

RME Services Ltd**General Conditions for Sub-Contractors****1.0 Definitions**

- 1.1 **RME** shall mean RME Services Ltd, the purchaser of specialist works and/or services to be provided by the Sub-Contractor.
- 1.2 **The Sub-Contractor** shall mean the company or person executing specialist works and or services on behalf of RME Services, as detailed in the purchase order or in other purchasing data.
- 1.3 **The Sub-Contractor's Persons** shall mean its employees, sub-contractors, sub-consultants, suppliers and other persons engaged or authorised by the Sub-Contractor.
- 1.4 **The Sub-Contractor's Price** shall be a fixed sum exclusive of VAT for the scope of work identified in the purchase order or other purchasing data. The price may only be varied on receipt of written instructions and agreement from RME.
- 1.5 **The Works or Services** shall mean the works and/or services as detailed in the sub-contract order.
- 1.6 **Variation** shall mean any addition, omission, substitution or modification of the sub-contract works or services, which have not arisen from any negligence, omission or default of the Sub-Contractor or Sub-Contractor's persons.
- 1.7 **The Site** shall be that indicated in the sub-contract order and shall include all building and external areas and outbuildings, as appropriate.
- 1.8 **Regulatory and Statutory Requirements** shall mean any requirements imposed by applicable standards, codes of practice, best practice guidance, regulations, bye-laws, site rules and legislation.
- 1.9 **Plant** shall include all items of equipment, vehicles, access systems, power tools etc. necessary for the execution of the works and/or services.
- 1.10 **Normal Working Hours** shall mean 08:00 am to 05:30 pm Monday to Friday, excluding public holidays.

2.0 The Sub-Contract

- 2.1 The Sub-Contract between RME and the Sub-Contractor comprises these general conditions, the sub-contract purchase order or other purchasing data and any referenced documents, including drawings, schedules and specifications. Where applicable a payment schedule, special conditions and other documents may be identified as forming part of the sub-contract to the exclusion of other terms and conditions, provided that these are submitted by the Sub-Contractor and agreed by RME prior to the commencement of the sub-contract work.
- 2.2 If there is any inconsistency between these general conditions and the purchase order, including any referenced documents, the requirements of the purchase order shall prevail.
- 2.3 The scope of work covered by the purchase order and any referenced documents shall not be amended, supplemented or varied in any way without the prior written agreement of RME.

3.0 Sub-Contractor's General Obligations

- 3.1 The Sub-Contractor shall carry out and complete the works or services, including testing and commissioning when appropriate, in accordance with the sub-contract requirements using reasonable skill, care and diligence to the satisfaction of RME, providing all labour, plant, equipment, consumables and materials, which are required for the safe, efficient and timely execution of the works or services. The sub-contract works shall commence on the date instructed and be completed in accordance with programme requirements. Unless agreed otherwise, all work shall be undertaken during normal working hours. If the programme is extended due to failure on the part of the Sub-Contractor to complete in due time, the Sub-Contractor will not be entitled to additional payment for extension of time. The Sub-Contractor shall make good at his own expense any defects in his work or any damage caused by him in their execution. This includes loss or damage to the plant, tools, equipment and materials of third parties.
- 3.2 In providing any service or fulfilling any obligation under the sub-contract, the Sub-Contractor shall ensure compliance with all regulatory and statutory requirements. Unless otherwise agreed, the Sub-Contractor shall produce, prior to the commencement of work, an adequate method statement and risk assessments, including COSHH risk assessments when appropriate, that will demonstrate the manner of compliance with requirements for quality, environmental and health and safety matters applicable to his works and/or services. Where the Sub-Contractor's work relates to existing facilities or services or is dependent upon them, the Sub-Contractor shall satisfy himself before commencing work that existing provisions are satisfactory and adequate to accept

the new works. The Sub-Contractor shall have no claim against RME in respect of work previously carried out by others unless any matters relating to unsuitability have been notified to RME prior to the commencement of work.

