

WALKER CONSTRUCTION (UK) LTD
TERMS AND CONDITIONS OF CONTRACT SUB-CONTRACT ORDERS

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| TERMS & CONDITIONS | 1. | The terms and conditions as hereinafter set out are to apply to all sub-contracts other than those which have been entered into under a formal sub-contract, as and when any of these terms and conditions are at variance with any of the terms and conditions of such formal contract the terms of the formal contract shall apply. |
| | 1A. | Acceptance of Walker Construction (UK) Ltd's order for the work implies acceptance of these terms and conditions |
| | 1B. | Walker Construction (UK) Ltd. shall hereafter be named as the Contractor under the terms of these Conditions |
| GENERAL CONDITIONS | 2. | Every sub-contract shall be bound by the General Conditions, Specifications and Drawings applicable to the Main Contract (if any) which may be inspected on request. No allowance shall be made for alleged inadequate descriptions continued in enquiries. |
| | 2A. | These conditions cancel and over-ride any conditions detailed specified or implied on your quotation. |
| | 2B. | The Sub-Contractor must satisfy himself as to all matters relating to the site including conditions and access and no claim will be allowed through the sub-contractor's negligence in respect of this Clause. |
| NOTICE OF COMMENCEMENT | 3. | The Sub-Contractor shall commence the Sub-Contract work seven days after the receipt by him of the official order or such other date as shall be agreed and shall proceed with the same due expedition. The Sub-Contractor shall complete the Sub-Contract works and each section thereof as set out on the order. If the sub-contractor fails to complete the sub-contract works or any section thereof within the period specified or any extended as hereinafter provided, he will pay to the contractors any loss or damage suffered or incurred by the Contractors and caused by failure of the Sub-Contractor as aforesaid, of which loss and damage the Contractors shall be the earliest opportunity give reasonable notice to the Sub-Contractor that the same is being or has been suffered or incurred. |
| REJECTION OF WORK | 4. | Work done by the Sub-Contractor which is not to specification or otherwise does not comply with the requirements of the Contractors and/or their clients may be rejected wholly or in part at any time prior to the whole Contractor's client. If any such rejection occurs the Contractors shall have the right at any time to cancel the Sub-Contract and to give instructions elsewhere. Any loss resulting or extra expense incurred by the Contractors as a result of any such cancellation shall be charged to the Sub-Contractor whose work has been rejected. No payment shall be made for rejected work or for any rejected materials used in connection therewith and the Contractors shall be entitled to recover any payment already made either for such rejected work or materials. |
| REJECTION OF MATERIALS | 5. | The Contractors shall have the right at any time to reject any materials which do not conform to the Specification. |
| INSPECTION | 6. | Inspection by any Representative of the Contractors and/or their clients shall not relieve the Sub-Contractor of responsibility. |
| ADDITIONAL RESPONSIBILITIES | 7. | In addition to all usual responsibilities attaching to the Sub-Contract the Sub-Contractor shall also: (a) Provide all labour, plant, materials, scaffolding, ladders, tools, tackle, water and all other essentials deemed to be necessary for his work, for the contractors and/or client including, if necessary, accommodation for the Sub-Contractors workmen all as detailed in the Sub-Contract order. (b) Protect his work against damage by inclement weather, and satisfactorily rectify any damage which may nevertheless result. |
| USE OF CONTRACTOR'S PLANT | 8. | In event of any plant, materials, scaffolding, ladders, tools, tackle, water or other gear being supplied by the Contractors for the use of any Sub-Contractor, the latter shall satisfy himself that they are fit and proper for his purpose, including the manner or any necessary erection, and shall be solely responsible for any damage, loss or accident which may result or arise from the use thereof either by himself or by anyone in his employment or authorised by him making use of the same and shall indemnify the Contractors against the same. |
| INSURANCE OF TRANSPORT | 9. | All vehicles haulage or transport appliances of any description belonging to or employed by the Sub-Contractor for haulage, transport or similar work and when issued payment shall be fully and properly insured as required by Law. The Sub-Contractor shall indemnify the Contractors against all liability occurring as a result of his operations and arising directly or indirectly out of the Contractor's written order. |
| RENDERING OF INVOICES | 10. | Every Sub-Contractor shall render his invoices to the Contractors promptly and shall show upon each the Contractors sub-contract and reference number. |
| PAYMENT FOR WORK DONE | 11. | Valid accounts for payment for work done, including interim payments in respect of work in progress, will be made by the Contractor to the sub-contractor as detailed on our order, less any valid deductions which shall be notified in writing. |
| ASSIGNMENT | 12. | The Sub-Contractor shall not assign or sub-let any Sub-Contract given by the Contractors, or part thereof without the express permission of the Contractors previously given in writing. |
