# Standard Conditions (Tier 2) v3.1

#### 1. The Contract and Definitions

- 1.1. In the Contract, the following words shall be given the meanings set out below:
  - 1.1.1. "Agent" means any architect, contract administrator, project manager or other agent who has authority to act on the End User's behalf in respect of the Project (as specified in the Contract Documents or as otherwise notified by the End User to CCCL).
  - 1.1.2. "CCCL" means C. C. Contracting Limited a company registered in England & Wales with company number 02691252.
  - 1.1.3. "Days" shall mean calendar days. Where an act is required to be done within a specified period or from a specified date, the period begins immediately after that date.
  - 1.1.4. "End User" means the other party to the Contract identified in the Contract Documents.
  - 1.1.5. "Price" means the sum payable to CCCL by the End User for performing the Works, as set out in the Contract Documents, including any adjustment to the Price in accordance with these Standard Conditions. Unless stated otherwise, the Price is exclusive of VAT, which shall be paid in addition in accordance with statute. Unless stated otherwise, the Price is also exclusive of any fees, levies or charges payable in respect of the Works or the Project, which shall either be paid by the End User or, if paid by CCCL, shall be reimbursed to CCCL in addition to the Price.
  - 1.1.6. "Project" means the project which the End User is carrying out, of which the Works form the whole or a part.
  - 1.1.7. "Variation" means (i) any addition to, omission from, substitution of, or other change to the Works; (ii) any change to the method or sequence of the Works as described in the Contract Documents; (iii) any amendment to or addition of constraints to the Works, such as alterations to site access or working hours; (iv) any instruction for the expenditure of a provisional sum.
  - 1.1.8. "Works" means the works which CCCL is to perform as identified and described within the Contract Documents, including any changes to those works made in accordance with the Contract.

- 1.2. The End User engages CCCL to carry out the Works in accordance with the Contract for the Price.
- 1.3. The Contract is comprised of the following documents (together, the "Contract Documents"):
  - 1.3.1. These Standard Conditions;
  - 1.3.2. CCCL's Order Acknowledgment for the Works (if any);
  - 1.3.3. CCCL's Quotation for the Works;
  - 1.3.4. The End User's Purchase Order (if any), Invitation to Tender and/or Enquiry documents, but excluding any standard conditions of contract included or referred to therein.
- 1.4. The Contract Documents are to be read together and as a whole. If there is any discrepancy between the Contract Documents, then the order of priority is as they are listed at clause 1.3, in descending order.
- 1.5. If the End User has appointed an Agent, then that Agent has full authority to act on behalf of the End User for the purposes of the Contract. This includes that the Agent is authorised to give or receive any notice or other communication on behalf of the End User under this Contract.

## 2. The Works

- 2.1. CCCL shall:
  - 2.1.1. carry out and complete the Works in a proper and workmanlike manner in accordance with the Contract Documents; and
  - 2.1.2. comply with any reasonable instructions given by the End User in relation to the carrying out of the Works, including (subject to clause 3 below) any instructions which vary the Works.
- 2.2. This **clause 2.2** applies if the Contract states that CCCL is to carry out the design of all or part of the Works. In carrying out its design, CCCL shall:
  - 2.2.1. exercise all the reasonable skill, care and diligence that would be expected from an appropriately qualified professional designer carrying out the design of works similar to the Works;
  - 2.2.2. comply with the End User's reasonable instructions for the integration of its design into the design of the Project as a whole;
  - 2.2.3. upon request, provide a reasonable number of copies of its design drawings and calculations to the End User, for the End User's use in carrying out the Project.
- 2.3. All instructions shall be given by the End User in writing. If CCCL receives an instruction other than in

writing, then CCCL may confirm that instruction to the End User in writing within a reasonable time. If the End User does not object within 2 Days of receiving the confirmation of instruction from CCCL, then from that time it shall be treated as an instruction in writing from the End User.

