

## PHOENIX BRICKWORK (UK) LTD CONDITIONS OF SUB-CONTRACT WORK

### DEFINITIONS

1. In these conditions the following words and expressions shall have the meanings hereby respectively assigned to them:
  - a). "The Contractor" means Phoenix Brickwork (UK) Ltd.
  - b). "The Employer" means the party or parties to the contract other than the Contractor.
  - c). "The Contract" means the Contract when made between the employer and the Contractor.
  - d). "The Sub-Contractor" means the person, firm or company whose tender is accepted by the Contractor.
  - e). "The Sub-Contract Works" means the works as described.
  - f). "The Contract Works" means the whole of the works described in the Contract.
  - g). "The Price" means the sum specified.
  - h). "The Due Date" unless stated otherwise will be the 7th of each month following the period of valuation of the works.

### GENERAL OBLIGATIONS

2. The Sub-Contractor shall be deemed to have full knowledge of all the provisions of the Contract and so far as they are applicable to the Sub-Contract, shall be bound to observe and perform in every respect the obligations, duties, conditions and covenants to be observed and performed by the Contractor.
3. The Sub-Contractor shall not sub-let any part of the Sub-Contract Works without the prior written consent of the Contractor and if such consent is given it will not relieve the Sub-Contractor of any of his liabilities or obligations under this Sub-Contract.
4. The Sub-Contractor shall be deemed to have obtained all necessary information, which may affect his Price and/or rates, and to have satisfied himself as to the correctness of such Price and/or rates.
5. The commencement of the Sub-Contract Works will be deemed to signify that the conditions and construction of the site to receive the Sub-Contract Works are satisfactory for the proper execution of the Sub-Contract Works.
6. The Sub-Contractor will provide All:

#### **Labour (skilled and unskilled), Plant, Supervision**

for the proper execution of the Sub-Contract Works, and will maintain the Sub-Contract Works in good order and condition until completed and handed over to the Contractor and on completion shall forthwith remove off site all surplus materials.

7. The Contractor may instruct the Sub-Contractor to carry out variations and/or additional work for which prices will be agreed and to which these conditions will apply, and the value thereof shall be added to or deducted from the Price as specified.
8. These conditions are to the exclusion of all other standard conditions incorporated in any of the Sub-Contractors documents unless they are expressly agreed by the Contractor in writing.
9. The commencement of the Sub-Contract Works by the Sub-Contractor will be deemed to signify that the Sub-Contractor accepts these conditions.

### SUB-CONTRACTOR'S INSURANCE

10. The Sub-Contractor shall effect in terms to be approved by the Contractor **and forward copies prior to the first payment being made** the following policies if insurance which shall include the
11. Employer and the Contractor as joint insured:
  - i) Employers Liability Insurance.
  - ii) Professional Indemnity Insurance to a limit of indemnity of £2,000,000.00 in any one claim, number of claims unlimited.
  - iii) All other insurance deemed necessary by the Sub-Contractor and/or the Contractor.
12. The Sub-Contractor will be responsible for insurance of any plant and equipment owned and/or hired and/or on loan by the Sub-Contractor.
  - c) The insuring of the Contract Works by the Contractor does not limit the Sub-Contractor's obligations and responsibilities under the terms of the Contract.

PBL 6-1-23 [REVOO1] 30/10/2025

## PROGRAMME

11.

- a) The Sub-Contractor shall commence the Sub-Contract Works or separate parts thereof on the respective date or dates as ordered by the Contractor and the Sub-Contractor undertakes to carry out the Sub-Contract Works at such times as the Contractor shall direct.
- b) The Contractor may amend such dates by notice in writing not less than 3 days before the dates stated and such amended dates shall be binding on the Sub-Contractor.
- c) The Sub-Contractor shall carry out the Sub-Contract Works in such a manner as to comply with the rate of progress of the Contract Works and shall complete such work in the period specified.
- d) The time for completion of the Sub-Contract Works shall be deemed to be time of the essence.
- e) If the Sub-Contractor shall fail to comply with any of the programme requirements he shall pay to the Contractor loss suffered or incurred by the Contractor caused by such failure.
- f) The hours of work will be those in force on the site at the time the Sub-Contract Works are to be carried out. No payment will be made should it be necessary for the Sub-Contractor to work outside the normal site hours or to employ additional labour to maintain his programme.
- g) If it becomes apparent that as a result of any act or omission of the Contractor, completion of the Sub-contract work or is likely to be delayed, the Sub-contractor shall notify the Contractor and, provided that the Sub-contractor shall have so requested in writing giving reasons, the Contractor shall, if reasonable do so, amend the Sub-contract Completion Date. Delays for any other reason whatsoever shall be within the Sub-contractor's risk and shall not entitle the Sub-contractor to any extensions of time.

