

## 1. INTERPRETATION

(1) In these sub-contract conditions of agreement, the following words and phrases shall have the following meanings:-

**"Bribery Act"** means the Bribery Act 2010. **"Employer"** means the Employer pursuant to the Main Contract, details of whom will be communicated to the Sub-Contractor;

**"Stonbury"** means Stonbury Limited (company number: 01721842) whose registered office is at Chawston House, Chawston Lane, Chawston, Bedfordshire, MK44 3BH.

**"Main Contract"** means the main contract entered into between the Employer and Stonbury; **"Order"** means the order issued or to be issued by Stonbury to the Sub-Contractor, instructing the Sub-Contractor to proceed with the Sub-Contract Works;

**"Pre-Tender Enquiry"** means the enquiry issued or to be issued by Stonbury to the Sub-Contractor, requesting the Sub-Contractor to provide Stonbury with a price for carrying out the [design and/or] construction (as appropriate) of the Sub-Contract Works;

**"Statutory Requirements"** means the requirements of any Act of Parliament or any regulation or by-law approval, building regulation consent and any other consents, licences and authorisations required from any local authority or statutory undertaker.

**"Sub-Contract"** means the Sub-Contract concluded or to be concluded between Stonbury and the Sub- Contractor and constituted by the Pre-Tender Enquiry, the Subcontractor Charter completed by the Sub- Contractor, the Order, the Sub-Contractor's acceptance of the Order, the Sub-Contract Conditions and any correspondence exchanged between Stonbury and the Sub-Contractor which are novated to be included in the Sub-Contract;

**"Subcontractor Charter"** means the document issued by Stonbury to the Sub-Contractor which the Subcontractor is required to complete and return to Stonbury;

**"Sub-Contract Conditions"** means these sub-contract conditions; **"Sub-Contract Sum"** means the sum payable to the Sub-Contractor in respect of the design and/or construction of the Sub-Contract Works (as appropriate) in terms of the Sub-Contract;

**"Sub-Contract Works"** means the works to be designed and/or carried out by the Sub-Contractor under the Sub-Contract, details of which are set out in the Sub-Contract;

**"Sub-Contractor"** means the sub-contractor appointed or to be appointed by Stonbury to design and/or carry out the Sub-Contract Works (as appropriate), details of whom are set out in the Sub-Contract;

**"Works"** means the works to be designed and/or carried out by Stonbury in terms of the Main Contract;

(2) A reference to a particular law is a reference to it as it is in force for the time being taking account of any amendment, extension, application or re-enactment and includes any subordinate legislation for the time being in force made under it.

(3) A reference to one gender includes a reference to the other gender. (4) Condition headings do not affect the interpretation of these conditions.

(5) Defined terms referred to in these Sub-Contract conditions shall be terms as defined herein or in the main Contract as appropriate.

## 2. NOTICE OF AND COMPLIANCE WITH THE PROVISIONS OF THE CONTRACT

(1) The Sub-Contractor has been or shall be afforded a reasonable opportunity to inspect and shall be deemed to have full knowledge of and (subject to sub-condition 2(3)) undertakes to Stonbury to comply with and be bound by the provisions of the Main Contract in so far as the same relate to the Sub-Contract Works and as if the Main Contract had been incorporated into Sub-Contract Conditions. The Sub-Contractor shall free, relieve and indemnify Stonbury against and from any breach, non-observance or non-performance by Stonbury of any of the provisions of the Main Contract which involve Stonbury in any liability to the Employer under the Main Contract which are caused or result from any breach, non-observance or non-performance by the Sub-Contractor of the Sub-Contract Conditions.

(2) Without prejudice to the generality of sub-condition 2(1), the Sub-Contractor undertakes to perform his duties and comply with his obligations under the Sub-Contract in such a manner and at such time so that no act, neglect, default or omission on the part of the Sub-Contractor shall constitute, cause or contribute to any breach by Stonbury of their duties under the Main Contract. The Sub-Contractor further acknowledges that any breach by it of the Sub-Contract Conditions may result in Stonbury breaching the terms of the Main Contract and/or any other sub-contract entered into by Stonbury in respect of the Works.

