier's bailee;
 - store the Goods separately from all other goods held by the Customer so that they remain readily identifiable as the Supplier's property;
 - not remove, deface or obscure any identifying mark or packaging on or relating to the Goods;
 - maintain the Goods in satisfactory condition and keep them insured against all risks for their full price on the Supplier's behalf from the date of delivery;
 - notify the Supplier immediately if it becomes subject to any of the events listed in clause 15.2(b) to clause 15.2(m); and
 - give the Supplier such information relating to the Goods as the Supplier may require from time to time,
- but the Customer may resell or use the Goods in the ordinary course of its business.
- 6.4 If before title to the Goods passes to the Customer the Customer becomes subject to any of the events listed in clause 15.2(b) to clause 15.2(m), or the Supplier reasonably believes that any such event is about to happen and notifies the Customer accordingly, then, provided the Goods have not been resold, or irrevocably incorporated into another product, and without limiting any other right or remedy the Supplier may have, the Supplier may at any time require the Customer to deliver up the Goods and, if the Customer fails to do so promptly, enter any premises of the Customer or of any third party where the Goods are stored in order to recover them.
- 6.5 The Supplier accepts no liability for goods supplied by the Customer and left on the Supplier's premises or on the Customer's or a third party's site throughout the term of this Contract.
- 7. SUPPLY OF SERVICES**
- 7.1 The Supplier shall provide the Services to the Customer in accordance with the Service Specification in all material respects.
- 7.2 The Supplier shall use all reasonable endeavours to meet any performance dates for the Services specified in any works programme or delivery timetable, but any such dates shall be estimates only and time shall not be of the essence for the performance of the Services.
- 7.3 The Supplier shall have the right to make any changes to the Services which are necessary to comply with any applicable law or safety requirement, or which do not materially affect the nature or quality of the Services, and the Supplier shall notify the Customer in any such event.
- 7.4 The Supplier warrants to the Customer that the Services will be provided using reasonable care and skill.
- 8. CUSTOMER'S OBLIGATIONS**
- 8.1 The Customer shall:
- ensure that the terms of the Order and (if submitted by the Customer) the Goods Specification are complete and accurate;
 - co-operate with the Supplier in all matters relating to the Services;
 - provide the Supplier, its employees, agents, consultants and subcontractors, with unrestricted and unfettered access to the Customer's premises, office accommodation and other facilities as reasonably required by the Supplier to provide the Services;
 - provide the Supplier with such information and materials as the Supplier may reasonably require to supply the Services, including any risk assessment, asbestos survey or other relevant information, and ensure that such information is accurate in all material respects;
 - prepare the Customer's premises for the supply of the Services and ensure all Health and Safety issues are addressed;
 - obtain and maintain all necessary licences, permissions and consents which may be required for the Services before the date on which the Services are to start; and
- keep and maintain all materials, equipment, documents and other property of the Supplier (**Supplier Materials**) at the Customer's premises in safe custody at its own risk, maintain the Supplier Materials in good condition until returned to the Supplier, and not dispose of or use the Supplier Materials other than in accordance with the Supplier's written instructions or authorisation.
- 8.2 If the Supplier's performance of any of its obligations in respect of the Services is prevented or delayed by any act or omission by the Customer (or third parties engaged, commissioned or instructed by the Customer) or failure by the Customer (or third parties engaged, commissioned or instructed by the Customer) to perform any relevant obligation (**Customer Default**):
- the Supplier shall without limiting its other rights or remedies have the right to suspend performance of the Services until the Customer remedies the Customer Default, and to rely on the Customer Default to relieve it from the performance of any of its obligations to the extent the Customer Default prevents or delays the Supplier's performance of any of its obligations;
 - the Supplier shall not be liable for any costs or losses sustained or incurred by the Customer arising directly or indirectly from the Supplier's failure or delay to perform any of its obligations as set out in this clause 8.2; and
 - the Customer shall reimburse the Supplier on written demand for any costs or losses sustained or incurred by the Supplier arising directly or indirectly from the Customer Default.
- 9. CHARGES AND PAYMENT**
- 9.1 The price for Goods shall be the price set out in the Order or, if no price is quoted, the price set out in the Supplier's published price list as at the date of delivery. The price of the Goods is exclusive of all costs and charges of packaging, insurance, tipping taxes, refuse taxes, transport of the Goods, which shall be paid by the Customer when it pays for the Goods.
- 9.2 The charges for Services shall be on a time and materials basis:
- the charges shall be calculated in accordance with the Supplier's standard daily fee rates, as set out in the Supplier's tender and quotation documentation;
 - the Supplier's standard daily fee rates for each individual person are calculated on the basis of an eight-hour day from 8.00 am to 5.00 pm worked on Business Days;
 - the Supplier shall be entitled to charge an overtime rate of up to 50% per cent of the standard daily fee rate on a pro-rata basis for each part day or for any time worked by individuals whom it engages on the Services outside the hours referred to in clause 9.2(b); and
 - the Supplier shall be entitled to charge the Customer for any expenses reasonably incurred by the individuals whom the Supplier engages in connection with the Services including, but not limited to, travelling expenses, hotel costs, subsistence and any associated expenses, and for the cost of services provided by third parties and required by the Supplier for the performance of the Services, and for the cost of any materials.
- 9.3 The Supplier reserves the right to:
- request a deposit from the Customer at any point prior to issuing its invoice for the Goods and/or Services, such deposit being limited to 50% of the price of the Goods and/or Services;
 - increase its standard daily fee rates for the charges for the Services, provided that such charges cannot be increased more than once in any 12 month period. The Supplier will give the Customer written notice of any such increase 3 months before the proposed date of the increase. If such increase is not acceptable to the Customer, it shall notify the Supplier in writing within 2 weeks of the date of the Supplier's notice and the Supplier shall have the right without limiting its other rights or remedies to terminate the Contract by giving 4 weeks' written notice to the Customer; and
 - increase the price of the Goods, by giving notice to the Customer at any time before delivery, to reflect any increase in the cost of the Goods to the Supplier that is due to:
 - any factor beyond the control of the Supplier (including foreign exchange fluctuations, increases in taxes and duties, and increases in labour, materials and other manufacturing costs);
 - any request by the Customer to change the delivery date(s), quantities or types of Goods ordered, or the Goods Specification; or
 - any delay caused by any instructions of the Customer in respect of the Goods or failure of the Customer to give the Supplier adequate or accurate information or instructions in respect of the Goods.
- 9.4 In respect of Goods, the Supplier shall invoice the Customer on or at any time after completion of delivery. In respect of Services, the Supplier shall invoice the Customer monthly in arrears.
- 9.5 The Customer shall pay each invoice submitted by the Supplier:
- within 30 days of the date of the invoice; and
 - in full and in cleared funds to a bank account nominated in writing by the Supplier, and
- time for payment shall be of the essence of the Contract.
- 9.6 All amounts payable by the Customer under the Contract are exclusive of amounts in respect of value added tax chargeable from time to time (**VAT**). Where any taxable supply for VAT purposes is made under the Contract by the Supplier to the Customer, the Customer shall, on receipt of a valid VAT invoice from the Supplier, pay to the Supplier such additional amounts in respect of VAT as are chargeable on the supply of the Services or Goods at the same time as payment is due for the supply of the Services or Goods.
- 9.7 If the Customer fails to make any payment due to the Supplier under the Contract by the due date for payment, then, in addition to the Supplier's right to suspend provision of further goods and the Customer shall pay interest on the overdue amount pursuant to the Late Payment of Commercial Debts (Interest) Act 1998 or if not applicable, at the rate of 4% per annum above Bank of England base rate from time to time. Such interest shall accrue on a daily basis from the due date until actual payment of the overdue amount, whether before or after judgment. The Customer shall pay the interest together with the overdue amount.
- 9.8 The Customer shall pay all amounts due under the Contract in full without any set-off, counterclaim, deduction or withholding except as required by law. The Supplier may, without limiting its other rights or remedies, set off any amount owing to it by the Customer against any amount payable by the Supplier to the Customer.