- 2.4. The End User shall, in good time to enable CCCL to progress the design and construction of the Works, provide:
  - 2.4.1. all attendances and other items necessary for the performance of the Works which are not identified in the Contract Documents as being provided by CCCL;
  - 2.4.2. any design document, information, instruction and/or decision required by CCCL from the End User in respect of the Works.
- 2.5. The parties agree that they will comply with their obligations under the Construction (Design and Management) Regulations 2015. If the Principal Designer and/or the Principal Contractor is a person other than CCCL, then the End User shall confirm the identity of the Principal Designer and/or Principal Contractor and shall ensure that the Principal Designer and/or the Principal Contractor carries out its duties under the regulations.
- 2.6. For a period of 12 months following completion of the Works, the End User shall notify CCCL in writing if any defects appear in the Works and will afford CCCL a reasonable opportunity to make good those defects. "Defects" in this context means any defect, fault, shrinkage or other damage caused by CCCL's breach of its obligations under the Contract.

## 3. Variations

- 3.1. If the End User instructs CCCL to carry out a Variation (a "Variation Instruction"), then (unless clause 3.3 below applies) CCCL shall not immediately comply with the Variation Instruction but shall provide a quotation to the End User. The quotation shall set out the adjustment to the Price which CCCL would require for carrying out the Variation, including any adjustment to CCCL's preliminaries costs.
- 3.2. On receiving the quotation, the End User may:
  - 3.2.1. accept the quotation, in which case CCCL shall then comply with the Variation Instruction;
  - 3.2.2. reject the quotation and withdraw the Variation Instruction; or
  - 3.2.3. reject the quotation and request CCCL to carry out the Variation without an agreed quotation in place. If CCCL agrees then clause 3.3 below shall apply.
- 3.3. CCCL may at any time agree to carry out a Variation without an agreed quotation, in which case CCCL shall comply with the Variation Instruction. The adjustment to the Price for the Variation shall be

agreed between the parties or otherwise shall be valued on a fair and reasonable basis, having due regard to (a) any rates or prices contained within the Contract Documents and (b) any changes to the circumstances under which the Works are being performed.

#### 4. Time for Performance

- 4.1. Unless it is stated expressly in the Contract Documents that this clause 4.1 does not apply, all periods or dates for completion are target dates only. CCCL's only responsibility is to carry out and complete the Works within a reasonable time.
- 4.2. Any programmes or periods for completion shall be extended to make allowance for any public holidays and for a two-week shutdown over the Christmas and New Year period.
- 4.3. If CCCL is delayed in the performance of the Works by any matter which is beyond the reasonable control of CCCL (including but not limited to any Variation or any action or inaction of the End User, or any person for whom the End User is responsible), then CCCL shall be entitled to a fair and reasonable adjustment to any date or period for completion of the Works to reflect that delay.
- 4.4. CCCL shall make the End User aware of any delay or disruption to the Works as soon as reasonably possible.
- 4.5. If CCCL is delayed by any matter which is within the control of the End User (including any Variation or any action or inaction of the End User or any person for whom the End User is responsible) then in addition to an extension to any dates or periods for completion of the Works, CCCL will also be entitled to a reasonable adjustment to the Price to reflect its additional preliminaries costs for the period of delay.

#### 5. Payment

- 5.1. If the Works are proposed to be carried out within a period of 6 weeks or less, then CCCL shall be entitled to apply for payment of the Price on completion of the Works (or following the date on which CCCL left site, if earlier). The application for payment shall set out the sum which CCCL considers is due and the basis on which that sum was calculated. The due date for payment shall be the date on which the End User received the application.
- 5.2. If the Works are proposed to be carried out within a period longer than 6 weeks, or if as a result of additional works instructed by the End User, the period for carrying out the Works becomes longer than 6 weeks, then CCCL shall be entitled to be paid the Price in monthly instalments, as follows:
  - 5.2.1. The amount of each monthly instalment shall be the total of:

- (i) a reasonable proportion of the Price which is commensurate with the proportion of the Works (including any variations and adjustments for provisional sums) which has been carried out by CCCL up to the date of the application for payment;
- (ii) the value of any materials which are stored on site for incorporation into the Works;
- (iii) any other sums which are payable to CCCL under the Contract;

LESS

- (iv) any previous payments made by the End User to CCCL.
- 5.2.2. The due date shall be the final Day of each month in which CCCL has carried out any part of the Works.
- 5.2.3. Not later than five Days after the due date, CCCL shall issue an application for payment to the End User, setting out the sum which CCCL considers to be due to it and the basis on which that sum was calculated.
- 5.2.4. Following the completion of the Works, CCCL may make further applications for payment to the End User for any remaining amounts which are payable under this Contract, which will become due on the date the application is received by the End User.
- 5.3. The final date for payment in respect of any sum which becomes due to CCCL under this Contract shall be thirty Days after the due date.
- 5.4. Not later than five Days before the final date for payment, the End User may give notice of its intention to pay less than the sum set out in the application for payment to CCCL. The pay less notice shall set out the sum which the End User considers is due on the date the pay less notice is served, and the basis on which that sum is calculated.
- 5.5. On or before the final date for payment, the End User shall pay to CCCL:
  - 5.5.1. the sum stated in the pay less notice (if any); or otherwise
  - 5.5.2. the sum stated in CCCL's payment application.
- 5.6. If the Contract Documents set out that an advance payment is to be made to CCCL, then the payment of that advance payment to CCCL by the End User is a condition precedent to CCCL's obligation to (or, as the case may be, to continue to) carry out and complete the Works. The amount of the advance payment shall be held by CCCL on account of its costs and expenses in performing the Works and shall, following completion of the Works, be set off against any further sums which may then be payable to CCCL (and

the remaining balance (if any) will then be refunded to the End User).

### 6. Insurances and Liability

- 6.1. CCCL shall maintain the following insurances while carrying out the Works:
  - 6.1.1. Public liability insurance with a limit of indemnity not less than £5,000,000 (five million pounds) in respect of any one event or all events of a series consequent on or attributable to one original cause; except for in relation to pollution or contamination where the limit of indemnity shall be calculated in aggregate.
  - 6.1.2. Employer's liability insurance in accordance with United Kingdom statutory requirements.
- 6.2. Unless expressly stated to the contrary in the Contract Documents, the End User shall take out policies of insurance in respect of (a) the carrying out of the work comprising the Project and all materials at the site of the Project and (b) existing structures (if any) at the site of the Project. The End User warrants that CCCL is recognised as an insured under those policies and/or that insurers under those policies have waived any rights of subrogation which they might otherwise have against CCCL. CCCL shall have no liability to the End User in respect of any matter which is covered or intended to be covered by those policies of insurance.
- 6.3. If CCCL is carrying out design, then the following provisions apply:
  - 6.3.1. The End User acknowledges that CCCL does not maintain professional indemnity insurance.
  - 6.3.2. CCCL's liability in connection with clause 2.2 (Design) (including any liability for breach of the obligations set out in clause 2.2 and any liability (other than for death or personal injury) resulting from CCCL's negligence in performing its obligations under clause 2.2) shall not exceed the sum of £50,000 for any one claim or series of claims.
  - 6.3.3. Where CCCL has used a professional designer in order to carry out any design work, then CCCL will if requested procure a collateral warranty in favour of the End User from the professional designer. The terms of that collateral warranty shall be based upon the Construction Industry Council Collateral Warranty Consultant-Employer Third Edition (CIC/ConsWa/E Third Edition 2018) with clause 2(a) deleted.
- 6.4. If CCCL fails to comply with its obligation (if any) under clause 4 (Time for Performance) to complete the Works within a specific period, then CCCL shall be

liable to the End User for any direct loss or expense which is incurred by the End User as a direct result of CCCL's failure. Provided always that, unless agreed otherwise and recorded in the Contract Documents, CCCL's liability for such loss and expense shall be limited to an amount which is no greater than (i) £5,000 per week of delay; and (ii) £100,000 in total. This clause 6.4 sets out the entirety of the End User's remedies in relation to any delay to the Works caused by CCCL or failure by CCCL to complete the Works within any specific period.

