



Conditions of Sub-Contracting – Relating to Services

1. Definitions

In these Conditions, the following definitions apply:

Company means Beck & Pollitzer Engineering Limited (registered no 02874076);

Conditions means these terms and conditions of sub-contracting;

Default means any breach of the obligations of the Company under the Sub-Contract or any other default, act, omission, negligence or statement of the Company, its employees, servants, agents or sub-contractors in connection with or in relation to the subject-matter of the Sub-Contract and in respect of which the Company is liable to the Sub-Contractor;

End Customer means the Company's customer to which the Sub-Contract relates;

Good Industry Practice means the exercise of that degree of skill, care and consideration, prudence, efficiency, foresight and timeliness as would be expected from a leading supplier of services of the same or a similar nature to the Services;

Invoice Date(s) has the meaning given in the Order;

IPR Claim means any claim that the receipt of the Services, infringes the intellectual property rights of any third party;

Law means any: (1) law, statute, bye law, regulation, order, regulatory policy (including any requirement or notice of any regulatory body), guidance or industry code of practice, rule of court or directive, delegated or subordinate legislation in force from time to time, in each case as applicable to the Services; and (2) relevant legislation and regulations required by the Company or the End Customer;

Losses means any damages, liabilities, claims, demands, proceedings, actions, costs, charges, losses and/or expenses including legal fees and other professional costs;

Order means the Customer's order for Services;

Payment Terms has the meaning given in the Order;

Programme of Work has the meaning given in the Order;

Scope of Work has the meaning given in the Order;

Services means the services described in the Sub-Contract (including the output of those Services) and including drawings, plans, diagrams, designs, pictures, reports and software;

Site means the location(s) to which the goods and or services are to be supplied, as set out in the Order;

Specification means the agreement for the supply of Services, as referred to in Clause 2 below, comprising these Conditions, the Order and any additional terms agreed in writing between the Company and the Sub-Contractor;

Sub-Contractor means the person to whom the Order is addressed, unless otherwise stated in the Sub-Contract;

Sub-Contractor Personnel means all employees, staff, officers, Sub-Sub Contractors, other workers, agents and consultants, of the Sub-Contractor who are engaged in the provision of the Services, from time to time; and

Warranty Period means the longer of:

- a) 12 months from the date of the Company's full performance of the Services;
- b) the reasonable useful shelf life of the Services;
- c) any period implied by law.

2. Basis of Sub-Contract

- 2.1 Each Order constitutes an offer by the Company to purchase Services from the Sub-Contractor on and subject to these Conditions.
- 2.2 Each Order will be deemed to be accepted by the Sub-Contractor upon any act by the Sub-Contractor consistent with fulfilling the Order, at which point and on which date the contract between the Company and the Sub-Contractor for the supply of Services in accordance with the relevant Order and these Conditions will come into existence (**Sub-Contract**).
- 2.3 The terms and conditions of the Sub-Contract will apply to the exclusion of any other terms and conditions the Sub-Contractor seeks to impose or incorporate, or which are, or may be, implied by trade, custom, practice or course of dealing.
- 2.4 No variation of the Sub-Contract will be effective unless made in writing by duly authorised representatives of both parties, being a Director in the case of the Company.
- 2.5 If these Conditions are inconsistent with any part of the remainder of the Sub-Contract, these Conditions will prevail unless the term to be overridden is specifically identified in written form.

