

Tremorfa Group



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Sub Contract Conditions

TG S/C 02 Rev A 06/01

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1 DEFINITIONS AND INTERPRETATION

- (i) In this contract the following words shall have the meanings detailed below. In the case where a Tremorfa Group company are engaged on a sub contract and the works form a part of that sub contract then sub clause A/ and B/ apply. In the case where a Tremorfa Group company are directly employed then sub clauses A/ and C/ apply.
 - (ii) The clause titles used in this document are purely for ease of reference and do not limit the meaning of the clause or form a part thereof.
- A
 - (i) "the works" shall mean the sub-contract works referred to in the order together with any additional or varied works resulting from instructions or directions of the contractor.
 - (ii) "the order" shall mean the document raised by the contractor instructing the works to be carried out.
 - (iii) "the sub-contractor" shall mean the company or person named on the order as such.
 - (iv) "the contractor" shall mean a Tremorfa Group company
 - (v) "the sub-contract price" shall mean the price stated on the order.
 - (vii) "days" shall mean calendar days.
 - B
 - (i) "the main contract" shall mean the contract between the contractor and the main contractor.
 - (ii) "the principal contract" shall mean the contract between the main contractor and the employer.
 - (iii) "the employer" shall mean the person or body corporate for which the main contract works are being executed.
 - (iv) "the main contractor" shall mean the person or body corporate who is in contract with the employer and to whom the contractor is sub contracted.
 - C
 - (i) In all clauses, with the exception of clauses 1, 1A, 1B and 1C, delete "main contract" substitute "contract between the contractor and the employer".
 - (ii) In clause 3 delete "principal contract" substitute "contract between the contractor and the employer".
 - (iii) In clause 4 delete "main contractor" substitute "employer", delete "main contract" substitute "contract between the contractor and the employer".
 - (iv) In clause 6 delete "main contractor" substitute "employer".
 - (v) In clause 8 delete "main contractor" substitute "employer".
 - (vi) In clause 11 delete "main contractor".
 - (vii) In clause 14 iii) delete "main contractor".
 - (viii) In clause 25 delete "principal contract" substitute "contract between the contractor and the employer".
 - (ix) In clause 27 delete "main contractor" substitute "employer".
 - (x) "The employer" shall mean the person or body corporate to which a Tremorfa Group company are contracted to carry out the works.

2 SCOPE OF WORK

- A The works shall consist of all of the items described in the sub-contract order, the drawings, specifications and other details mentioned therein, and are deemed to include all necessary design work, drawings, manuals etc. relating thereto and co-ordinated with the works of other trades to avoid any spatial conflict or obstructions to access.
- B The works shall be deemed to include all labour, materials, plant design, drawings, manuals and supervision and co-ordination of activities and progress with other trades that are necessary to ensure timely completion.

3 PRECEDENCE OF DOCUMENTS

In the event of any conflict between these conditions and the order then the order shall prevail. In the event of any conflict between the main contract and these conditions these conditions shall prevail. The specification, contract drawings, bills of quantities and associated documents shall have the same relative precedence as stated in the principal contract conditions.

4 EXECUTION OF THE WORKS

- (i) The sub-contractor shall commence the works on the date specified by the contractor.
- (ii) The works shall be completed within the period specified in the sub-contract order and in accordance with any programme details mentioned therein.
- (iii) The sub-contractor shall at all times proceed in such a manner as not to cause delay to other trades on site, including the contractor and main contractor.
- (iv) All costs likely to be incurred by the contractor (including any damages levied on the contractor under the main contract) due to the failure of the sub-contractor to complete the works in accordance with the contract programme or delays caused to other trades on site shall be deemed to be a debt due to the contractor from the sub-contractor.
- (v) The works shall be carried out in accordance with the contract particulars and to the full satisfaction of the contractor. Remedial work in respect of any defects or deficiencies within the works shall be commenced immediately upon written notice from the contractor and completed without delay. Failure to complete the remedial work within a period of 14 days from the issue of the notice will be considered to be a default on the part of the sub-contractor and will result in any additional costs incurred by the contractor being deemed to be a debt recoverable from the sub-contractor.