(3) For the avoidance of doubt, the Sub-Contract Conditions and the Main Contract shall govern the Sub-Contract to the exclusion of any conditions proposed or that may be proposed by the Sub-Contractor. In the event of a conflict between the Main Contract and the Sub-Contract Conditions, the terms of Sub-Contract Conditions shall take precedence. Nothing contained in any contract drawings and/or specification or other similar technical documents pursuant to the Main Contract shall override, modify or affect in any way the application, effect or interpretation of the Sub-Contract Conditions.

(4) The Sub-Contractor is deemed to have understood the nature and extent of the Works and Sub-Contract Works, have been afforded the opportunity to visit the relevant site and shall make no claim founded on his failure to do so. Access to and possession of the relevant site shall not be exclusive to the Sub-Contractor but only such as shall enable him to carry out the Sub-Contract Works concurrently with the execution of works by others.

(5) The Sub-Contractor shall complete and return to Stonbury [with the Pre-Tender Enquiry if not provided sooner] the Subcontractor Charter. The Sub-Contractor warrants to Stonbury that the information contained in the Subcontractor Charter is complete, up to date and accurate in all material respects and that the Sub-Contractor will notify Stonbury promptly in writing if any of the information contained in the Subcontractor Charter ceases to be correct.

## 3. WORKMANSHIP/MATERIALS

(1) The Sub-Contract Works shall be carried out by the Sub-Contractor in a good and workmanlike manner and completed subject to and in strict accordance with the terms of the Main Contract and Sub-Contract and in all respects to the reasonable satisfaction of Stonbury and in accordance with any reasonable instructions relating thereto that may be issued by Stonbury from time to time. The Sub-Contractor warrants that the Sub-Contract Works will comply with the standards and specification set out in the Main Contract and Sub-Contract. All materials and goods shall be of the appropriate kinds and standards described in the Main Contract and Sub-Contract.

(2) No approval, comment or observation whether express or implied, by Stonbury shall in any way relieve the Sub-Contractor of any obligation imposed by and/or any responsibility to comply with the requirements of the Sub-Contract. In discharging its obligations under the Sub-Contract, the Sub-Contractor shall observe and comply in all respects with all Statutory Requirements.

(3) Where it is a requirement of the Main Contract that the property and any plant, materials or goods forming part of the Works is to vest in the Employer then, insofar as such plant, materials or goods are to be provided by the Sub-Contractor in connection with the Sub-Contract Works, the Sub-Contractor shall procure that the property therein shall pass to Stonbury immediately before it is due to vest in the Employer in pursuance of the Main Contract but the Sub-Contractor shall remain liable for any damage to or loss of such plant, materials or goods until the risk in such plant, materials or goods passes to the Employer.

(4) The Sub-Contractor shall co-ordinate the Sub-Contract Works with those being carried out by Stonbury and/or other sub-contractors engaged or to be engaged by Stonbury in connection with the Works so that the Sub-Contract Works are executed with due regard to the other works taking place and in a manner that ensures satisfactory construction, performance and progress of Sub-Contract Works.

(5) When requested by Stonbury, the Sub-Contractor shall prepare and submit to Stonbury a detailed programme for the design (where, in terms of the Sub-Contract, the Sub-Contractor is responsible for design) and for the carrying out and completion of the Sub-Contract Works and the Sub-Contractor acknowledges that any such detailed programme may be used by Stonbury when preparing any programme for the commencement and completion of the Works.