3.3 All equipment, consumables and materials to be used in the works or services shall be new, unless agreed otherwise, and comply with the following:

- (a) Be of best quality and suitable for the intended purpose
- (b) Be maintained in a safe, serviceable and clean condition
- (c) Conform to the scope of requirements, applicable rules and regulations, codes of practice and British Standard Specifications

3.4 The Sub-Contractor shall ensure that all his persons, including employees and sub-contractors/suppliers, comply with all legislation, regulations and directives relating to the environment generally, health and safety, welfare, waste management, pollution and noise, including RME's environmental and health and safety policies and site regulations and procedures. Copies of the Sub-Contractor's own environmental and health and safety policies and any other safety related information shall be provided to RME promptly on request.

3.5 Whilst engaged on a site, the Sub-Contractor shall comply with such rules, regulations and requirements relating to the conduct of staff, as may be made by RME or the site authority from time to time acting reasonably. The Sub-Contractor shall ensure that his employees, sub-contractors, sub-consultants, suppliers and other persons engaged or authorised by him do likewise.

3.6 The Sub-Contractor shall ensure that his employees and sub-contractors comply with the RME policy on alcohol, drugs and other substance abuse, a copy of which is obtainable on request. This policy applies to any sub-contractor or his sub-contractor and overrides the requirements of any sub-contractor's drugs and alcohol policy to the extent that they are less rigorous than those of the RME policy.

3.7 RME shall have the power at any time during the progress or at the completion of the works or services to order in writing any of the following to be carried out at the Sub-Contractor's cost:

- (a) The removal from the site of any materials, which in the RME's opinion are hazardous, noxious, or not in accordance with the sub-contract requirements
- (b) The removal and proper re-execution of works or services that are not in accordance with the sub-contract requirements or to RME's reasonable satisfaction
- (c) Actions to be taken to keep the site in a neat and tidy condition at all times

3.8 The Sub-Contractor shall remove all his waste and keep the site in a neat and tidy condition at all times. He will be responsible for the protection of his unfixed materials and equipment. Free issue material will be the responsibility of the Sub-Contractor upon receipt, but title in such materials shall be retained by RME at all times. The Sub-Contractor shall be responsible for the coordination and setting out of his works. On completion of the works or services, the Sub-Contractor shall remove all plant, equipment, unused materials and waste and leave the site in a neat and tidy condition to the satisfaction of RME. In disposing of waste, the Sub-Contractor shall conform to the requirements of the Waste Hierarchy and relevant waste legislation. In accordance with RME's environmental policy, the Sub-Contractor shall endeavour to minimise his waste production.

3.9 When relevant, all necessary drawings and operating and maintenance documentation for the safe use of installed items shall be provided by the Sub-Contractor, unless expressly stated otherwise. Drawings and operating and maintenance documentation shall be adequately comprehensive, of good quality, produced in electronic format and bound complete with index.

4.0 Personnel

4.1 RME shall designate an individual as its representative for the works or services, who is authorised to represent RME in all dealings with the Sub-Contractor. The Sub-Contractor shall designate an individual acceptable to RME, who is authorised to represent the Sub-Contractor in all dealings with RME.

4.2 RME may require the removal of any person involved in the works or services, who, in the reasonable opinion of RME, is unacceptable.

4.3 The Sub-Contractor shall only use persons to execute the works that are appropriately skilled, experienced and qualified for the tasks allocated to them.

5.0 Site Access and Third Parties

5.1 The Sub-Contractor is deemed to have inspected the site and the design and construction of the facilities and to have satisfied himself as to the conditions under which the works or services are to be carried out, including access, the availability of facilities, the activities of the occupants, the public, contractors and other service providers, and the existence of surrounding property, as applicable.