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- (vi) The sub-contractor shall proceed immediately with all instructions and directions of the contractor so that the works are completed without delay to the programme and within the period for completion (subject only to such extensions or reductions of time awarded in writing by the contractor).
 - (vii) The sub-contractor shall only have access to the site during the normal working hours specified on the sub-contract order and shall bear the cost of opening the site and any attendance during any additional periods requested by the sub-contractor.
- 5 PLANT, MATERIALS, LABOUR
- The sub-contract price will be deemed to allow for all plant, materials and labour necessary for timely completion of the works. The sub-contractor will be deemed to have full knowledge of site conditions and no additional payment or time allowance will be made in respect of any want of knowledge alleged by the sub-contractor.
- 6 MAIN CONTRACT PROVISIONS
- (i) The sub-contractor will be deemed to be aware of all of the provisions of the main contract (excepting only the detailed prices and rates included therein).
 - (ii) The sub-contractor shall comply with all of the provisions, terms and conditions of the main contract insofar as they relate to and apply to the works.
 - (iii) The sub-contractor shall indemnify the contractor against any breach of, or non compliance with, the main contract provisions by the sub-contractor, his servants, agents or suppliers which imposes any additional liability or cost upon the contractor and shall fully reimburse the contractor for any direct costs, financial losses or any other loss that the contractor may incur as a result of any such breach or non compliance.
 - (iv) The sub-contractor shall submit to the contractor any return, notice, account or record which the contractor is obliged to give under the main contract and shall provide such document in sufficient time to enable the contractor to submit it to the relevant party within the time specified in the main contract. Any loss caused to the contractor by any delayed notice, account or record shall be a charge due to the contractor from the sub-contractor.
 - (v) The contractor will, as far as is lawfully possible, endeavour to obtain for the sub-contractor any right, benefit or reimbursement that is an entitlement under the main contract insofar as this relates to the sub-contract works. It shall be a condition precedent to any payment or benefit being due that any notices or any other information required under the main contract have been provided by the sub-contractor in sufficient time and in such manner as the main contract may specify.
 - (vi) Nothing herein shall imply any privity of contract between the main contractor and the sub-contractor.
- 7 INJURY TO PERSONS AND PROPERTY INDEMNITY AND INSURANCE
- (i) If, as a consequence of any action of the sub-contractor,
 - a) any person shall suffer personal injury or death or;
 - b) any damage or loss is caused to any property, real or personal, or the works of any trade. or;
 - c) interference is caused to any traffic, right of way or property;
 then the sub-contractor shall be liable for, and shall indemnify the contractor against, any expense, cost, loss, claim, liability, damages, or proceedings whatsoever arising under any statutory or other provision arising from such action.
 - (ii) If, however, the action is due to any neglect, breach of statutory duty, omission, or default of the contractor then the contractor shall not be entitled to the benefit of this indemnity.
 - (iii) The sub-contractor shall take out and maintain in force, until all obligations under this contract have been fulfilled, insurances in respect of the indemnity detailed in this clause and the Employers Liability (Compulsory Insurance) Act 1969 and any statutory orders thereto. The limit of indemnity shall be not less than £1 Million or such greater sum as is stated in the sub contract order.
 - (iv) The sub contractor shall maintain in force at all times insurances in respect of any motor vehicle used during the course of the works to fully indemnify against any damage or injury, however caused, as a result of the use or presence of the vehicle.
Evidence of such insurances shall be provided to the contractor and if they are not to the contractor's complete satisfaction the contractor shall be entitled to:
 - a) arrange such insurances and;
 - b) deduct the cost of effecting such additional insurances that the contractor deems necessary from any payments due to the sub-contractor.
 - (v) All insurances shall contain an indemnity to principal's clause if so directed by the contractor.
- 8 PLANT AND OTHER PROPERTY
- (i) Any plant, property, tools, equipment or accommodation provided by the sub-contractor and placed on or adjacent to the works shall be at the sole risk of the sub-contractor and any injury, loss or damage to them shall be borne by the sub-contractor.
 - (ii) Where the main contract provides that such plant, property, tools or equipment shall be vested in the employer under the main contract then a similar provision shall be deemed to be incorporated, mutatis mutandis, within this contract. No