## 4. COMMENCEMENT AND COMPLETION

- (1) (i) The Sub-Contractor shall commence the Sub-Contract Works when instructed by Stonbury.
- (ii) The Sub-Contract Works shall be carried out regularly and diligently and in such order, manner and time as Stonbury may reasonably direct and in such a manner as to avoid hindrance to the progress of others including (without limitation) Stonbury or any other sub-contractors appointed or to be appointed by Stonbury relative to the Works.
- (iii) Subject to sub-condition 4(2), the Sub-Contractor shall complete the Sub-Contract Works by a completion date to be advised by Stonbury. If the Sub-Contractor is in breach of the foregoing he shall without prejudice to and pending the final ascertainment or agreement between the parties as to the amount of loss or damage suffered or which may be suffered by Stonbury as a consequence thereof, forthwith pay or allow Stonbury such sums as Stonbury shall bona fide estimate of the sums of the amount of such loss or damage.
- (2) The Sub-Contractor shall not be entitled to any extension of time for completion of the Sub-Contract Works except where the Sub-Contract Works have been delayed by causes which result in an extension of time under the Main Contract.
- (3) Any extension of time for completion of the Sub-Contract Works granted or to be granted to the Sub-Contractor pursuant to sub-condition 4(2) shall not exceed the period (or part of a period if appropriate) awarded or to be awarded under the Main Contract in respect of those part or parts of the Works corresponding to the Sub-Contract Works.
- (4) Where the regular progress of the Sub-Contract Works or part thereof has been materially affected as provided for in sub-condition 4(2), (subject to sub-condition 4(4)) the direct loss and/or expense incurred by the Sub-Contractor as a consequence thereof shall be added to the Sub-Contract Sum to the extent that the delay to the Sub-Contract Works has been caused by reason of:-
- (i) any event which is a ground for a claim for delay/disruption under the Main Contract save to the extent that such an event is attributable to any act, neglect or default on the part of the Sub-Contractor or any person for whom the Sub-Contractor is responsible; and/or
- (ii) any act, neglect or default of Stonbury with any person (other than the Sub-Contractor) for whom Stonbury is responsible and to the extent that the Sub-Contractor would not have sustained the relevant loss and/or expense had such act, neglect or default on the part of Stonbury or such other person for whom Stonbury is solely responsible, not occurred.
- (5) Any award of direct loss and/or expense awarded and/or to be awarded to the Sub-Contractor pursuant to sub-condition 4(4) shall be subject to the following limitation:-
- (i) such award shall not exceed any award of loss and/or expense (or part of such an award if appropriate) awarded or to be awarded to Stonbury pursuant to the Main Contract in respect of delay or disruption to part or parts of the Works corresponding to the Sub-Contract Works (or to any relevant part thereof) and awarded to Stonbury on the same grounds as those claimed by the Sub-Contractor under such sub-condition.

## 5. ON SITE FACILITIES

The Sub-Contractor shall at his own risk in common with other sub-contractors and others engaged upon the site have reasonable and free use of such facilities/services provided by Stonbury always provided that:-

- (i) Such use shall be at the sole risk of the Sub-Contractor who shall free, leave and indemnify Stonbury and any third party acting for or on behalf of Stonbury against any claim for loss, damage or personal injury arising there from and undertake to make good at his own expense any damage, loss or injury suffered by Stonbury, any other Sub-Contractor, or any other person as a result of such use; and
- (ii) Stonbury shall not be liable to the Sub-Contractor for any expense, loss or damage caused by any failure to provide any such facilities or services.

## 6. PAYMENT

(1) Subject as after mentioned, the provisions contained in or incorporated into the Main Contract for calculating payments and other amounts due to Stonbury in respect of the Works shall, mutatis mutandis, be deemed to be incorporated into and to form part of the Sub-Contract for the purposes of assessing amounts due or to become due to the Sub-Contractor hereunder. Subject to sub-conditions 4(4), 6 and 13, the sums payable to the Sub-Contractor in respect of the design (where appropriate) and the carrying out of the Sub-Contract Works shall not exceed the difference between the Sub-Contract Sum and the aggregate of the instalments which have been due.

(2) The Sub-Contractor shall render applications for interim payments to Stonbury at least seven days before Stonbury are required to make applications for payment under the Main Contract or at such other intervals as may be agreed between Stonbury and the Sub-Contractor from time to time. Each application for interim payment made by the Sub-Contractor pursuant to this sub-condition 6(2) shall contain such information and shall be accompanied by such supporting documentation as may be reasonably required by Stonbury.

(3) Subject to Stonbury receiving from the Sub-Contractor an application for interim payment in accordance with sub-condition 6(2), payment will become due to the Sub-Contractor in respect of such application [30 days] after the date of the relevant application.