3. Supply of Services

- 3.1 The Sub-Contractor will perform the Services and its other obligations under the Sub-Contract to the satisfaction of the Company and in accordance with: the Scope of Work, the requirements of the Company's contract with the End Customer; Law and Good Industry Practice; and using appropriately qualified and trained Sub-Contractor Personnel.
- 3.2 The Sub-Contractor will provide as part of the Services any and all associated services and activities that are not specifically referred to in the Sub-Contract but which are required for the proper and efficient provision of the Services and will comply with all reasonable instructions of the Company and the applicable End Customer, from time to time.
- 3.3 The Sub-Contractor warrants and represents to the Company that at the time of delivery of the Services, the Sub-Contractor possesses good and transferable title to the Services.
- 3.4 In addition to the terms and duties implied by law, the Sub-Contractor warrants to the Company that throughout the Warranty Period the Services:
 - 3.4.1 are free from defects in design, material and workmanship;
 - 3.4.2 correspond with their description and any applicable Specification;
 - 3.4.3 are suitable for any purpose expressly or by implication made known to the Sub-Contractor; and
 - 3.4.4 comply with all relevant statutory requirements and regulations.
- 3.5 Whilst on the Site the Sub-Contractor (including the Sub-Contractor's and any subcontractor's employees, agents and subcontractors employed or engaged in the performance of the Sub-Contract) will comply with all Site rules and policies of the Company and all relevant health, safety and environmental requirements and industry standards.
- 3.6 If the carriage of goods by road is to be undertaken by the Sub-Contractor in connection with the Services, such carriage will be subject to: (1) the Road Haulage Association Limited's then current Conditions of Carriage; or (2) the Convention on the Contract for the International Carriage of Goods by Road (CMR), as applicable.

4. Delivery of Services

- 4.1 The Services will be performed at, the Site, on the date or within the period stated in the Programme of Work, and time of delivery will be of the essence.
- 4.2 The Company may amend the Order by written notice to the Sub-Contractor at any time prior to full performance of the Services. The Sub-Contractor will comply with all amendments to the Order made in accordance with this Clause 4.1.
- 4.3 The Sub-Contractor will notify the Company immediately should the Sub-Contractor become aware of any circumstances, that will or may have an adverse impact on the Sub-Contractor's ability to perform the Services, in accordance with the Sub-Contract.
- 4.4 The Company will not be required to accept performance of Services in instalments, unless otherwise agreed in writing. If the Services are to be performed in instalments, each instalment will together be deemed to comprise one single agreement and the Sub-Contract will not be severable in respect of each such instalment.
- 4.5 The Sub-Contractor will ensure that, at all times, it has and maintains all licences, permissions, authorisations, consents and permits necessary for it to perform its obligations under the Sub-Contract and for the Sub-Contractor to provide the Services to the Company.
- 4.6 The Sub-Contractor will inform the Company of all licences, permissions, authorisations, consents and permits necessary for it to receive the Services from the Sub-Contractor.

5. Materials and equipment

The Sub-Contractor will take full responsibility for all materials and equipment furnished by the Company or the Sub-Contractor in connection with the Sub-Contract and, at its own expense, will make good all loss of or damage to such materials and equipment. It will be the Sub-Contractor's responsibility to insure such equipment against all risk of loss or damage.

6. Sub-Contractor Personnel

- 6.1 The Sub-Contractor will (and will procure that each sub-contractor of the Sub-Contractor will) vet each member of Sub-Contractor Personnel and verify and ensure before any member of the Sub-Contractor Personnel commences or undertakes any work in relation to the Services that such person has:
- 6.1.1 no criminal record in respect of crimes which are, reasonably considered, relevant to the provision of the Services or the industry in which the Company operates, except where such criminal record has been notified in writing to the Company (which the Company will treat as Confidential Information of the Sub-Contractor) and the Company has given its prior written consent to such person commencing work on the Services;
 - 6.1.2 provided proof of his or her identity and right to work for or on behalf of, the Sub-Contractor (if necessary); and
 - 6.1.3 the appropriate qualifications and registrations which are required for the individual to carry out his or her role.
- 6.2 The Company has the right to require that the Sub-Contractor removes or procures the removal from a Site, any Sub-Contractor Personnel who the Company or the End Customer deems incompetent, careless or otherwise objectionable. The Sub-Contractor will comply promptly with any removal requirement issued by the Company or the End-Customer. Following the removal of any of the Sub-Contractor Personnel, the Sub-Contractor will ensure such person is replaced promptly with another person with the necessary training, experience and skills to perform the Services in accordance with the Sub-Contract and will ensure that a full and effective knowledge transfer process is in place and fully adhered to for the transfer of any relevant knowledge from the replaced Sub-Contractor Personnel to the replacement Sub-Contractor Personnel.

7. Risk and title

Risk in and title to the Services will pass to the Company upon delivery of the Services in accordance with these Conditions. The passing of risk and title will not prejudice any rights of the Company.