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- such plant, property, tools or equipment shall be removed from site without the permission of the contractor.
- (iii) If the sub-contractor shall use plant or equipment belonging to any other trade on site, including the contractor or main contractor, then the sub-contractor shall be fully responsible for the safe use of, and protection from damage to, such plant or equipment and shall indemnify the contractor against any costs or claims howsoever arising from such use.
- 9 STATUTORY REQUIREMENTS
- The sub-contractor will be deemed to have knowledge of all statutory, common law, local authority, statutory undertaker or European obligations or regulations affecting the works and shall comply with them at all times. The sub-contractor shall indemnify the contractor against all costs or claims that may arise from non-compliance by the sub-contractor with such obligations or regulations.
- 10 HEALTH AND SAFETY
- (i) In addition to the general requirements for compliance with statutes set out in paragraph 9 the sub-contractor will be deemed to be aware of the requirements of the Health and Safety at Work Act 1974 and all other health and safety statutes, guidance and information appropriate to the sub-contractor's own works and the general requirements applicable to all persons at work on sites typical of the type on which the sub-contractor will work and will comply with them at all times.
- (ii) The contractor's safety representatives or management may at any time issue instructions excluding any or all of the sub-contractor's staff or employees from the site if, in the opinion of the contractor's management, the actions of an individual or group of the sub-contractor's staff or employees present a risk to the health and safety of any person at work or persons who may be affected by the work. Such exclusion shall be at no additional cost to the contractor and shall not relieve the sub-contractor of any responsibilities or obligations.
- (iii) The sub-contractor must comply at all times with the Tremorfa Group company health and safety policy and must comply immediately with all health and safety instructions from the contractor at no additional cost to the contractor.
- (iv) If the sub-contractor shall fail to comply with any safety instruction from the contractor then the contractor may take any measures deemed necessary to ensure a safe place of work, and may exclude the sub-contractor from the works, and any costs incurred shall be a debt due from the sub-contractor and may be deducted from any payments due to the sub-contractor.
- 11 INSTRUCTIONS AND DIRECTIONS OF THE CONTRACTOR
- (i) During the course of the works the contractor shall be entitled to issue instructions and directions to the sub-contractor. All such instructions or directions shall only have effect if issued by the contractor in writing. The formal issue by the contractor of a revised set of drawings or a revised specification shall also constitute an instruction. The sub-contractor shall immediately proceed to comply with any instruction or direction of the contractor. All instructions or directions under this contract must be issued by the contractor. Instructions issued by the main contractor, the employer or his representatives shall have no effect and will not be considered for payment unless confirmed in writing by the contractor.
- (ii) Should the sub-contractor fail to comply with any instruction or direction of the contractor then the contractor may, without prejudice to any rights under the contract or at common law, employ others to carry out the whole or part of the works, this will not relieve the sub-contractor of any obligations or commitments under the contract. All costs arising, or likely to arise, from the sub-contractor's failure to comply with instructions or directions of the contractor shall be regarded as a debt due to the contractor from the sub-contractor and may be deducted from any payment due to the sub-contractor.
- 12 VARIATIONS
- (i) A variation shall, for the purposes of this contract, consist of an instructed addition, substitution, or omission of work. No variation shall vitiate this contract.
- (ii) Within seven days of an instruction from the contractor or prior to commencement of work on site whichever is the earliest the sub-contractor shall submit a detailed, quantified schedule of rates (the total of which shall correspond to the accepted contract price) to the contractor. This schedule shall form the basis of the contractor's assessment of variation values. Should the sub-contractor fail to issue this document by the due date then any variations shall be valued by the contractor on such basis that the contractor may decide, the contractor's decision shall be final and binding on the sub-contractor. Daywork records shall not be used as a basis for payment under this contract.
- (iii) The contractor will adjust the value of the sub-contract works to take account of such variations. The sub-contractor shall keep records of variation costs, quantities and measurements and shall provide all necessary information that the contractor requires to support the valuation of any item which is considered to be varied.
- (iv) It will be a condition precedent to payment that the sub-contractor must identify those instructions or directions of the contractor that the sub-contractor considers to be variations within seven days of their issue.
- 13 PAYMENT
- (i) The sub-contractor shall submit applications for payment / invoices on agreed dates during the course of the works.
- (ii) The contractor during the course of the works may make interim payments if the size and duration of the works, in the contractor's opinion, are sufficient to warrant them. No interim payment shall be taken as conclusive evidence that the amount paid is the value of the work completed to that date.