(4) Stonbury shall give notice to the Sub-Contractor not later than five days after the date on which a payment becomes due from them specifying the amount (if any) of the payment made or proposed to be made and the basis on which that amount was calculated.

(5) The final date for making payment shall be 30 days after the same becomes due. Provided always that Stonbury shall be under no obligation to make any payment to the Sub-Contractor in respect of the whole or any part of the Sub-Contract Works where such payment has not been received by Stonbury due to the insolvency of the Employer or any other person from whom such payment is due (directly or indirectly) to Stonbury in terms of the Main Contract.

(6) Subject to sub-condition 6(13) and unless Stonbury has served a notice under sub-condition 6(7), it shall pay the Sub-Contractor the sum referred to in Stonbury's notice under sub-condition 6(4) or if Stonbury has not served notice under sub-condition 6(4), the sum referred to in the Sub-Contractor's application for payment referred to in sub-condition 6(2) (in this condition 6, the **"notified sum"**) on or before the final date for payment for such interim payment.

(7) If Stonbury intend to withhold payment of part or whole of the notified sum they must serve notice on the Sub-Contractor not less than seven days prior to the date that the notified sum finally becomes due (in this clause 6 the "prescribed period") specifying the amount they propose to withhold and the basis on which such amount has been calculated (in this condition 6 the **"Pay Less Notice"**).

(8) Where a Pay Less Notice is given, but on the matter being referred to adjudication it is decided that the whole or part of the amount withheld should be paid, the adjudicator's decision shall be construed as requiring payment no later than (a) seven days from the date of the decision, or (b) the date which apart from the pay less notice would have been the final date for payment, whichever is the later.

(9) Interim payments to the Sub-Contractor shall be subject to deductions for:

(i) retention money based on the retention percentage set out in the Pre-Tender Enquiry and/or the Order and/or in any subsequent correspondence exchanged between Stonbury and the Sub-Contractor in terms of which the Sub-Contract is concluded;

(ii) payments previously due under this sub-condition;

(iii) a discount on the discount percentage set out in the Pre-Tender Enquiry and/or the Order and/or in any subsequent correspondence exchanged between Stonbury and the Sub-Contractor in terms of which the Sub-Contract is concluded.

(iv) any amount that Stonbury is entitled to set-off as due to Stonbury under this Sub-Contract any other contract or matter between Stonbury and the Sub-Contractor.

(10) All interim payments shall be on account only and these shall not be held to signify approval by Stonbury of the whole or any part of the Sub-Contract Works executed.

(11) Retention will be paid to the Sub-Contractor in accordance with the same terms, mutatis mutandis, as provided for in the Main Contract.

(12) No final payment by Stonbury to the Sub-Contractor shall prejudice any claim Stonbury may have in respect of any defects in the Sub-Contract Works whenever such defects may appear.

(13) Notwithstanding sub-condition 6(6) and sub-condition 6(7) if the Sub-Contractor becomes insolvent after the prescribed period, Stonbury shall not be required to pay the Sub-Contractor the notified sum on or before the final date for payment.

## 7. SUSPENSION

(1) Stonbury may, at any time, suspend performance of all or part of the Sub-Contract Works by giving written notice to the Sub-Contractor. The Sub-Contractor shall resume performance of the Sub-Contract Works as soon as reasonably practicable after receiving a written notice to do so from Stonbury.

(2) If:

(i) subject to sub-condition 6(9), Stonbury fails to pay in full the notified sum to the Sub-Contractor under this agreement by the final date for payment under condition 6; and

(ii) Stonbury has not given a pay less notice complying with condition 6, the Sub-Contractor may suspend the performance of any or all of the Sub-Contract Works and other obligations under this agreement by giving not less than seven days' notice to Stonbury of its intention to do so and stating the ground or grounds on which it intends to suspend performance.

(3) If the Sub-Contractor suspends performance pursuant to sub-condition 7(2) it shall cease such suspension immediately upon receipt by it from Stonbury of the notified sum to which such suspended performance related.