- 5.2 The Sub-Contractor shall accept the risk that the matters referred to in Clause 5.1 above may impede the performance of the works or services and/or cause the Sub-Contractor to incur additional cost with the possibility of completion being delayed.
- 5.3 RME will use reasonable endeavours to ensure that the Sub-Contractor is given access to such parts of the site as may be reasonably necessary to enable the Sub-Contractor to carry out and complete the works or services in accordance with instructions.
- 5.4 The Sub-Contractor shall facilitate the execution of work and the provision of works or services at the site by other contractors and service providers and shall use his best endeavours to avoid any interruption or interference to occupants and other third parties arising from his provision or non-provision of the works or services.
- 5.5 The site asbestos register, if available, shall not be relied upon as defining the presence or otherwise of asbestos at any work place. All the Sub-Contractor's persons shall be trained in asbestos awareness by an approved training company.
- 5.6 The Sub-Contractor shall be deemed to have visited the site and to have satisfied all legislative requirements and taken all measures necessary to ensure that the materials to be encountered in executing the works or services are asbestos free or, that where asbestos is suspected or known about, all appropriate measures shall be taken by the Sub-Contractor to comply with health and safety legislation. Under no circumstances shall any work be carried out unless these conditions have been met.
- 5.7 All water, drainage and electricity supplies will be provided free of charge, unless stated otherwise. The Sub-Contractor shall ascertain from RME in writing the actual situation prior to commencement. The Sub-Contractor shall be responsible for all temporary connections required by him and making good on completion of the works or services to the satisfaction of RME.
- 5.8 RME reserves the right to refuse to admit to premises any person employed or engaged by the Sub-Contractor, whose admission would, in the reasonable opinion of RME, be undesirable and shall not be obliged to give any reasons for such refusal.
- 5.9 The Sub-Contractor shall agree with RME all arrangements including arrangements for working, access to and from the site, vehicle parking at the site and any other matter ancillary to carrying out the works. Adherence to site rules shall be paramount.

6.0 Indemnity and Insurance

- 6.1 The Sub-Contractor shall indemnify RME against all liability for death or injury to any person or damage to any property and against all related costs, proceedings and expenses arising out of any breach by the Sub-Contractor of the sub-contract or any negligence or other act, omission or default on the part of the Sub-Contractor or any of the Sub-Contractor's persons except to the extent that the same are directly attributable to RME's negligence or breach of the sub-contract.
- 6.2 The Sub-Contractor shall take out and maintain, with reputable insurers and upon terms (including exclusions and deductibles) previously approved by RME, Public Liability insurance for a minimum amount of £5 million for each and every claim and all other insurances required by law.

7.0 Payments

- 7.1 On satisfactory completion of the works or services, the Sub-Contractor shall submit a detailed account together with a tax invoice. No stage payments shall be made for the sub-contract works unless the Sub-Contractor specifically requests stage payments at the time of submitting a price for the works or services and RME agrees in writing.
- 7.2 Payment shall be made at the end of the month following the month in which the Sub-Contractor's invoice is received by RME, unless otherwise agreed.
- 7.3 If any amount of the invoice is reasonably and properly disputed, RME reserves the right to pay only the undisputed amount prior to resolution.
- 7.4 Where applicable, the Sub-Contractor shall provide evidence of his CIS (Construction Industry Scheme) status, as issued by HM Revenue and Customs under the Construction Industry Scheme. If the Sub-Contractor fails to provide, on request, details of CIS registration, RME will apply the rules applicable under the scheme and deduct income tax at the appropriate rate from payments made for all costs in respect of services that are deemed to fall within the scheme.
- 7.5 RME may retain or set off any amounts owed to it by the Sub-Contractor under the sub-contract or otherwise.

8.0 Instructions

- 8.1 The Sub-Contractor shall comply with all RME's reasonable instructions.
- 8.2 RME reserves the right to order variations, which could be additions, alterations or omissions to or from the works or services. Where a variation justifies a change to the sub-contract price, such change shall be agreed between the parties on the basis of the

agreed sub-contract rates and prices. Where variations have been ordered, the Sub-Contractor shall provide in writing to RME within seven days a quotation for the costs and expenses plus VAT. An assessment shall also be provided of the time within which the variation can be executed and delay, if any, to the completion date for the works.

8.3 RME may issue instructions as it considers necessary to co-ordinate the Sub-Contractor's provision of the works or services with the activities of the occupants of the premises and other third parties.

