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CONSTRUCTION AGREEMENT  
(INSTALMENT PAYMENT SCHEDULE, NO RETENTION)

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**THIS AGREEMENT** is made the

**BETWEEN:**

- (1) <<Name of Contractor>> a <<Country of Registration>> under number <<Company Registration Number>> whose registered office is at <<Registered office>> (the "Contractor")
- (2) <<Name of Sub-Contractor>> ("Sub-Contractor")

**IT IS AGREED** as follows:

**1. DEFINITIONS**

- 1.1 In this Agreement the following terms shall have the meanings otherwise requires the following

**'Confidential Information'** means any information, in whatever form, in writing or otherwise, which is disclosed to or received by the Contractor pursuant to or in connection with this Agreement, whether in writing or any other medium, and which is expressly stated to be confidential or marked as such.

**'Main Contract'** means the contract <<Date>> between (1) <<Name of Employer>> and (2) <<Name of Contractor>> for the carrying out of the Main Contract.

**'Main Contract Works'** means the works comprised in the <<Main Contract Works>>;

**'Works'** means the works comprised in Part 1 of the Schedule.

**2. ENGAGEMENT OF SUB-CONTRACTOR**

- 2.1 The Contractor hereby engages the Sub-Contractor to carry out the Works in accordance with the terms of this Agreement.
- 2.2 It is understood and agreed that the Sub-Contractor's activities and those of its employees and the workers engaged by the Sub-Contractor shall be under the exclusive direction and control of the Contractor.
- 2.3 The Sub-Contractor shall be registered with HMRC's Construction Industry Scheme and shall provide evidence of his registration to the Contractor.
- 2.4 Any obligation of the Contractor to make payment under this Agreement is subject to the provisions of the Construction Industry Scheme.
- 2.5 The Sub-Contractor shall not subcontract any of the Works without the prior written consent of the Contractor.
- 2.6 Neither party to this Agreement shall be entitled to claim the benefit of this Agreement or to enforce it without the other's prior written consent.
- 2.7 The grant and acceptance of this Agreement do not create any mutual obligations between the parties.

obligations on the  
accept any further a  
created or implied.

or the Sub-Contractor to offer or  
nuing relationship shall hereby be

### 3. TIMING

3.1 The Sub-Contractor  
<<Date>> and <<Date>>  
instruction to comm

works [on <<Date>>] **OR** [between  
days of the Contractor's written

3.2 The Sub-Contractor  
<<Number>> week  
timescale:

urs to complete the Works [within  
nt] **OR** [according to the following

<<Insert timetable,  
ates>>.

3.3 The Contractor sha  
Works are practical

tor in writing of the date when the

3.4 The Sub-Contractor  
of time rectify any d  
within 3 months from

se and within a reasonable period  
s notified to him by the Contractor  
mpletion of the Works.

### 4. SUB-CONTRACTOR'S OBLIGATIONS

4.1 The Sub-Contractor  
carry out the Works  
and workmanlike m

killed and experienced workers to  
e Works are carried out in a good

4.2 The Sub-Contractor  
the Contractor in b  
brought to the Sub-

ks in a manner that does not put  
f the Main Contract that has been

4.3 The Sub-Contractor

4.3.1 the goods an

d in Part 2 of the Schedule; and

4.3.2 all other goo  
for those (if a

ed to complete the Works except  
e Schedule

and all goods and m

satisfactory quality.

4.4 The Sub-Contractor  
equipment and pro  
those items (if any)

ls, plant and machinery, safety  
to carry out the Works except for  
chedule.

4.5 The Sub-Contractor  
carrying out of the V

site all wasted created during the

4.6 The Sub-Contractor  
Works are done, an  
that due account is  
activities of the Con  
Contractor.

nising how and in what order the  
ntractor's representative to ensure  
the timing of the Works upon the  
b-contractors also engaged by the

4.7 The Sub-Contractor  
Works.

ws and regulations relating to the

4.8 The Sub-Contractor  
Contractor relating t

asonable regulations made by the

### 5. CONTRACTOR'S OBLIGATIONS

5.1 The Contractor sha

contractor has sufficient access to

the site to perform t

gations under this Agreement.