(4) In the event of a suspension in accordance with this agreement, Stonbury shall pay the Sub- Contractor:

(i) a reasonable amount in respect of costs and expenses reasonably incurred by the Sub-Contractor as a result of any exercise of its right referred to in sub-condition 7(2); and

(ii) (taking into account any sum paid under sub-condition 7(4)(i) all reasonable costs and expenses properly and necessarily incurred by the Sub-Contractor in resuming the performance of the Sub-Contract Works and such payment shall be the Sub-Contractor's sole compensation for suspension of the Sub-Contract Works and its other obligations under this agreement.

## 8. FLUCTUATIONS

Terms and conditions relating to fluctuations to be applied to the Sub-Contract Sum shall be those conditions set-out in the Main Contract.

## 9. [RESPONSIBILITY FOR DESIGN] [DELETE IF NOT REQUIRED]

(1) Where the Sub-Contract Conditions provide that the design of the Sub-Contract Works or part of the

Sub-Contract Works is to be carried out by the Sub-Contractor:-

(i) the Sub-Contractor warrants that the specification or design of the Sub-Contract Works (or the relevant part thereof (as appropriate)) shall be such as to render the Sub-Contract Works or such part (as appropriate) fit for the purpose for which the same is intended and undertakes to make sufficient enquiries to ascertain such intended purpose;

(ii) without prejudice to or limiting the warranty in sub-condition 9(1) (i), the Sub-Contractor warrants that he has exercised and will continue to exercise the standard of reasonable skill, care and diligence to be expected of a properly qualified and competent design sub-contractor, experienced in carrying out design work in connection with works of a similar size, scope, nature and complexity to the Sub-Contract Works (or relevant Part thereof (as appropriate)) in relation to:-

(a) the design of the Sub-Contract Works, insofar as Sub-Contract Works have been or will be designed by the Sub-Contractor;

(b) the selection of materials and goods in the Sub-Contract Works, insofar as such materials and goods have been or will be selected by the Sub-Contractor;

(c) the satisfaction of any performance specification or requirement insofar as such performance specification or requirement is included or referred to in the description of the Sub-Contract Works.

(2) The Sub-Contractor will free, relieve and indemnify Stonbury and keep Stonbury indemnified against any and all claims, consequences, costs, loss and/or expense which may arise from any failure by the Sub-Contractor to comply with his obligations pursuant to sub-condition 9(1).

## **10. COPYRIGHT**

(1) The copyright in all drawings, reports, models, specification, bills of quantities, calculations and other documents prepared by or on behalf of the Sub-Contractor in connection with the Sub-Contract Works ("the Documents") shall remain vested in the Sub-Contractor.

(2) The Sub-Contractor shall grant to Stonbury and all persons authorised by it an irrevocable, royalty free, non-exclusive licence to copy and use the Documents and to reproduce the designs and contents of them for any purpose related to the Main Contract including, but without limitation, the construction, completion, maintenance, letting, promotion, advertisement, reinstatement, refurbishment and repair of the Works.

(3) The Sub-Contractor shall not be liable for any use by Stonbury of any of the Documents for any purpose other than that for which the same were prepared by or on behalf of the Sub-Contractor.

## **11. PROFESSIONAL INDEMNITY INSURANCE**

(1) The Sub-Contractor shall take out and maintain professional indemnity insurance with a substantial and reputable insurance company with a minimum limit of indemnity of not less than [ ] in respect of each and every claim for a period of not less than 12 years from the date of Practical Completion under the Main Contract, provided such insurance is available at commercially reasonable rates.

(2) The Sub-Contractor shall as and when reasonably requested to do so exhibit to Stonbury details of the professional indemnity insurance maintained by the Sub-Contractor.

(3) The Sub-Contractor shall immediately inform Stonbury in writing if such insurance is not, or ceases to be, available at commercially reasonable rates and unless otherwise agreed put in place such insurance as will protect Stonbury.

(4) Without prejudice to sub-condition 11(3) above, when requested to do so by Stonbury, the Sub- Contractor shall effect and maintain professional indemnity insurance in such lesser amount and/or on such other terms as Stonbury may reasonably specify.