## DEFECTS LIABILITY PERIOD

12.

- a) The Sub-Contractor shall maintain the Sub-Contract Works until the expiration of the 12 months Defects Liability Period, which shall be calculated from the date of receipt of the Main Contract Certificate of Practical Completion,
- b) The Sub-Contractor shall promptly execute all work of repair and making good defects, imperfections or other faults may be required by the Contractor at any time and such work shall be carried out at the Sub-Contractors expense.

## PAYMENT

13.

- a) The sum paid to the Sub-Contractor in respect of the Sub-Contract Works shall be determined in accordance with this Sub-Contract order and such sum shall include the amount (if any) to be added or deducted for authorised variations and agreed dayworks.
- b) Applications for payment are to be submitted in accordance with the dates contained in Appendix A attached to this order.
- c) The Contractor will give a written Payment Notice to the Subcontractor on or before the dates specified in Appendix A. The Payment Notice shall specify the amount of the interim payment and the basis upon which the sum was calculated.
- d) The Contractor may give a written Payless Notice to the Subcontractor on or before the dates specified in Appendix A. The Payless Notice will specify any amount proposed to be deducted from the amount notified in clause 13 (c) and detail the grounds for all deductions.
- e) The Sub-Contractor is deemed to have included in the rates and prices stated for all payments in respect of National Insurance, holidays with pay, travelling time and fares, guaranteed time, subsistence allowance and all other payments properly made in accordance with the Working Rule Agreement or other approved body, the Sub-Contractor shall allow the Contractor to comply and provide such assistance necessary for checking the Sub-Contractors records and insurance, etc.
- f) All payments in respect of the Sub-Contract will be made in Accordance with the provisions of the Income and Corporation Taxes Act 1988 or any statutory amendments or modifications thereof (Construction Industry Scheme).
- g) Claims for outstanding monies in connection with this Sub-Contract will not be considered unless the Sub-Contractor has submitted a notice in writing identifying the occurrence and advising the Contractor monthly of the cost together with all necessary supporting documentation.
- h) The Sub-Contract Works are subject to remeasurement on completion.
- i) The rates quoted are fixed and will not be subject to fluctuations unless agreed by the Contractor in writing.

PBL 6-1-23 [REVOO1] 30/10/2025

- j) The Contractor shall deduct the amount of any levy by the Construction Industry Training Board and the Sub-Contractor will be deemed to have included in his rates for any such levy.
- k) If the Sub-Contractor is a registered person within the meaning of the current regulation regarding Value Added Tax, he shall upon the signing of the Sub-Contract, immediately inform the Contractor of his registration number and both the Sub-Contractor and the Contractor shall carry out their respective responsibilities under the Value Added Tax regulations.
- l) The percentage of the retention shall be a sum equal to 5% of the amount due to the Sub-contractor. Retention will be held until completion of the Main Contract Works when half will be released, the balance being released on issue of the Certificate of Making Good Defects under the Main Contract.
- m) The Sub-contractor may suspend such performance of his obligations under the Sub-contract if the Contractor fail to pay the Sub-contractor the amount due by the final date for payment subject to the following:
- Written notice has been given by the Sub-contractor stating grounds for suspension
  - Non-payment by the Contractor has continued for a period of 7 days from a valid notice.
- Such suspension shall not be treated as failure on the part of the Sub-contractor to proceed with the Sub-contract Works in accordance with the provisions of this Sub-contract.

#### **DIRECTIONS IN WRITING.**

14. The Contractor may issue any reasonable direction in writing to the Sub-Contractor in regard to the Sub-Contract Works and the Sub-Contractor shall forthwith comply with any instruction or direction. If within 3 days after receipt of a written notice from the Contractor requiring compliance with a direction of the Contractor, the Sub-Contractor does not begin to comply therewith, then the Contractor may employ and pay other persons to comply with such directions and all costs incurred in connection with such employment may be deducted from any monies due or to become due to the Sub-Contractor under the Sub-Contract or shall be recoverable by the Contractor as a debt.

#### **DETERMINATION OF SUB-CONTRACT**

- 15.
- The Sub-Contractor shall acknowledge the right of the Contractor to terminate this Sub-Contract without further liability upon 5 days' notice in the event of the Main Contract being determined or in the event of the insolvency of the Sub-Contractor or his failure to observe the obligations placed on him by statute or Common Law to maintain reasonable progress or his refusal or persisted neglect to carry out the lawful written orders of the Contractor.
  - The Contractor acknowledges the right of the Sub-Contractor to terminate this Sub-Contract giving 5 days' notice in writing, should the contractor be in breach of any of the terms and condition of this Sub-Contract.