- |     |  |
|-----|--|
| 5.2 | The Contractor shall comply with the Schedule and any other relevant regulations.  |
| 5.3 | The Contractor shall ensure that all workers wear appropriate protective clothing and equipment at all times.                        |
| 5.4 | The Contractor shall ensure that all workers are trained in accordance with the Regulations 2015 and any other relevant regulations. |

materials (if any) listed in Part 3 of all be of a satisfactory quality.

and machinery, safety equipment of the Schedule.

struction (Design and Management)  
s and the site.

## 6. LIABILITY, INDEMNITY AND RELEASE

- 6.1 The Sub-Contractor shall indemnify the Contractor for all claims, damages, costs and expenses, including reasonable attorneys' fees, in connection with any proceedings in respect of the same:

se 6.3] be liable for, and shall  
liability, damages, loss, claims or  
or death of any person where the

- 6.1.1 arises out of Works; and

caused by the carrying out of the

- 6.1.2 is due to the  
of the Sub-C  
the Sub-Con

statutory duty, omission or default  
or agents or any person for whom

- 6.2 The Sub-Contractor shall indemnify the Contractor for all damages, claims, costs and expenses, including reasonable attorneys' fees, in connection with any third-party claims or proceedings in respect of the Project, where such injury or damage is caused in whole or in part by the negligence of the Sub-Contractor.

se 6.3] be liable for, and shall  
liability, damages, loss, claims or  
mage whatsoever to any property

- 6.2.1 arises out of Works; and

reason of the performance of the

- 6.2.2 is due to the  
of the Sub-C  
the Sub-Con

statutory duty, omission or default  
or agents or any person for whom

- 6.3 [The total liability of  
limited to £<<sum>>]

der clauses 6.1 and 6.2 shall be

- 6.4 The Sub-Contractor shall maintain liability insurance covering the Sub-Contractor's liability for all or any part of the work. The Sub-Contractor shall provide evidence of the insurance cover to the Employer.

professional indemnity and public  
one authorised by him to carry out  
requested provide evidence of the

## 7. PAYMENTS TO THE SUB

- 7.1 The Sub-Contractor shall be paid for the time and at the rate

of £<<sum>> per day for his own  
r other staff.

- 7.2 [The Sub-Contractor shall be responsible for all costs and other expenses incurred in connection with the performance of the Contract, provided that such costs and expenses are evidenced by receipts or other documents.]

for goods and materials provided in connection with the Works prior approval of the Contractor

**OR**

[No further payment  
and above the cons  
payment will be ma  
or other expenses in

Sub-Contractor for the Works over this clause and without limitation no in respect of any goods, materials factor in carrying out the Works.]

- ### 7.3 Interim payments following completion

Monthly basis with a final payment  
in accordance with the provisions below.

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- 8.1 [The Sub-Contractor shall not, for a period of <<insert time period>> following the termination or expiry of this Agreement, provide services to any competitor of the Contractor [within <<insert radius>> miles of the Contractor's premises]. [The Contractor may waive this restriction entirely or on a per-client basis upon receipt of a written request from the Sub-Contractor.]

8.2 [The Sub-Contractor shall not, for a period of <<insert time period>> following the termination or expiry of this Agreement, solicit or attempt to solicit any clients and/or employees with which the Contractor has had dealings within the <<insert time period>> prior to the date of termination of the Agreement, or other clients of which the Sub-Contractor has knowledge. The Contractor may waive this restriction entirely or on a per-client basis upon receipt of a written request from the Sub-Contractor.]

8.3 [The Sub-Contractor shall not, for a period of <<insert time period>> following the termination or expiry of this Agreement, disclose to any third party any prior agreement or arrangement between the Contractor and the client in question as to the sharing of the client's confidential information.]