- 9.9 By agreeing to these Terms, the Customer confirms that they are duly authorised (either for themselves or for the business that they are representing) to enter into this agreement on its behalf and that payment of the Supplier's invoices will be made strictly in accordance with the credit terms stated thereon.
- 9.10 The Customer recognises and accepts that if payment of the Supplier's invoices is not made by the due date for payment, it may result in the matter being referred by the Supplier to the Credit Protection Association (CPA) for recovery of the invoice debt. In the event that the Supplier has cause to refer the invoice debt to CPA, the Customer agrees to indemnify the Supplier against the costs the Supplier incurs in referring the matter to CPA to pursue the debt including CPA's current applicable fees for writing to the Customer, any commission payable by the Supplier to CPA, all reasonable incidental costs of recovering the debt and interest as applicable.
- 9.11 The Customer additionally agrees that as a part of the Supplier's assessment for the granting of credit (in the event that credit is applied for), the Customer will complete a CPA Commercial Credit Application Form and will permit the Supplier to send details of the Customer's application to the CPA who will search databases to which it has access. It may also search a credit reference agency for information relating to the Customer (and in the case of a non-limited business, also relating to the proprietors). The credit reference agency will record the fact of that search in the name of CPA. The Customer will also authorise its bankers to provide an opinion as to their/its suitability for the requested account.