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- (iii) Interim payments shall be the contractor's assessed value of the sum of the following:
 - a) the value of the works completed to date including any agreed variations completed.
 - b) the value of any unfixed materials properly and not prematurely brought to site subject to any provisions of the main or principal contract.
 - c) if so stated in the order, cost fluctuations as agreed with the contractor.
 - d) a deduction for retention at the percentage stated in the order.
 - e) a deduction for any amounts that may be due to the contractor from the sub-contractor under the contract.
 - f) a deduction for the value of any interim payments made to date by the contractor.
- (iv) No payment will be made to the sub-contractor if any matter or matters stated to be a condition precedent to payment in this contract are outstanding.
- (v) All payments made will be subject to deduction in respect of any debt due to the contractor from the sub-contractor in regard to this or any other contract between the contractor and the sub-contractor.
- (vi) Final payment shall be due to the sub-contractor either:
 - a) one month after the release of the final payment under the main contract to the contractor provided that the sub-contractor shall have submitted to the contractor before that date a statement of full and final agreement to the contractor's assessment of the final account and all obligations of the sub-contractor have been discharged,or:
 - b) upon the ascertainment of the value in accordance with clause 37 herewith.

14 ADJUSTMENT OF THE CONTRACT PERIOD

- (i) The contractor shall have the right to adjust the contract period or programme subject to any restrictions placed on the contractor by the terms and conditions of the main contract. The contractor will consider any representations made by the sub-contractor when such adjustment is made.
- (ii) There will be conditions precedent to any award of extension of time that:
 - a) the sub-contractor must serve notice of any delay as soon as it becomes reasonably apparent and;
 - b) such notice shall give details of the cause and likely effect of the delay, and;
 - c) such delay is due to the actions of either the Employer under the main contract, the main contractor or the contractor; and;
 - d) if the delay has resulted from the lack of information and the sub-contractor has identified this information as being a requirement and requested it in writing upon receipt of the order and;
 - e) such notice is in writing and delivered to the office of the contractor as shown on the order; and;
 - f) the sub-contractor shall at all times use best endeavours to mitigate any delay.
- (iii) In the event of such adjustment of time being made the contractor will consider any request for additional payment made by the sub-contractor and may increase the contract value. Any request must be fully documented and substantiated to enable detailed checking to take place and for the contractor to make an assessment.

15 PROPERTY IN MATERIALS AND PLANT

- (i) If the main contract provides that property in materials and plant shall pass to the employer then a similar provision shall be deemed to be incorporated, mutatis mutandis in this contract.
- (ii) In all cases property in materials and plant shall pass to the contractor (and subsequently to the main contractor or employer as the contract provides) upon receipt by the contractor of an application for payment or invoice or on payment to the sub-contractor for the materials or plant or at the time when material or plant is delivered to site whichever is the earliest event.
- (iii) If, however, following practical completion of the works, surplus materials or plant remain on site then the sub-contractor shall request an instruction in respect of disposal of the surplus.