8. Price and payment

- 8.1 The price of the Services will be as stated in the Order. Where the price of the Services is to be calculated on a time and materials basis (**Day Works Basis**) this will be set out in the Order.
- 8.2 No increase in the price may be made unless agreed by the Company and the Sub-Contractor in writing. Prices will be invoiced in UK sterling unless agreed otherwise in the Sub-Contract.
- 8.3 The price of the Services will be inclusive of all charges for labour, packing, shipping, delivery and all other costs and duties but exclusive of value added tax, unless otherwise stated in the Sub-Contract.
- 8.4 If the price of the Services is calculated on a Day Work Basis, the Sub-Contractor will at the request of the Company, provide complete and accurate weekly time sheets authorised by a representative of the Sub-Contractor.
- 8.5 The Sub-Contractor undertakes to pay in full to the relevant authorities all business taxes, income taxes, national insurance contributions and any other taxes that may arise from the performance of the Services.
- 8.6 The Sub-Contractor may invoice the Company at any time on or after completion of the Services in accordance with the Sub-Contract, unless the Company and the Sub-Contractor have agreed specific Invoice Date(s), in which case the Sub-Contractor may invoice the Company for the Services at any time on or after the applicable Invoice Date(s).
- 8.7 Invoices must state an Order or Sub-Contract number for reference (if any), the correct title of the Company, purchase order number, include complete and accurate time sheets for the relevant period authorised by a representative of the Sub-Contractor if the invoice relates to the calculation of the price on a Day Work Basis, and be sent to Beck & Pollitzer Engineering Limited, Burnham Road, Dartford, Kent DA1 5BD or such other address(es) notified to the Sub-Contractor by the Company from time to time.
- 8.8 Invoices will be paid 60 days from the later of:
- 8.8.1 the date the invoice is received by the Company; and
 - 8.8.2 the date the Services are supplied to the full satisfaction of the Company; and
 - 8.8.3 the date the Sub-Contractor fully complies with the Contract (and the Company reserves the right to withhold payment to the extent the Contract is not complied with by the Supplier), unless the Company and the Sub-Contractor have agreed specific Payment Terms, in which the Company will pay invoices in accordance with the Payment Terms.

- 8.9 If the Company fails to pay any amount properly due and payable by it under the Sub-Contract, the Sub-Contractor will have the right to charge interest on the overdue amount at the rate of two per cent (2%) per annum above the base rate for the time being of RBS plc from the due date up to the date of actual payment, whether before or after judgment. This Clause will not apply to payments or amounts that the Company disputes in good faith.

9. Liability

- 9.1 If any Services are not supplied or do not comply with the terms of the Sub-Contract, the Company will (without prejudice to any of its other rights or remedies) be entitled to exercise, any one or more of the following rights (whether or not it has accepted any Services):
- 9.1.1 to require the Sub-Contractor to: (a) repair or replace the Services, at the Sub-Contractor's cost; or (b) correct or re-perform the Services, at the Sub-Contractor's cost;
 - 9.1.2 refuse to accept any subsequent performance of the Services which the Sub-Contractor attempts to make;
 - 9.1.3 to terminate the Sub-Contract immediately by written notice to the Sub-Contractor upon which the Sub-Contractor will repay any sums paid to it by the Company under the Sub-Contract in respect of the non-compliant Services; and/or
 - 9.1.4 recover from the Sub-Contractor any costs and expenses (whether direct or indirect) incurred by the Company in obtaining substitute services from a third party and/or otherwise making good, repairing, replacing, or reinstating or re-performing the relevant item or items in question and/or in respect of or arising from demurrage, delays, late delivery, non-delivery, incorrect delivery or partial delivery of the Services by the Sub-Contractor.
- 9.2 Nothing in the Sub-Contract will operate to exclude or restrict the Company's or the Sub-Contractor's liability:
- 9.2.1 for death or personal injury caused by its (or its agent's or sub-contractor's) negligence or for fraud or fraudulent misrepresentation;
 - 9.2.2 for any breach of obligations implied section 2 of the Supply of Goods and Services Act 1982;
 - 9.2.3 for the abandonment of the Sub-Contract;
 - 9.2.4 for any other liability that cannot, as a matter of law, be limited or excluded.
- 9.3 Subject to Clause 8.1, the Company's total liability (including costs and expenses) arising under or in connection with the Sub-Contract, whether arising in contract, tort (including negligence) or restitution, or for breach of statutory duty or misrepresentation, for all Defaults (when taken together and not for each and every Default) shall in all circumstances not exceed the amount paid or payable under the Sub-Contract.
- 9.4 Subject to Clause 8.1 above, the Company will not be liable to the Sub-Contractor for any indirect, special or consequential loss or for (whether direct or indirect) any loss of profits, loss of revenue, damage to reputation, loss of anticipated savings or loss of goodwill.
- 9.5 These Conditions will extend to any substituted or remedial services supplied by the Sub-Contractor.