Construction Contract Payment Terms (only applicable if the Goods/Services form part of a Construction Contract)

- 9.12 If the Supplier's quote or the Customer's tender specifies that applications for payment from the Supplier ("Applications") are accepted, the Supplier shall submit Applications to the Customer at the frequencies and/or by the dates outlined in the quote/tender. The due date for payment shall be 5 days after receipt by the Customer of the Application. The Customer shall issue a statement to the Supplier within 5 days of each due date ("the Payer Notice") showing the calculation of the sum due and detailing the elements or parts of the Contract that have been confirmed as completed on site and approved. The Supplier shall apply to the Customer for payment in either the Application relating to the period in which the relevant elements or parts of the Contract works were carried out or in the Application for the period immediately following the one in which they were carried out.
- 9.13 If the quote/tender does not state that Applications for Payment from the Supplier are accepted, the Supplier shall notify the Customer of the completion on site of the relevant elements or parts of the Contract works as soon as practicably possible ("Notice of Completion").
- 9.14 The Payer Notice will set out the total value of work approved and executed by the Supplier within the time period and the basis on which that sum is calculated, and the total value of the materials and goods which have been delivered to the Contract works for incorporation and the basis on which that sum is calculated.
- 9.15 The Payer Notice referred to in clause 9.9 shall deduct the following sums:
- the amount of any previous interim payments or payments on account made by the Customer in relation to the same Order; and
 - any retention specified in the quote/tender ("the Retention"); and
 - any discount specified in the quote/tender ("the Discount")
- 9.16 In the event that the Customer fails to issue a Payer Notice pursuant to clause 9.9 then the Supplier is entitled to serve a default payment notice, setting out the sum the Supplier considers to have been due on the due date for payment and the basis of its full calculation ("Default Payment Notice").
- 9.17 The Supplier shall issue an invoice to the Customer for the amounts set out in any Payer Notice, Default Payment Notice or, in the absence of a Payer Notice, any Application, within 20 Working Days of the date thereof.
- 9.18 Payments shall be made by the Customer not later than 30 days after the date of the invoice from the Supplier complying with the requirements of this clause 9 ("the Final Date for Payment").
- 9.19 The Customer may at any time request further information/details to enable any Application or invoice submitted by the Supplier to be verified. Any adjustment required following verification of any Application or invoice of the Supplier which results in a reduction of the amount included in the Payer Notice or the Default Payer Notice may be taken into account in a subsequent Payer Notice and shown as a deduction from the amount to be paid under that subsequent Payer Notice.
- 9.20 The Customer may issue a notice of the Customer's intention to pay the Supplier less than any sum notified in a Payer Notice, Default Payment Notice or Application ("a Payless Notice"). Any Payless Notice shall be served in writing upon the Supplier by recorded delivery post at its registered office address no later than 1 day before the Final Date for Payment and shall state the sum that the Customer considers to be due on the date the notice is served and the basis on which that sum is calculated.
- 9.21 The Supplier shall issue a credit note to the Contractor, to the value of any sums to be deducted or withheld, upon the receipt of any Payless Notice issued pursuant to clause 9.18.
- 9.22 In the event of the termination of the Supplier's engagement to carry out the Contract works, the Supplier will be entitled to no further payment under the relevant Order prior to the issue by the Customer of a certificate certifying that in its opinion, the Contract works have been completed ("Practical Completion of the Sub-Contract Works"). Within 56 days of Practical Completion of the Contract works, the Customer shall issue a statement of account which shall represent the final payment due to the Supplier save for any Retention. Any reduction in Retention following completion of the Contract works shall be accounted for in a Payer Notice.
- 9.23 The Customer will be entitled to retain the balance of the Retention following any reduction as referred to in clause 9.19 until any and/or all defects, shrinkages and/or other faults in the Contract works have been made good to satisfaction of the Customer. The Supplier shall make good all such defects, shrinkages and/or other faults at no cost to the Customer. Within 14 days of the Supplier making good all defects, shrinkages and/or other faults in the Contract works, the Contractor shall account for the payment of the balance of the Retention in a Payer Notice which shall state that the payment of a corresponding Supplier's invoice under the said Payer Notice shall be the final payment for the Contract works.