16 REMOVAL OF RUBBISH

- (i) The sub-contractor shall, at no cost to the contractor, remove all rubbish and debris produced as a result of the sub-contractor's activities from the works immediately it arises and shall not allow any accumulation.
- (ii) The sub-contractor shall not obstruct access to the works or following trades.
- (iii) In the event of any failure by the sub-contractor to comply with this clause the contractor will deduct an appropriate charge from payments to the sub-contractor.

17 SCAFFOLDING

The sub-contractor may use such scaffolding and access equipment erected by others to which the contractor has access; subject only to the restrictions imposed on the contractor for similar use, while it remains erected on site. All other scaffold required shall be provided at the expense of the sub-contractor and shall only be erected, modified as necessary for use and removed by operatives with adequate training and experience.

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18 FACILITIES

- (i) The sub-contractor shall have access to all of the shared welfare facilities that are available to the contractor under similar conditions as they are made available to the contractor. The contractor shall not be liable for any failure to provide such facilities or any unfitness for the sub-contractor's requirements.
- (ii) All welfare facilities required by the sub-contractor other than the shared welfare facilities shall be provided by the sub-contractor at no additional cost to the contractor.

19 ACCOMMODATION

- (i) The sub-contractor shall, at his own cost, provide all accommodation, storage facilities, offices or any other accommodation required and shall remove them on completion of the works or when instructed to remove them by the contractor.
- (ii) The contractor will endeavour to obtain sufficient space for such facilities but will not accept any extra charge or cost if space is not available or adequate for the purpose it is required.

20 INFORMATION

Immediately upon receipt of the order, any variation order, any drawings or specification or any other matter from the contractor the sub-contractor shall ascertain whether any further information is required and shall inform the contractor in writing, specifying when it is needed in order to avoid delay to the contract works.

21 BUILDERS WORK IN CONNECTION

- (i) Full details of any builder's work, holes, plinths, etc. necessary for the completion of the works shall be prepared by the sub-contractor and sent to the contractor in sufficient time to avoid any delay to the works. The sub-contractor shall be responsible for the accuracy of the details provided.
- (ii) The sub-contractor shall be responsible for the accuracy of setting out of the works and the obtaining of any datums, levels, etc. needed for this, any assistance rendered by the contractor will not relieve the sub-contractor of any of this responsibility.
- (iii) The sub-contractor shall bear the cost of any abortive or late work due to any insufficiency of information or inaccuracy of setting out.

22 DELIVERY

- (i) The sub-contractor shall be responsible for taking delivery of all materials and plant and transporting them around the site.
- (ii) If materials or plant are delivered to site and the sub-contractor is unable to unload or transport for any reason then the cost of any unloading and transportation will be charged to the sub-contractor and become a debt due to the contractor from the sub-contractor and will be deducted from any payment made. The sub-contractor will remain fully responsible for all necessary protection of materials and plant unloaded by others.

23 INSPECTION

- (i) The sub-contractor shall inspect all surfaces and areas in which the works are to be executed before commencing work and will be deemed to be fully satisfied with the working conditions immediately work commences.
- (ii) Any inspection of the works by the contractor or others shall not relieve the sub-contractor of responsibility for accuracy, correspondence to contractual requirements or quality.
- (iii) The sub-contractor shall be responsible for the setting out of the works and for checking whether any fixings, supports or brackets supplied and fixed by others are accurately set out and fit for the purpose in sufficient time for any remedial work to be carried out without delay to the works.
- (iv) The sub-contractor shall supply, at no cost to the contractor, such samples, mock-ups, etc. as the contractor may direct to be provided. All such samples and mock-ups may be adopted as the standard for any installed works if the contractor shall so instruct.