10. Indemnity

- 10.1 The Sub-Contractor will at all times during and after the term of the Sub-Contract, on written demand, indemnify the Company in full against all Losses incurred by, awarded against or agreed to be paid by the Company arising from out of, or in connection with:
- 10.1.1 any breach by the Sub-Contractor of the Sub-Contract and/or any act, omission or negligence of the Sub-Contractor, its employees, agents or subcontractor and/or any defects in the Services;
 - 10.1.2 an IPR Claim;
 - 10.1.3 any and all taxes and national insurance contributions which the Company may ever be required to pay for or on behalf of the Sub-Contractor for whatever reason or amount; and/or
 - 10.1.4 any claim made against the Company by a third party for death, personal injury or damage to property arising out of or in connection with defective Services.

11. Insurance

- 11.1 The Sub-Contractor will obtain and maintain an adequate level of insurance in respect of its potential liability arising under or in connection with the Sub-Contract (including pursuant to Clause **Error! Reference source not found.**) with a reputable insurance provider, which will include public liability insurance of not less than £1,000,000 in aggregate per year.

12. Specification

- 12.1 Where the Company directs the Sub-Contractor to produce, develop or follow specific or bespoke instructions in the Specifications to provide the Services, all intellectual property rights in and to the Services will be the exclusive property of the Company.

12.2 The Sub-Contractor assigns (including, where relevant, by way of present assignment of future rights) with full title guarantee and free of all third-party rights, all intellectual property rights in and to the Works. The Sub-Contractor hereby waives all moral rights in any such Works.

13. Confidentiality

- 13.1 Each party to the Sub-Contract undertakes that it will not at any time either during the Sub-Contract or after its termination disclose to any person any confidential information concerning the business affairs, customers, clients, suppliers or product formulations and processes of the other party (**Confidential Information**) (or any members of its group) save:
- 13.1.1 to its employees, officers or contractors who need to know such information for the purposes of carrying out the party's obligations under the Sub-Contract; or
 - 13.1.2 as may be required by law, court order or any legal or regulatory authority.

14. Termination

- 14.1 The Company may terminate the Sub-Contract by written notice to the Sub-Contractor at any time prior to the commencement of performance of the Services.
- 14.2 The Company may immediately terminate the Sub-Contract at any time if: (i) the Sub-Contractor is in breach of any of its material obligations under the Sub-Contract; (ii) the Sub-Contractor becomes insolvent, is unable to pay its debts, ceases to trade or has an administrator appointed or has a receiver appointed over the whole or any part of its assets or enters into any arrangements with its creditors for the rescheduling of its debts or a petition is filed or a resolution is passed for winding up, or there is the occurrence of any event in respect of the Sub-Contractor that is analogous to any of the preceding events, in any jurisdiction.
- 14.3 The provisions that relate to termination or cancellation will apply to a termination or cancellation of all or any part of the Sub-Contract or Order.
- 14.4 Upon termination of the Sub-Contract:
- 14.4.1 the Sub-Contractor will immediately return all Specifications supplied by the Company pursuant to Clause **Error! Reference source not found.** and any other information or materials which belong to or were supplied by the Company, including any Confidential Information of the Company;
 - 14.4.2 Clauses **Error! Reference source not found.** and **Error! Reference source not found.** of these Conditions and any other Clauses which expressly or by implication have effect after termination or cancellation, will continue in full force and effect; and
 - 14.4.3 the accrued rights, remedies, obligations and liabilities of the parties as at termination or cancellation, shall not be affected, including the right to claim damages in respect of any breach of the Sub-Contract which existed at or before the date of termination or cancellation.