8.4 No additional payment shall be made against any variation unless it has been agreed, in writing, by RME.

9.0 Intellectual Property

9.1 The Sub-Contractor shall grant to RME an irrevocable, assignable, royalty-free licence to use, copy, modify, adapt and translate all design and other documents and data relating to the performance of the works or services (including the right to grant sub licences) for any purpose connected with the carrying out of the works or services.

9.2 The Sub-Contractor shall indemnify RME against all claims, proceedings, costs and damages which may be incurred by RME on account of the infringement or alleged infringement of any patent or other intellectual property rights by the Sub-Contractor.

10.0 Assignment and Sub-Letting

10.1 The Sub-Contractor shall not assign any of his interests in the sub-contract without the prior written consent of RME.

10.2 The Sub-Contractor shall not sub-let the whole of the works or services nor without RME's prior written consent (which will not be unreasonably withheld) sub-let any part of the works or services. The terms of every sub-contract must properly reflect the terms of the sub-contract with RME and shall be subject to the prior review of RME if it so requested.

10.3 Sub-letting shall not relieve the Sub-Contractor of any of his obligations under the sub-contract.

11.0 Termination

11.1 RME may terminate the sub-contract in whole or part by written notice to the Sub-Contractor if the following occurs:

- (a) The Sub-Contractor commits a breach of the sub-contract or fails to perform to RME's reasonable satisfaction and, in the case of breach capable of remedy, he fails to remedy the breach within 2 working days of being required to do so in writing; or
- (b) The Sub-Contractor becomes insolvent, passes a resolution for his winding up or has a liquidator, receiver or administrative receiver appointed.

11.2 RME may in addition terminate the Sub-Contractor's work in whole or part by giving the Sub-Contractor one month's prior written notice to that effect.

11.3 Following notice of termination by RME under Clause 11.1 or 11.2 above, RME shall not be required to make any further payment to the Sub-Contractor after the date of termination or prior to the withdrawal of such notice. The Sub-Contractor shall only be entitled to amounts due up to the date of termination. Any loss and expense incurred by RME may be deducted from any amount becoming due to the Sub-Contractor or recoverable as a debt from the Sub-Contractor.

11.4 Upon termination, the Sub-Contractor shall promptly comply with all instructions of RME with regard to the handover of equipment, stocks, manuals, documents, keys and other items relating to the works or services and shall leave the site or sites in a safe, clean and orderly condition.

11.5 Termination shall be without prejudice to the accrued rights and remedies of the parties.

12.0 Passing of Property and Risk

12.1 The property of any equipment, goods or materials delivered by the Sub-Contractor to the site shall pass to RME on formal acceptance of its installation. Where no installation is required, property shall pass on the due date for payment.

13.0 Disputes and Governing Law

13.1 If any dispute arises between the parties, which cannot be resolved amicably, it may be referred to adjudication. Each decision of the adjudicator shall be implemented by the parties. A party dissatisfied with a decision shall give notice of its dissatisfaction to the other within 30 days of the decision being issued. In the absence of such a notice the parties shall be deemed to have accepted the adjudicator's decision as final and conclusive.