24 QUALITY ASSURANCE

The sub-contractor shall comply with any quality assurance requirements of the contractor.

25 DAMAGE TO THE WORKS

- (i) The sub-contractor shall be fully responsible for protecting the works, including any materials stored on or placed adjacent to the works, against damage or deterioration until practical completion of the principal contract works has been certified. All costs in connection with this responsibility shall be borne by the sub-contractor.
- (ii) If the contractor requires "Contractors All Risks" and/or "Professional Indemnity" insurance to be taken out then the sub-contractor shall do so and maintain it or take it out at no additional cost to the contractor. The extent of these insurances shall be stated on the order.
- (iii) For the purposes of this contract all guarantees and warranties given by the sub-contractor shall be deemed to expire no earlier than the end of the defects liability period or longer period that may be stated under the principal contract.

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26 DEFECTS

- (i) Where the main contract specifies a maintenance period then the sub-contractor shall be responsible for maintaining the works at no cost to the contractor until the expiry of that period.
- (ii) The sub-contractor shall immediately rectify, at no cost to the contractor, any defects that appear in the works before the certified end of any defects liability period specified in the main contract.

27 ACCESS

- (i) The sub-contractor shall be afforded non- - exclusive access to those areas of the site and hoisting and lifting facilities available to the contractor for the works to be carried out, subject to any restrictions imposed on the contractor by the main contractor. Any costs incurred by the sub-contractor due to lack of access or availability must be borne by the sub-contractor.
- (ii) The sub-contractor shall permit the contractor, and others permitted to do so by the contractor, access (for the purposes of inspection) to the works and to those places where items for the works are stored or prepared. No charge shall be made for any tests or demonstrations that the contractor may instruct.

28 DESIGN

- (i) Where the sub-contractor is responsible for design such design shall fully comply with the performance specification, shall be fit for the purpose described in it and shall be to the full satisfaction of the contractor. Any departures or deviations from the specification will only be allowed if they are the subject of an instruction from the contractor.
- (ii) Written authorisation shall be obtained from the contractor in the event that the sub-contractor should wish to vary the design in any way.
- (iii) All design and drawings shall be completed and provided to the contractor for approval in sufficient time to avoid delay to the works. Any approval from the contractor shall not remove from the sub-contractor full responsibility and liability for the accuracy and sufficiency of the design and compliance with the design obligations subject to any relaxations granted in writing by the contractor.

29 RETURNS

The sub-contractor shall submit to the contractor, at such times as directed, records of labour, plant or other items that the contractor may request.

30 Income & Corporation Taxes Act 1988: The Income Tax (Subcontractors in the Construction Industry)(Amendment) Regulations 1998

- (i) Within seven days of the date of the order the sub-contractor shall produce evidence of any sub-contractors' tax certificate held (e.g. CIS4, CIS5, CIS6). This shall be in the appropriate manner specified in the act.
- (ii) It will be a condition precedent to payment that the evidence shall have been produced and any receipts required under the act have been presented to the contractor before any further payment is made.
- (iii) If the sub-contractor is not the holder of a tax certificate, or if the evidence of the tax certificate has expired before payment is due, then the contractor will make an appropriate deduction from payments due and forward the balance to the Inland Revenue at the appropriate time. The necessary receipts under the finance act will be forwarded to the sub-contractor.

31 VALUE ADDED TAX

Value added tax, where applicable, will be added to all payments made to the sub-contractor at the appropriate rate for the applicable tax point.

32 PATENT RIGHTS

The sub-contractor shall indemnify the contractor against all claims, liabilities, losses, damages, costs, proceedings, and expenses arising out of any actual or alleged infringement of any patent, copyright trade mark, registered design or any other intellectual property right which arises out of the execution of the sub-contract works.