- 9.24 In the event that the Supplier fails to make good any and/or all defects, shrinkages and/or other faults in the Contract works, the Customer will be entitled to use part or all of the Retention for the purposes of making good such defects, shrinkages and/or other faults itself or to pay third parties to do so.
- 9.25 In relation to any Order which is subject to the HM Revenue & Customs Construction Industry Scheme ("the Scheme"), the Supplier shall provide the Customer with all appropriate details to enable the Customer to verify the Supplier's status with the Scheme. Payments, together with any appropriate deductions for tax, will be made by the Customer to the Supplier in line with the Supplier's status with the Scheme.

10. VARIATIONS

- 10.1 The Supplier shall carry out any variation of the Goods and/or Services under this Contract that it is instructed either verbally or in writing by the Customer (a "Variation").
- 10.2 Variations to Goods and/or Services shall be valued by the Supplier on a fair and reasonable basis, with reference to, where available and relevant, rates and prices.
- 10.3 The Customer shall pay the Supplier any direct loss and/or expense incurred by the Supplier due to the regular progress of any programme of works being affected by compliance with any Variation, provided that the Supplier notifies the Customer of such as soon as is reasonably practicable. The Supplier shall determine the fair and reasonable amount of that direct loss and/or expense.
- 10.4 In the event that a Variation results in a revision to the tender, price and/or quote, the Customer will issue a further purchase order(s) to the Supplier.
- 10.5 Save for the provisions of this Clause 10 relating to Orders, no Variations to the Contract shall be permitted by anyone other than a director of the Supplier and a director of the Customer.

11. INTELLECTUAL PROPERTY RIGHTS

- 11.1 All Intellectual Property Rights in or arising out of or in connection with the Services shall be owned by the Supplier and the Customer agrees to execute any document, deed or other instrument to transfer or vest any Intellectual Property Rights in the Supplier.
- 11.2 The Customer acknowledges that, in respect of any third party Intellectual Property Rights in the Services, the Customer's use of any such Intellectual Property Rights is conditional on the Supplier obtaining a written licence from the relevant licensor on such terms as will entitle the Supplier to license such rights to the Customer.
- 11.3 All Supplier Materials are the exclusive property of the Supplier.

12. EXTENSION OF TIME

- 12.1 If the Supplier is delayed in completing the Order under this Contract within the programme of works (or any other period prescribed within the Contract) by any default of the Customer and/or the completion of any Variation of the Contract, the Supplier shall as soon as it becomes apparent notify the Customer in writing. The Customer shall make such extension of time (if any) as is reasonable.
- 12.2 The Supplier shall constantly use its reasonable endeavours to prevent or minimise any delay in the progress of the whole or any part of the Contract.

13. CONFIDENTIALITY

- 13.1 A party (receiving party) shall keep in strict confidence all technical or commercial know-how, specifications, inventions, processes or initiatives which are of a confidential nature and have been disclosed to the receiving party by the other party (disclosing party), its employees, agents or subcontractors, and any other confidential information concerning the disclosing party's business, its products and services which the receiving party may obtain. The receiving party shall only disclose such confidential information to those of its employees, agents and subcontractors who need to know it for the purpose of discharging the receiving party's obligations under the Contract, and shall ensure that such employees, agents and subcontractors comply with the obligations set out in this clause as though they were a party to the Contract. The receiving party may also disclose such of the disclosing party's confidential information as is required to be disclosed by law, any governmental or regulatory authority or by a court of competent jurisdiction. This clause 13 shall survive termination of the Contract.