9.1 In this Clause 9:

9.1.1 “Data Protection Legislation” means the Data Protection Act 1988 (as amended) and any secondary legislation made under it (including the Data Protection Regulations 2018) unless and until GDPR is no longer directly applicable in the UK, GDPR and any national implementing measures and secondary legislation (as amended from time to time in the UK and subsequently 2) any other legislation which relates to data protection;

9.1.2 “GDPR” means the EU General Data Protection Regulation (EU Regulation 679/2016);

9.1.3 “personal data” has the same meaning as defined in the Data Protection Legislation;

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9.1.4 "First Party"  
this Agreement

9.1.5 "Other Party"  
parties is not

9.2 All personal data that  
held by that First Party  
Legislation and the  
Party.

9.3 For complete details  
retention of personal data  
which personal data  
Other Party's (and  
personal data shared  
Privacy Notice of the

9.4 For the purpose of  
to the Other Party of

9.5 [All personal data to  
Agreement shall be  
Agreement entered

9.6 <sup>1</sup>[All personal data  
Party under this Agreement  
of the Data Processing  
to this Agreement.]

## 10. CONFIDENTIALITY

10.1 Except as provided  
party, each party shall  
and [for <<insert period>>

10.1.1 keep confidential

10.1.2 not disclose

10.1.3 not use any  
contemplated

10.1.4 not make any  
any Confidential

10.1.5 ensure that  
contractors or  
be a breach

10.2 Either party may:

10.2.1 disclose any

a) any secret

b) any confidential

c) any information  
aforementioned

to such extent  
this Agreement

instance, either one of the parties to

for instance, whichever one of the

will be collected, processed, and  
the provisions of Data Protection  
Protection Legislation of the Other

collection, processing, storage, and  
not limited to, the purpose(s) for  
or bases for using it, details of the  
s and how to exercise them, and  
the Other Party should refer to the

Notice of a First Party is available  
Party.

Party with the Other Party under this  
with the terms of the Data Sharing  
pursuant to this Agreement.]

First Party on behalf of the Other  
used in accordance with the terms  
into on <<insert date>> pursuant

authorised in writing by the other  
the continuance of this Agreement  
termination:

information;

information to any other party;

information for any purpose other than as  
terms of this Agreement;

any way or part with possession of

officers, employees, agents, sub-  
which, if done by that party, would  
Clauses 10.1.1 to 10.1.4 above.

to:

of that party;

authority or regulatory body; or

of that party or of any of the  
bodies or bodies;

for the purposes contemplated by  
limited to, the carrying out of the

<sup>1</sup> See the notes about Clause 9 in the information

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Works), or a  
the person,  
is confidential  
under clause  
obtain and  
undertaking  
nearly as p  
Confidential  
for which the

10.2.2 use any Cor  
other person  
or at any tim  
fault of that p  
disclose any  
knowledge.

10.3 The provisions of t  
their terms, notwith

## 11. FORCE MAJEURE

11.1 No party to this Ag  
their obligations wh  
beyond the reasona  
limited to: power fa  
unrest, fire, flood,  
governmental action  
in question.

11.2 [In the event that a  
hereunder as a res  
period>>, the other  
written notice at the  
parties shall agree  
completed up to the  
any prior contractua  
of this Agreement.]

## 12. TERMINATION

12.1 This Agreement ma  
with immediate effe  
Party") if:

12.1.1 the Other Pa  
of this Agre  
remedied w  
Terminating

12.1.2 the Other Pa  
compulsory  
reconstruction  
of the whole

12.2 If the Main Contract

12.2.1 this Agreem

12.2.2 the Contrac  
termination;

ch case that party shall first inform  
n that the Confidential Information  
e disclosure is to any such body  
oyee or officer of any such body)  
party a written confidentiality  
n. Such undertaking should be as  
of this clause 10, to keep the  
and to use it only for the purposes

any purpose, or disclose it to any  
it is at the date of this Agreement,  
nes, public knowledge through no  
e or disclosure, that party must not  
al Information which is not public

continue in force in accordance with  
of this Agreement for any reason.