- 13.2 RME may require that a dispute under the Sub-Contract shall be referred to an adjudicator who has previously been appointed as adjudicator in any related dispute between RME and any other party.
- 13.3 Subject to Clause 13.1, every dispute shall be finally determined by the courts of England and Wales.
- 13.4 The Sub-Contract shall be governed by English Law.
- 14.0 Quality, Environment and Health and Safety**
- 14.1 All materials and equipment, methods of installation and quality of workmanship shall be subject to approval and acceptance by RME. No substitutions of materials and equipment against those specified or agreed may be made without written approval from RME.
- 14.2 The Sub-Contractor shall comply with all current environmental and health and safety legislation. Specific items of environmental legislation will be those covering emissions to air, noise, water, waste and buildings, accommodation and land. Particular care must be taken to avoid pollution to land and waterways. Any product supplied must be durable in nature and where relevant shall have high energy efficiency or low water consumption. Plant, equipment and power tools used by the Sub-Contractor in the execution of the works must have been maintained in good order in accordance with the manufacturer's recommendations and have been subjected to periodic inspection to confirm this.
- 14.3 The Sub-Contractor shall endeavour to use locally sourced products and those of an environmentally friendly nature. Timber and timber products shall have been derived from renewable sources. Hazardous substances should be avoided as far as possible in favour of those of an environmentally friendly nature.
- 14.4 The Sub-Contractor shall provide a safe system of work including the provision of all appropriate personal protective equipment (PPE) and first aid facilities. Sub-Contractor's persons working on site must be holders of CSCS (Construction Skills Certification Scheme) cards or equal.
- 14.5 Prior to the commencement of work, all operatives must be familiar with site rules, means of escape under fire and emergency conditions, operation of the fire alarm, fire action notices and the location of the relevant fire assembly point.
- 14.6 Where RME has produced a job execution plan, site risk assessments and/or a construction phase plan, the Sub-Contractor shall be required to comply with the general requirements of these documents in respect of environmental and health and safety planning/assessment.
- 14.7 Activities that include hot works, work at height and electrical mains isolation will require a permit to work.
- 15.0 General**
- 15.1 **Notices:** All notices shall be in writing and shall be effective when delivered to the address for service of the recipient, as shown in the sub-contract purchase order or another address of which notice has been given under this Clause. Notice sent by first class post shall be deemed to have been delivered 2 business days after posting.
- 15.2 **Entire Agreement:** The sub-contract constitutes the only agreement between the parties relating to the works or services and supersedes any previous agreement or arrangement between them.
- 15.3 **Waiver:** No waiver by RME of any breach by the Sub-Contractor shall be considered as a waiver of any subsequent breach or any provision of the sub-contract.
- 15.4 **Interpretation:** Words and phrases identified in the sub-contract purchase order will apply to these general conditions.
- 15.5 **Audit:** The Sub-Contractor shall keep and maintain records to RME's satisfaction, until 2 years after sub-contract expiry, of all expenditure and costs and allow access to these records as may be required by RME.
- 15.6 **Inspection:** The Sub-Contractor shall allow access for RME and anyone authorised by RME to inspect works or services and materials on the site at all times.
- 15.7 **Defects Liability:** The sub-contract works shall be subject to a defects liability period of twelve months from the completion date of the contract works unless agreed otherwise. Any defects or other faults which appear within the defects liability period in work undertaken by the Sub-Contractor or in equipment provided by him, shall be made good, within a reasonable time to be agreed, by the Sub-Contractor at no cost to RME.
- 15.8 **Confidentiality:** The Sub-Contractor shall keep confidential and not disclose to any third party nor use for any purpose, other than that of fulfilling its obligations under the sub-contract, RME's confidential information.

16.0 Back to Back Works

If you are working on a back to back contract, all the above items apply apart from the following:-

- 1.4 **The Sub-Contractor's Price** shall be derived on a back to back measured term basis from rates agreed under a head agreement. Any work carried out by the Sub-Contractor will be measured on site either in conjunction with, or independently by, RME Services' quantity surveyor in order to prepare an account for payment to the Sub-Contractor.
- 1.6 N/A
- 2.1 The Sub-Contract between RME and the Sub-Contractor comprises these general conditions, the sub-contract purchase order or other purchasing data and any referenced documents, including drawings, schedules and specifications.
- 3.1 The Sub-Contractor shall carry out and complete the works or services, including testing and commissioning when appropriate, in accordance with the Sub-Contract requirements using reasonable skill, care and diligence to the satisfaction of RME, providing all labour, plant, equipment, consumables and materials, which are required for the safe, efficient and timely execution of the works or services. The sub-contract works shall commence on the date instructed and be completed in accordance with programme requirements. Unless agreed otherwise, all work shall be undertaken during normal working hours. The Sub-Contractor shall make good at his own expense any defects in his work or any damage caused by him in their execution. This includes loss or damage to the plant, tools, equipment and materials of third parties.
- 7.1 On satisfactory completion of the works or services, the Sub-Contractor shall submit his invoice, which will be based on the value of work carried out on site, the Sub-Contractor's final account being compiled and agreed with RME's appointed quantity surveyor using the contract rates.
- 8.2 RME reserves the right to order variations, which could be additions, alterations or omissions to or from the works or services.