14. LIMITATION OF LIABILITY

- 14.1 Nothing in these Conditions shall limit or exclude the Supplier's liability for:
- death or personal injury caused by its negligence, or the negligence of its employees, agents or subcontractors;
 - fraud or fraudulent misrepresentation;
 - breach of the terms implied by section 2 of the Supply of Goods and Services Act 1982 (title and quiet possession);
 - breach of the terms implied by section 12 of the Sale of Goods Act 1979 (title and quiet possession); or
 - defective products under the Consumer Protection Act 1987.
- 14.2 Subject to clause 14.1:
- the Supplier shall under no circumstances whatever be liable to the Customer, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, for any loss of profit, or any indirect or consequential loss arising under or in connection with the Contract; and
 - the Supplier's total liability to the Customer in respect of all other losses arising under or in connection with the Contract, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, shall in no circumstances exceed £50,000.
- 14.3 The terms implied by sections 13 to 15 of the Sale of Goods Act 1979 and the terms implied by sections 3 to 5 of the Supply of Goods and Services Act 1982 are, to the fullest extent permitted by law, excluded from the Contract.
- 14.4 This clause 14 shall survive termination of the Contract.

15. TERMINATION

- 15.1 Without limiting its other rights or remedies either party may terminate the Contract by giving the other party not less than 3 months' written notice.
- 15.2 Without limiting its other rights or remedies, each party may terminate the Contract with immediate effect by giving written notice to the other party if:

- (a) the other party commits a material breach of its obligations under this Contract and (if such breach is remediable) fails to remedy that breach within 5 days after receipt of notice in writing to do so;
- (b) the other party suspends, or threatens to suspend, payment of its debts or is unable to pay its debts as they fall due or admits inability to pay its debts or (being a company or limited liability partnership) is deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986 or (being an individual) is deemed either unable to pay its debts or as having no reasonable prospect of so doing, in either case, within the meaning of section 268 of the Insolvency Act 1986 or (being a partnership) has any partner to whom any of the foregoing apply;
- (c) the other party commences negotiations with all or any class of its creditors with a view to rescheduling any of its debts, or makes a proposal for or enters into any compromise or arrangement with its creditors other than (where a company) for the sole purpose of a scheme for a solvent amalgamation of that other party with one or more other companies or the solvent reconstruction of that other party;
- (d) a petition is filed, a notice is given, a resolution is passed, or an order is made, for or in connection with the winding up of the other party (being a company) other than for the sole purpose of a scheme for a solvent amalgamation of the other party with one or more other companies or the solvent reconstruction of that other party;
- (e) the other party (being an individual) is the subject of a bankruptcy petition or order;
- (f) a creditor or encumbrancer of the other party attaches or takes possession of, or a distress, execution, sequestration or other such process is levied or enforced on or sued against, the whole or any part of its assets and such attachment or process is not discharged within 14 days;
- (g) an application is made to court, or an order is made, for the appointment of an administrator or if a notice of intention to appoint an administrator is given or if an administrator is appointed over the other party (being a company);
- (h) the holder of a qualifying charge over the assets of the other party (being a company) has become entitled to appoint or has appointed an administrative receiver;
- (i) a person becomes entitled to appoint a receiver over the assets of the other party or a receiver is appointed over the assets of the other party;
- (j) any event occurs, or proceeding is taken, with respect to the other party in any jurisdiction to which it is subject that has an effect equivalent or similar to any of the events mentioned in clause 15.2(b) to clause 15.2(i) (inclusive);
- (k) the other party suspends, threatens to suspend, ceases or threatens to cease to carry on, all or substantially the whole of its business;
- (l) the other party's financial position deteriorates to such an extent that in the Supplier's opinion the Customer's capability to adequately fulfil its obligations under the Contract has been placed in jeopardy; or
- (m) the other party (being an individual) dies or, by reason of illness or incapacity (whether mental or physical), is incapable of managing his own affairs or becomes a patient under any mental health legislation.

15.3 Without limiting its other rights or remedies, the Supplier may terminate the Contract with immediate effect by giving written notice to the Customer if the Customer fails to pay any amount due under this Contract on the due date for payment.

15.4 Without limiting its other rights or remedies, the Supplier may suspend the supply of Services or all further deliveries of Goods under the Contract or any other contract between the Customer and the Supplier if the Customer fails to pay any amount due under this Contract on the due date for payment, the Customer becomes subject to any of the events listed in clause 15.2(b) to clause 15.2(m), or the Supplier reasonably believes that the Customer is about to become subject to any of them.