## **12. INJURY TO PERSONS AND PROPERTY, INDEMNITY TO THE BUYER AND INSURANCE**

(1) The Sub-Contractor shall free, relieve and indemnify Stonbury and keep Stonbury indemnified against and from all claims, causes of actions, costs, losses and expenses whatsoever in respect of:-

(i) any personal injury to or death of any person, or any injury or damage to any heritable or moveable property arising out of, or in the course of, or caused by any design and/or works carried out by the Sub- Contractor or by any party for whom the Sub-Contractor is responsible, and/or by works executed by the Sub-Contractor or by any party for whom the Sub-Contractor is responsible; and

(ii) any public or private nuisance (including any such nuisance caused by noxious fumes, noisy working operations or the deposit of any material or debris on the public highway) or other interference with the rights of any adjoining or neighbouring land owner, tenant or occupier or any statutory undertaking arising out of the carrying out of the Sub-Contract Works.

(2) Without prejudice to his obligation to indemnify Stonbury under sub-condition 12(1), the Sub- Contractor shall take out and maintain adequate insurance in respect of claims arising out of his liability pursuant to such sub-condition and shall, where reasonably requested to do so, exhibit to Stonbury adequate evidence that such insurance has been effected and is being maintained.

## **13. MAINTENANCE OF SUB-CONTRACT WORKS AND REMEDIATION OF DEFECTS**

(1) The Sub-Contractor shall be responsible for maintaining and protecting the Sub-Contract Works and making good any defects in the Sub-Contract Works, all at his own expense to the reasonable satisfaction of Stonbury both during the progress of the Sub-Contract Works and until the date of issue of the certificate or other evidence of practical completion of the Works.

## **14. VARIATIONS TO THE SUB-CONTRACT WORKS**

(1) Stonbury may, from time to time, issue reasonable instructions in writing, varying the Sub-Contract Works and/or the manner, programme or sequence for the carrying out of the same to the Sub- Contractor. Such instructions shall not vitiate the Sub-Contract and the Sub-Contractor shall forthwith comply with the same.

(2) In the event that any such instruction results in the Sub-Contractor incurring any additional costs and/or in having to carry out any additional works, the Sub-Contractor shall be entitled to be paid an additional amount calculated in accordance with the provisions for

the valuation of variations that apply under the Main Contract and using the day work rates applicable under the Sub-Contract where applicable

(3) If the Sub-Contractor becomes aware of any variation or extra work that is required to the Sub-Contract Works then he shall immediately inform Stonbury in writing. At the same time the Sub-Contractor shall submit detailed and priced calculations based upon the Sub-Contract showing such price adjustment, if any, together with details of any effect on the Completion Date of the Sub-Contract Works. If the Sub-Contractor does not indicate any effect on the Completion Date it shall be deemed that the proposed variation or extra work can be undertaken without any effect on the Completion Date.

(4) The Sub-Contractor shall not undertake any variation or extra work nor shall he receive payment for the same without written authority from Stonbury.

## **15. ACCESS TO THE SUB-CONTRACT WORKS**

Stonbury shall be entitled to enter the site on which the Sub-Contract Works are being carried out, from time to time and/or any premises or sites on which the Sub-Contractor is carrying out work for the purpose of incorporation of materials or other items into the Sub-Contract Works and to inspect such works so as to satisfy itself as to the quality of the relevant works and/or any materials used or to be used in relation to the Sub-Contract Works or any part thereof.

## **16. DURATION OF SUB-CONTRACTOR'S EMPLOYMENT**

(1) Stonbury shall be entitled by notice in writing to the Sub-Contractor at any time forthwith to terminate the Sub-Contractor's employment under this Sub-Contract in respect of the whole or any part of the Sub-Contract Works.

(2) At the point of determination the Sub-Contractor shall not be entitled to compensation therefore and shall not remove any of his equipment, materials or property on the site and, notwithstanding anything contained in these conditions, shall be entitled to no further payment until completion of the Sub-Contract Works by Stonbury or by others, more upon the Sub-Contractor shall become entitled to payment for Sub-Contract Works executed by the Sub-Contractor subject always to the right of Stonbury to set off all losses, expenses and damages suffered or which may be suffered by Stonbury by reason of such determination and subject further to any other right to set off which Stonbury may have.