| DETERMINATION OF MAIN CONTRACT | 13. | If for any reason the Contractor's employment under the Main Contract is determined (whether by the Contractors or by the Employer) or whether due to any default of the Contractors or otherwise, the contractors shall then have a right to cancel any sub-contract immediately by written notice given to the Sub-Contractor. On such cancellation the Sub-Contractor shall be entitled to payment as provided by the terms of the Main Contract. No allowances, however, shall be made on account of loss of profit on the uncompleted portion of any Sub-Contract. |
| CANCELLATION OR ABANDONMENT OF SUB-CONTRACT | 14. | In event of any Sub-Contract being cancelled or abandoned before completion the work done for which the Sub-Contractor shall be entitled to claim payment will be the amount ascertained by measurement carried out at that time by the Contractors: and the Sub-Contractor or anyone deriving interest from him shall be held as accepting such measurement unless objection thereto is made to the Contractor in writing within one month from the date when such measurement is intimated either to the Sub-Contractor or anyone deriving interest from him. |
| SUB-CONTRACTORS DEFAULT | 15. | If the Sub-Contractor shall make default in any of the following aspects: (a) (i) Suspension – If without reasonable cause he wholly suspends the Sub-Contract work before completion. (ii) Failure to proceed – if he fails to proceed with the Sub-Contract work with reasonable diligence. (iii) Defective work – if he refuses or persistently neglects after notice in writing from the Contractors to remove defective work or improper material. Then if such default shall continue for 10 days after notice by registered post/recorded delivery, specifying the default, has been given to him by the Contractors, the Contractors may without prejudice to any other rights or remedies thereupon by notice by registered post/recorded delivery determine the employment of the Sub-Contractor under this Sub-Contract, provided that notice in pursuance of this clause shall not be given unreasonably or vexatiously and shall be void if the Contractors are at the time of the notice in breach of this Sub-Contract, or, (b) if the Sub-Contractor commits an act of bankruptcy or makes or enters into any deed of arrangement or composition with his creditors or being a Company enters into liquidation whether compulsory or voluntary except liquidation for purposes of reconstruction or suffers or allows any execution whether legal or equitable to be levied on his property or obtained against him then the Contractors may, without prejudice to any other rights or remedies by notice forthwith determine the employment of the Sub-Contractor under this Sub-Contract. In case of the employment of the Sub-Contractor under this Sub-Contract being determined under (a) or (b) of this clause, then the contractors will only be liable for the amount of work as set out in Clause 15 hereof, and the |
| BANKRUPTCY OR DEED OF ARRANGEMENT | | |

Contractors shall have the right to recover or deduct from or set off against any such amount, the amount of damage suffered and/or of loss and expenses incurred by them.

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| ACCESS TO SUB-CONTRACTOR'S BOOKS | 16. | In the event of any question arising as to charges made by the Sub-Contractor he will grant facilities enabling the Contractors and/or their clients to have access to the Sub-Contractors, Books for the purpose of examining the cost (including overheads) incurred by the Sub-Contractor and should any portion of the work under the Sub-Contract be carried out by any subsidiary or allied firm or company, secure the same facilities respecting access and examination of the books of such subsidiary or allied firm or company. |
| MAINTENANCE PERIOD | 17. | The Sub-Contractor, will, at his own expense maintain all work under the Sub-Contract and made good any defects arising during the maintenance period provided for under the Main Contract to the satisfaction of the Contractor and/or their clients. |
| OWNERSHIP OF MATERIALS | 18. | The ownership of all material placed on the site of any Main Contract by the Sub-Contractor shall be governed by the Terms and Conditions of the Main Contract. |
| ASSIGNMENT OF MONIES | 19. | The Contractors shall not be bound by any Assignment by the Sub-Contractor in favour of any Third Party of any monies or other interests due by the Contractors to the Sub-Contractors at any time and shall be entitled to refuse to accept any intimation of such Assignment. |
| ADJUDICATION | 20. | Should any dispute or difference arise under the contract either party may refer it to adjudication by serving on the other party or parties to contract a Notice of Adjudication. The Notice of Adjudication shall set out briefly the matters in dispute and the remedies sought. The adjudication shall be conducted in accordance with the ICE <i>Adjudication Procedure (1997)</i> or any amendment or modification thereof in force at the time of the issue of the Notice of Adjudication. The nominating body shall be the ICE |
| INDEMNITY | 21. | The Sub-Contractor will indemnify the Contractors against all expenses arising out of any dispute with the Contractor's clients or any other persons in relation to the Sub-Contract and will also indemnify the Contractors against all claims in respect of loss, injury or damage to any persons or thing (including employees or property of the Contractors) arising directly or indirectly out of the Sub-Contract work. |
| SIGNATURE OF SUB-CONTRACT | 22. | No Sub-Contract or any alteration or modification thereof made by the Contractors shall be regarded as authentic unless in writing and signed on their behalf by a Director or Agent or his nominee. |
| ORDERS | 23. | Verbal orders will not be recognised and Sub-Contractors in their own interest should obtain written instructions in the form of an official order. |