#### **INDEMNITY**

16. The Sub-Contractor hereby wholly releases and indemnifies the Contractor from and against all liability arising at Common Law or otherwise howsoever so far as concerns workmen in the employment of the Sub-Contractor, his agents or servants. The Sub-Contractor hereby also wholly releases and indemnifies the Contractor from and against all liability for:

- Personal Injury (whether fatal or otherwise)
- Loss or Damage to property.
- Any other loss damage costs and expenses howsoever caused or incurred by reason of the Sub-Contractor's act or neglect in connection with the carrying out of the Sub-Contract Works.

#### **DISPUTES**

- 17.
- Should any dispute or difference arise between the parties under this Sub-contract then either party shall have the right to refer that dispute or difference for Adjudication in accordance with the Adjudication Rules for the time being of the Academy of Construction Adjudicators. Any decision of the Adjudicator shall be binding upon the parties until the final determination of the dispute of arbitration, be legal proceedings or by agreement.
  - Subject to the right of either party first to refer any dispute or difference to adjudication such dispute or difference shall be referred to arbitration and the final decision of a person to be agreed between the parties or failing agreement a person to be appointed on the request of either party be the President or Vice-President for the time being of the Royal Institution of Chartered Surveyors.

PBL 6-1-23 [REVOO1] 30/10/2025

## HEALTH, SAFETY AND WELFARE

18.

- a) Your acceptance of this order will be deemed to include acceptance of the requirements of our Company Policy Statement for Health, Safety & Welfare and list responsibilities for Sub-Contractors on this Company's sites. Details of our Policy are available on site and from the Company Head Office.
- b) The Sub-Contractor must comply with the requirements of all statutory Rules and Regulations in respect of Safety, Health & Welfare, Machinery, Electricity, etc which may be in force or be introduced during the course of the work and shall be responsible for due observance and compliance with all notices and regulations whatsoever regarding safe conduct of the works and security arrangements which may be laid down and introduced to the site from time to time.

## SITE AGENT/SAFETY

19.

- a) The Sub-Contractor will be expected to provide a full time on site supervisor, the name of this person being given to our Site Agent.
- b) Sub-Contractors operatives on site must wear safety helmets and the appropriate footwear at all times. Safety helmets and other equipment must be provided by the Sub-Contractor, or if provided by the Contractor, the Sub-Contractor will be contra-charged.
- c) If the Sub-Contractor has more than five employees, their safety policy must be presented to the Contractor's Site Agent.

## QUALITY ASSURANCES

20.

A Quality Assurance system will be implemented by the Contractor to ensure specified quality objectives are achieved, a copy of which is available on site. If the Sub-Contractor does not operate his own formal quality management system then the Sub-Contractor must co-operate with the Contractor's System in providing evidence of specified quality objectives.

The Sub-Contractor is required to forward the name of the person who will be responsible for the quality control, during the Sub-Contract.

The Sub-Contractor is required to complete a Quality Assurance questionnaire prior to commencement on site.

## ACTS OF PARLIAMENT, ETC.

21.

The Sub-Contractor shall comply with all Acts of Parliament Ordinances, Regulations, bylaws and Statutory Instruments of any Minister of the Crown or Government Department and shall furnish proof of so doing to the Contractor as and when requested. In addition the Sub-Contractor shall free and indemnify the Contractor and his Principals from and against all penalties, fines and liabilities whatsoever arising from the Sub-Contractors failure to so comply.

Consumer Protection Act 1987 – Health and Safety At Work Act 1974 and The Control of Substances Hazardous To Health Regulations 1988.

The Sub-Contractor shall comply with the above Acts and regulations and shall send to the Site Manager at the site address not less than 5 working days before commencing the Sub-Contract Works all adequate information including the indemnity of any substance hazardous to Health, product data sheets and guidance notes relating to safe use, handling and storage of goods, substances and articles supplied under this Sub-Contract Agreement as required by the above Acts, Regulations and Safety Regulations made under Section 11 or the Consumer Protection Act 1987 and any amendment to the same. The Sub-Contractor shall indemnify the Contractor against all losses, costs, damages incurred in connection with the breach of this clause by the Sub-Contractor.

## CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

22.

The parties hereby confirm that notwithstanding any other provision of this sub-contract, the sub-contract shall not, and shall not purport to conform on any third party and right to enforce any term of the sub-contract for the purposes of the contracts (Rights of Third Parties) act 1999 (whether or not in force).

PBL 6-1-23 [REVOO1] 30/10/2025