33 ASSIGNMENT AND SUBLETTING

The sub-contractor shall not, without the written consent of the contractor, assign the burden of this contract or the benefit thereof nor sub - let the whole, or any portion of, the works. Any permitted sub- letting or assignment shall not relieve the sub-contractor of any liability under this contract.

34 EXCLUSION OF TERMS

Any terms, conditions, or qualifications that form a part of the sub-contractor's tender or quotation shall not form a part of this contract unless agreed, detailed, and set down in the order documentation.

35 CONTRACTS UNDER SEAL OR DEEDS

- (i) Where the main contract is under seal or executed as a deed then this contract shall be deemed (for the purposes only of the Limitation Act 1980) to be subject to the same periods of limitation and neither party shall assert in any action or arbitration, or otherwise rely on, any shorter period of limitation than is prescribed by the act or any subsequent re -

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- enactment thereof.
- (ii) Notwithstanding the above, if the contractor shall so require the contract to be executed as a speciality contract, a separate agreement to this effect shall be executed by the contractor and sub-contractor.
- 36 DETERMINATION OF CONTRACT
- Without prejudice to any other remedies or rights possessed by the contractor the contractor may, seven days after notice by recorded delivery letter has been dispatched, determine the sub-contractor's contract which determination shall have immediate effect.
- A Determination shall, only take place if one, or more, of the following circumstances are considered in the opinion of the contractor to have occurred:
- (i) the main contract is determined for any reason.
 - (ii) the sub-contractor fails to proceed with the works or any instruction or direction of the contractor in a regular and diligent manner.
 - (iii) the sub-contractor suspends any part of the works before completion.
 - (iv) the sub-contractor is in delay against the current contract programme and fails to remedy the situation within seven days of the date of a notice from the contractor to that effect.
 - (v) the sub-contractor makes a composition with creditors or becomes bankrupt or a provisional liquidator or an administrator is appointed or a winding up order is made.
 - (vi) the sub-contractor ceases to be a member of any trade association or has any certification or approval removed.
- B In the event of a determination the following provisions shall apply:
- (i) The sub-contractor shall forthwith remove all labour (but not materials, plant or accommodation) from site.
 - (ii) The sub-contractor shall be liable to the contractor for the full cost of completing the sub-contract works and fulfilling all obligations under the sub-contract.
 - (iii) No further payment shall be due to the sub-contractor until any final certificate has been issued and all monies due to the contractor have been paid. The value of the sub-contractor's account will be calculated at fair rates and prices subject to any deduction under B/ ii) above and in accordance with clause 13(vi) of these conditions.
- 37 DISPUTES/ ARBITRATION / ADJUDICATION
- A The proper law of this contract shall be the Law of England and any disputes shall be subject to the jurisdiction of the English courts.
- B In the event of any dispute between the sub-contractor and the contractor over the construction of this contract or any matter arising therefrom the following procedure shall apply:
- a) in respect of matters which are , or become, the subject of arbitration or adjudication under the main contract the sub-contractor shall join with the contractor in such arbitration or adjudication if such matters are also the subject of a dispute between the contractor and the sub contractor;
 - b)
 - (i) in all other matters the sub-contractor shall submit to the contractor full particulars of any matter which the sub-contractor disputes. The contractor shall, within seven days, review the particulars submitted by the sub contractor and decide whether any remedial action is necessary. This decision shall be communicated to the sub-contractor in writing.
 - (ii) If the sub-contractor continues to dispute the matter then, after the certified completion of the defects liability period, the matter may be referred to the Courts of England for a ruling.
 - (iii) Until the court has made its ruling the decision of the contractor shall be binding on the sub-contractor.
- C Disputes which are subject to Adjudication between the contractor and sub-contractor shall be dealt with in accordance with 'The Scheme for Construction Contracts (England and Wales) Regulations 1998' as defined under the Housing Grants, Construction Regeneration Act 1996. In the case of Adjudication involving the main contractor the procedures as laid down under the main contract shall prevail.