| SAFETY REGULATIONS | 24. | The Sub-Contractor at all times required to comply with statutory requirements of the Factories Act and all Building (safety, health and welfare) regulations and the Health and Safety Act and to provide reasonable access by our accredited representative to all Registers, Certificates and reports called for under these Acts and Regulations. |
| FINANCE ACT 1971 | 25. | To comply with the provisions of the Act it will be necessary for the Sub-Contractor to produce to the contractors before payment is due, evidence that the Sub-Contractor is an exempted Company as defined by the Act. Failure to provide this will render any payment against the order subject to Tax deduction. |
| DAYWORK | 26. | Daywork charges will only be considered when the Sub-Contractors claim sheets have been properly submitted to the Contractors within 7 days of the date and signed by the Contractors authorised representative as being a correct record, such signature not necessary entitling the Sub-Contractor to payment as Daywork. |
| ELECTRICITY AND WATER SUPPLIES | 27. | The Sub-Contractor will be allowed free use of the Contractor's temporary water supplies, however, any hose-pipes and other temporary piping and containers for the Sub-Contractors specific use are to be provided by the Sub-Contractor who shall take all reasonable precautions against waste. |
| RETENTION | 28. | The Contractor will hold 5% of the total of each payment as retention until completion of the work to the client's satisfaction the retention will then be reduced to 2.5% this is to be held for a period of 12 months from completion of the Main Contract unless specially detailed otherwise on the order. |
| UNLOADING | 29. | The Sub-Contractor is responsible for acceptance, unloading, checking, placing into position, storage, safe custody loss, damage or theft or any other such matters arising in connection with his materials or plant unless specifically agreed to the contrary by the Contractors. Any unloading etc... of the Sub-Contractor's materials or plant carried out by the contractors at the request of the Sub-Contractor shall be done without liability and the Sub-Contractor shall pay the Contractors reasonable charges for such services. |
| INSURANCE | 30. | The Sub-Contractor (including 'labour only' Sub-Contractors) shall hold in force a fully paid Employers, Public Liability and Contractors' All Risks insurance for their part of the contract works, equivalent in value to the insurance requirements of the main contract. Acceptance of the other implies confirmation this clause will be complied with. |
| TAX DEDUCTION SCHEME | 31. | The Sub-Contractor shall fully indemnify the Contractor against any cost, loss or expense arising from the Sub-Contractor's failure to comply with the provisions of the Income Tax (Sub-Contractors in the Construction Industry) Regulations or with any related procedures established from time to time by the Inland Revenue, or from his failure to notify the Contractor of any change in circumstances or status under these provisions. |
| PERSONAL PROTECTIVE EQUIPMENT | 32. | Sub-Contractors must provide all their employees with appropriate PPE which must be worn in accordance with the site rules. If necessary, Walker Construction (UK) Ltd will supply appropriate PPE and deduct the cost of doing so from the value of the sub-contract order. |
| RAIL WORKS | 33. | All Sub-Contractors who accept orders for works within the Operational Railway that are safety critical must fully comply with all Railway Group Standards that apply to their works and access and egress from same. |
| PLANT | 34. | Where stated on the order all plant must be supplied by the Sub-Contractor, be fit and suitable for the purpose and invoiced to the Sub-Contractor. Where prior agreement has been made by the contractor's agent, plant may be ordered through our plant department. This plant will be hired from the company of our choice and invoiced to the contractor. The loss of this plant will be deducted from the Sub-Contractors invoice. |
| USE OF COMPANY VEHICLES ANY PLANT | 35. | Any Sub-Contractor or operative employed by them who operates or drives vehicles or plant owned or operated by the contractor shall ensure that they comply with the contractor's company procedure in respect of same. Copies of relevant procedure are available from the Sub-Contract or plant departments. |
| SUB-CONTRACTOR'S DRIVERS CERTIFICATION AND LICENSING REQUIREMENTS | 36. | Sub-Contractors who have reason to operate or drive plant or vehicles, whether owned or hired by Walker Construction (UK) Ltd shall be bound by the following rules. 1) Operators must possess a current operator's certificate relevant to the item of plant being operated. 2) No driver under 26 years of age or has held a full driving licence for 2 years shall be allowed to drive company vehicles. 3) Copies of driver's licences and operators certificates must be passed to Walker Construction's Transport Manager for record purposes and any such licence must be without endorsement. |
| SAFETY, QUALITY & ENVIRONMENTAL PLANS | 37. | All Sub-Contractors shall commit to Walker Construction (UK) Ltd for the safety, quality and environmental plans and have suitable arrangements for similarly making their staff aware of the sections of such plans applicable to their work. |
| AGENCY SERVICES | 38. | In supplying labour services under this order you (the agency) agree that all persons supplied to us (Walker Construction (UK) Ltd) are your "employees" irrespective of their tax status and as such you will be deemed to be the "responsible person" for the submission of any RIDDOR reports related to them or their actions. This agreement does not attempt to alter any rights conferred on the employee by the Agency Workers Regulations. |