15. Liquidated damages

- 15.1 The Company may exercise the right to charge the Supplier with liquidated damages without prejudice to any of the Company's other statutory or Contractual rights or remedies.
- 15.2 In the event of Supplier's delay in meeting the date of the delivery of Goods or the date of the performance of the Services the Supplier shall pay to the Company liquidated damages amounting to 1% of the gross amount paid or payable under the Contract for each commenced day of delay, which the Supplier accepts to be a genuine pre-estimate of the Company's loss.
- 15.3 In the event of termination of the Contract for the reasons attributable to the Supplier, the Supplier shall pay the Company liquidated damages amounting to 20% of the gross amount paid or payable under the Contract, which the Supplier accepts to be a genuine pre-estimate of the Company's loss.

16. Non-solicitation

- 16.1 The Sub-Contractor will not employ nor seek to employ employees or self-employed workers of the Company, but if any such employee or self-employed worker accepts employment with the Sub-Contractor, directly or indirectly and whether under a contract of service or contract for services or otherwise, during the period of the Sub-Contract or within 6 months thereafter, the Sub-Contractor will pay to the Company an amount equal to 40% of the employee's or self-employed worker's gross annual remuneration in recognition of the disruption that such employment would cause to the efficient conduct of the Company's business.

17. General

- 17.1 The Sub-Contractor will not assign, transfer, charge, hold on trust for another or deal in any other manner with any of its rights or obligations under the Sub-Contract, nor purport to do so, nor sub-contract any or all of its obligations under the Sub-Contract, without the prior written consent of the Company.
- 17.2 The Sub-Contractor will be responsible for all acts and omissions of its sub-contractors and the acts and omissions of those employed or engaged by the sub-contractors as if such acts and omissions were its own. All obligations on the Sub-Contractor to do, or to refrain from doing, any act or thing will include an obligation upon the Sub-Contractor to procure that its employees, staff, agents and sub-contractors also do, or refrain from doing such act or thing. The Sub-Contractor will be responsible for payments to the sub-contractor and for any and all taxes, expenses, costs and liabilities arising as a result of any sub-contract.
- 17.3 The Company may, at any time and without limiting any of its other rights or remedies, set off any liability of the Sub-Contractor to the Company against any liability of the Company to the Sub-Contractor, whether either liability is present or future, liquidated or unliquidated, and whether or not either liability arises under the Sub-Contract. The Company will inform the Sub-Contractor in writing of any set-off carried out by the Company pursuant to this Clause 17.3.
- 17.4 Any notice to be given will be in writing and will be sent to the Company at its registered office address in relation to the Sub-Contract.
- 17.5 Any failure to exercise or delay by a party in exercising a right or remedy arising in connection with the Sub-Contract will not constitute a waiver of such right or remedy or of any other rights or remedies.
- 17.6 Any modification to or deletion of a provision or part-provision under the Sub-Contract due to it being invalid, illegal or unenforceable will not affect the validity and enforceability of the rest of the Sub-Contract.
- 17.7 The Sub-Contractor will comply with all policies and procedures of the Company notified by the Company to the Sub-Contractor from time to time, including the Company's Anti Bribery & Corruption and Anti-Slavery and Human Trafficking policies. The Company's policies are available on request and on the Company's website (www.beck-pollitzer.com).
- 17.8 These terms and conditions, together with those set out in the Sub-Contract, constitute the entire agreement and supersede all previous agreements between the parties in respect of the subject matter of the Sub-Contract.
- 17.9 The Sub-Contractor will, promptly at the Company's request, do (or procure to be done) all such further acts and things and the execution of all such other documents as the Company may from time to time require for the purpose of securing for the Company the full benefit of the Sub-Contract.
- 17.10 A person who is not a party to this agreement will not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Sub-Contract.
- 17.11 These terms and conditions and each Sub-Contract will be governed by and construed in accordance with the laws of England and Wales and the parties irrevocably submit to the exclusive jurisdiction of England and Wales.

VERSION OCT 2017