15.5 On termination of the Contract for any reason:

- (a) the Customer shall immediately pay to the Supplier all of the Supplier's outstanding unpaid invoices and interest and, in respect of Services supplied but for which no invoice has yet been submitted, the Supplier shall submit an invoice, which shall be payable by the Customer immediately on receipt;
- (b) the Customer shall return all of the Supplier Materials and any Deliverables which have not been fully paid for. If the Customer fails to do so, then the Supplier may enter the Customer's premises and take possession of them. Until they have been returned, the Customer shall be solely responsible for their safe keeping and will not use them for any purpose not connected with this Contract;
- (c) the accrued rights and remedies of the parties as at termination shall not be affected, including the right to claim damages in respect of any breach of the Contract which existed at or before the date of termination or expiry; and
- (d) clauses which expressly or by implication have effect after termination shall continue in full force and effect.

16. FORCE MAJEURE

16.1 For the purposes of this Contract, **Force Majeure Event** means an event beyond the reasonable control of the Supplier including but not limited to strikes, lock-outs or other industrial disputes (whether involving the workforce of the Supplier or any other party), failure of a utility service or transport network, act of God, war, riot, civil commotion, malicious damage, compliance with any law or governmental order, rule, regulation or direction, accident, breakdown of plant or machinery, fire, flood, storm or default of suppliers or subcontractors.

16.2 The Supplier shall not be liable to the Customer as a result of any delay or failure to perform its obligations under this Contract as a result of a Force Majeure Event.

16.3 If the Force Majeure Event prevents the Supplier from providing any of the Services and/or Goods for more than 12 weeks, the Supplier shall, without limiting its other rights or remedies, have the right to terminate this Contract immediately by giving written notice to the Customer.

17. GENERAL

17.1 Assignment and other dealings.

- (a) The Supplier may at any time assign, transfer, mortgage, charge, subcontract or deal in any other manner with all or any of its rights under the Contract and may subcontract or delegate in any manner any or all of its obligations under the Contract to any third party.

- (b) The Customer shall not, without the prior written consent of the Supplier, assign, transfer, charge, subcontract, declare a trust over or deal in any other manner with all or any of its rights or obligations under the Contract.

17.2 Notices.

- (a) Any notice or other communication given to a party under or in connection with this Contract shall be in writing, addressed to that party at its registered office (if it is a company) or its principal place of business (in any other case) or such other address as that party may have specified to the other party in writing in accordance with this clause, and shall be delivered personally or sent by prepaid first-class post or other next working day delivery service, or by commercial courier, fax or e-mail.
- (b) A notice or other communication shall be deemed to have been received: if delivered personally, when left at the address referred to in clause 17.2(a); if sent by pre-paid first class post or other next working day delivery service, at 9.00 am on the second Business Day after posting; if delivered by commercial courier, on the date and at the time that the courier's delivery receipt is signed; or, if sent by fax or e-mail, one Business Day after transmission.
- (c) The provisions of this clause shall not apply to the service of any proceedings or other documents in any legal action

17.3 Severance.

- (a) If any provision or part-provision of the Contract is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause shall not affect the validity and enforceability of the rest of the Contract.
- (b) If one party gives notice to the other of the possibility that any provision or part-provision of this Contract is invalid, illegal or unenforceable, the parties shall negotiate in good faith to amend such provision so that, as amended, it is legal, valid and enforceable, and, to the greatest extent possible, achieves the intended commercial result of the original provision.

17.4 Waiver.

- (a) A waiver of any right under the Contract or law is only effective if it is in writing and shall not be deemed to be a waiver of any subsequent breach or default. No failure or delay by a party in exercising any right or remedy under the Contract or by law shall constitute a waiver of that or any other right or remedy, nor prevent or restrict its further exercise of that or any other right or remedy. No single or partial exercise of such right or remedy shall prevent or restrict the further exercise of that or any other right or remedy.

17.5 No partnership or agency.

- (a) Nothing in the Contract is intended to, or shall be deemed to, establish any partnership or joint venture between any of the parties, nor constitute either party the agent of another party for any purpose. Neither party shall have authority to act as agent for, or to bind, the other party in any way.

17.6 Third parties.

- (a) A person who is not a party to the Contract shall not have any rights to enforce its terms.

17.7 Variation.

- (a) Except as set out in these Conditions, no variation of the Contract, including the introduction of any additional terms and conditions shall be effective unless it is agreed in writing and signed by the Supplier.

17.8 Governing law.

- (a) This agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.

17.9 Jurisdiction

- (a) Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this Contract or its subject matter or formation (including non-contractual disputes or claims).