any failure or delay in performing  
ay results from any cause that is  
Such causes include, but are not  
vider failure, industrial action, civil  
acts of terrorism, acts of war,  
is beyond the control of the party

t cannot perform their obligations  
r a continuous period of <<insert  
tion terminate this Agreement by  
the event of such termination, the  
sonable payment for all Works  
ch payment shall take into account  
nto in reliance on the performance

er party (the "Terminating Party")  
ce to the other party (the "Other

mply with the terms and obligations  
e, if capable of remedy, is not  
en notice of such failure from the

y or liquidation either voluntary or  
oses of bona fide corporate  
a receiver is appointed in respect

atically;

notify the Sub-Contractor of the

- 12.2.3 the Sub-Contractor shall leave the site.
- 12.3 [This Agreement may be terminated by either party at any time and without giving any reason for termination by giving 28 days' notice in writing to the other party.]
- 12.4 The termination of this Agreement shall be without prejudice to any rights, claims or obligations of the parties under this Agreement.
13. **DISPUTE RESOLUTION**
- 13.1 If a dispute arises between the parties which cannot be resolved by negotiations between the appointed representatives:
- 13.1.1 the parties shall agree by written cooperation to a request made by the other party to refer the dispute to arbitration;
- 13.1.2 either party may refer the dispute to adjudication in accordance with the Arbitration Scheme for Construction Disputes (England and Wales) Regulations 1998;
- 13.1.3 either party may refer the dispute to arbitration in accordance with the Arbitration Act 1996 as agreed between the parties. In the event that the parties are unable to agree on the appointment of an arbitrator, either party may, upon giving written notice to the other, apply to the President or Deputy President of the Chartered Institute of Arbitrators for the appointment of an arbitrator and for any decision on the rules that may apply.
14. **MISCELLANEOUS**
- 14.1 This Agreement constitutes the entire agreement between the Sub-Contractor and the Contractor and shall supersede any prior agreement or understanding between the parties and such prior agreements are hereby cancelled as from the date of this Agreement. The parties acknowledge they have no claim against the other in respect of any previous agreement.
- 14.2 Any notice to be sent by one party to the other shall be sent by prepaid recorded delivery or by email. If sent by post to the address shown in this Agreement or to such other address as the party shall have notified to the other in writing taking effect from the date of such notification. Clause or Agreement, and shall be deemed received 48 hours after the date of posting.
- 14.3 The headings in this Agreement are for reference purposes only and shall not be incorporated into the interpretation of the Agreement.
- 14.4 In this agreement, unless the context otherwise requires, words in the singular shall include the plural and vice versa. Words importing any gender include any other gender. A reference to a person includes a reference to a body corporate or an individual.
- 14.5 The parties agree that neither party shall have the right to enforce any term of this Agreement solely by virtue of the Contracts (Rights of Third Parties) Act 1999.
15. **GOVERNING LAW AND JURISDICTION**
- 15.1 This Agreement shall be governed by the laws of England and Wales and any dispute concerning its interpretation or performance shall be adjudicated in that jurisdiction.



**IN WITNESS WHEREOF** this Agreement is  
before written

SIGNED by

<<Name and Title of person signing  
for and on behalf of <<Contractor's

In the presence of  
<<Name & Address of Witness>>

SIGNED by

<<Name and Title of person signing  
for and on behalf of <<Sub-Contractor's

In the presence of  
<<Name & Address of Witness>>

S

A

M

P

L

E

executed the day and year first

S

Part 1 – Description of the Works

<<Insert detailed description of Works and reference to the relevant document, e.g. a tender>>

A

Part 2 – List of goods and materials to be supplied by Sub-Contractor

<<Insert list>>

M

Part 3 – List of goods and materials to be supplied by Contractor

<<Insert list>>

P

Part 4 – List of tools, plant and machinery to be supplied by the Contractor and protective clothing to be supplied by the Contractor

<<Insert list>>

L

E