(3) Upon determination of the Sub-Contractor's employment howsoever arising Stonbury shall not be liable to the Sub-Contractor for any loss of profit, loss of contract or other costs, losses and/or expenses arising out of or in connection with that determination.

## **17. ASSIGNATION AND SUB-CONTRACTING**

(1) The Sub-Contractor shall not assign, sub-contract or otherwise transfer the benefit of or obligations contained in the Sub-Contract or sub-let the whole or any part of the Sub-Contract Works without the prior written consent of Stonbury.

(2) Stonbury shall be entitled to assign the benefit of the Sub-Contract at any time without requiring the consent of the Sub-Contractor.

## **18. DISPUTE RESOLUTION PROCEDURE**

(1) Subject to either party's right to adjudicate at any time, the parties shall use their reasonable endeavours to resolve any dispute or difference between them through negotiation or mediation.

(2) Notwithstanding any other provision of this agreement, in the event of any dispute or difference arising between Stonbury and the Sub-Contractor under or in connection with the Sub-Contract, either party may give notice at any time of his intention to refer such dispute or difference to adjudication pursuant to Section 108 of the Housing Grants, Construction and Regeneration Act 1996 (as amended). Part I of the Scheme for Construction Contracts (Regulations) 1998 is hereby incorporated into the terms and conditions of this Agreement.

## **19. NOTICES**

(1) Any notice to be given by the Sub-Contractor hereunder shall be deemed to be duly given if it is sent by first class registered post or recorded delivery to Stonbury at its registered office or at such other address as may be intimated by Stonbury to the Sub-Contractor in writing, from time to time.

(2) Any notice to be given by Stonbury to the Sub-Contractor shall be deemed to be duly given if it is sent by first class registered post or recorded delivery to the Sub-Contractor at its registered office or principal place of business or such other address as may be intimated to Stonbury by the Sub-Contractor in writing from time to time.

(3) Any notice sent in accordance with this condition 19 by first class registered post or recorded delivery shall be deemed to have been received 48 hours after being posted.

## **20. WARRANTY**

Within fourteen days of being so instructed the Sub-Contractor shall execute as a deed, a collateral warranty in the form/forms set out under the Main Contract, mutatis mutandis, in favour of any third parties identified as the beneficiaries of such warranties in the Main Contract.

## **21. BRIBERY**

(1) Stonbury and the Subcontractor warrant and represent to the other that each shall comply with all applicable laws, statutes, regulations and codes relating to anti-bribery and anti-corruption including, but not limited to the Bribery Act and the Fraud Act 2006 ("Relevant Requirements") and neither it nor any of its offices, employees, agents, sub-contractors, or any person acting on its behalf has altered, given or agreed to give to any person any inducement or reward (or anything which might be considered to be an inducement or a reward) in connection with the parties entering into this Sub-Contract.

(2) The Subcontractor shall have and maintain in place throughout the term of this Sub-Contract its own policies and procedures, including but not limited to, adequate procedures under the Bribery Act to ensure compliance with the Relevant Requirements and will enforce them where appropriate. (3) The Subcontractor shall ensure that any person associated with the Subcontractor who is performing services or providing goods in connection with this agreement does so only on the basis of a written contract which imposes on and secures from such persons terms equivalent in effect to those imposed on the Supplier in this clause 21 ("Relevant Terms").

(4) The Subcontractor shall be responsible for the observance and performance by such persons of the Relevant Terms and shall be directly liable to Stonbury for any breach by such persons of any of the Relevant Terms.

(5) For the purposes of clause 21 whether a person is associated with another person shall be determined in accordance with section 8 of the Bribery Act. For the purposes of this clause a person associated with the Subcontractor includes but is not limited to any subcontractor of the Subcontractor.

## **22. APPLICABLE LAW**

The Sub-Contract shall be governed by English law and the English Courts shall have jurisdiction with regard to all matters arising under it.