- 7. Termination, Law, Dispute Resolution and Other Matters
- 7.1. Either party may terminate CCCL's engagement under the Contract immediately by notice if:
  - 7.1.1. the other party becomes insolvent. For the purposes of this clause, "becomes insolvent" shall have the meaning stated in section 113 of the Housing Grants, Construction and Regeneration Act 1996 (as amended); or
  - 7.1.2. the other party has materially breached the terms of the Contract and has not remedied the breach within thirty Days of receiving a notice in writing from the non-defaulting party which specifies the breach and requires it to be remedied.
- 7.2. In the event of termination:
  - 7.2.1. CCCL shall be entitled to be paid for the Works properly carried out up to the date of termination;
  - 7.2.2. If CCCL terminated its engagement, then CCCL shall also be reimbursed:
    - (i) its reasonable additional costs and expenses arising out of the termination; and
    - (ii) any costs incurred by CCCL in contemplation of carrying out the Works for which CCCL would not otherwise be compensated, including the costs of any goods or materials which were properly ordered by CCCL prior to the date of termination for which CCCL has paid or is legally bound to pay.
- 7.3. Any communication or notice given under this Contract shall be in writing and, except as otherwise set out in this clause, may be sent by any effective means (including to any email address notified by a party as its address for receiving communications). Notices and other communications sent to CCCL by email shall be copied to <a href="mailto:office@cccontracting.co.uk">office@cccontracting.co.uk</a>. Any notice which appoints or revokes the appointment of an Agent, any notice under clause 7.1, any notice of adjudication issued pursuant to clause 7.10, and/or any notice of arbitration issued

- pursuant to **clause 7.11**, shall be issued by recorded, special or courier delivery to the relevant party's registered address and, if different, to its address recorded in the Contract Documents.
- 7.4. Neither party may assign its rights or any benefit under this Contract without the consent of the other party (which may be withheld at that party's reasonable discretion).
- 7.5. Nothing in the Contract is intended to confer any right or benefit on any person other than the parties, whether under the Contracts (Rights of Third Parties) Act 1999 or otherwise.
- 7.6. Section headings in these Standard Conditions are for convenience only and do not affect the interpretation of the individual provisions.
- 7.7. Should any part of these Standard Conditions be found to be illegal, unenforceable and/or otherwise invalid, that part shall be severed and deleted from the remaining part of these Standard Conditions and treated as if it had never been incorporated into the Contract, and the remainder of the Contract shall remain in full force and effect.
- 7.8. Any delay by either party in exercising any of its rights shall not be treated as a waiver of those rights. Any failure to exercise rights on any given occasion shall not prevent a party from exercising those or any other rights on any future occasion.
- 7.9. The law of the Contract is the law of England and Wales.
- 7.10. Either party may refer any dispute or difference arising under or in connection with the Contract to adjudication in accordance with Part I of the Scheme for Construction Contracts (England and Wales) Regulations 1998 (as amended). The Adjudicator Nominating Body is the Royal Institution of Chartered Surveyors.
- 7.11. Any dispute or difference arising under or in connection with the Contract shall be referred to arbitration by a single arbitrator. The seat of the arbitration shall be London and the Construction Industry Model Arbitration Rules (CIMAR) current at the date the Contract is made shall apply to the arbitration. If the identity of the arbitrator is not agreed between the parties, then either party may apply to the president or a vice president for the time being of the Royal Institution of Chartered Surveyors for the appointment of an arbitrator.
- 7.12. All information and documents provided in adjudication or arbitration are to be treated as confidential by the parties and the tribunal.