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CONSTRUCTION AGREEMENT
(FIXED SUM, INSTALMENT PAYMENT BY CONTRACTOR, WITH

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
- (2) <<Name of Sub-Contractor>> (“Sub-Contractor”)

IT IS AGREED as follows:

1. DEFINITIONS

1.1 In this Agreement unless otherwise requires the following terms shall have the

'Confidential Information' means any information, whether or not confidential, that is disclosed to the Contractor pursuant to or in connection with this Agreement in writing or any other medium, and which is expressly stated to be confidential

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

'Main Contract Works' means <<Main Contract Works>>;

'Works' means <<Works>> 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 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 Contractor's prior written consent.

2.6 Neither party to this Agreement shall assign the benefit of this Agreement to any third party without the written consent of the other party.

2.7 The grant and acceptance of this Agreement do not create any mutual

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obligations on the
accept any further a
created or implied.

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

3. TIMING

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

orks [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.

inising 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

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the site to perform t

gations under this Agreement.

5.2 The Contractor sha
the Schedule and a

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

5.3 The Contractor sha
and protective cloth

and machinery, safety equipment
of the Schedule.

5.4 The Contractor sha
Regulations 2015 a

struction (Design and Management)
s and the site.

6. LIABILITY, INDEMNITY A

6.1 The Sub-Contractor
indemnify the Contr
proceedings in resp
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
indemnify the Contr
proceedings in resp
where such injury o

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

6.2.1 arises out of
Works; and

y 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 o
limited to £<<sum>>

nder clauses 6.1 and 6.2 shall be

6.4 The Sub-Contractor
liability insurance co
all or any part of the
insurance cover to t

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

7. PAYMENTS TO THE SUB

7.1 The price for the W

7.2 Interim payments v
following completion

nthly basis with a final payment
ance with the provisions below.

7.3 After the end of c
thereafter at one m
to the Sub-Contract

ommencement of the Works and
ctor shall submit a payment notice

7.4 The payment notice

7.4.1 state the sur
in respect of

rs to be due to the Sub-Contractor
he relevant month;

7.4.2 set out the b

as been calculated.

7.5 The Contractor sha
days of submitting t

d in the payment notice within 14

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- 7.6 If the Contractor has submitted a payment application to the Sub-Contractor within 5 days after the month end of the month to which the application relates, the Contractor may submit a payment application to the Contractor for the amount of the invoice submitted to the Sub-Contractor within 5 days after the month end of the month to which the application relates.
- 7.7 The payment application shall state:
 - 7.7.1 the amount of the invoice submitted to the Sub-Contractor, which the Contractor considers to be due in respect of the month;
 - 7.7.2 how the amount has been calculated.
- 7.8 The Contractor shall pay the amount stated in the payment application within 14 days of receipt of the application.
- 7.9 Neither party shall be liable for late payment applications that in aggregate amount to less than 5% of the price until the date 4 weeks or (if later) one month after any defects notified to the Contractor under clause 3.4 have been rectified (the "Final Payment").
- 7.10 After the Final Payment, the Contractor shall submit a payment notice to the Sub-Contractor for 5% of the price.
- 7.11 If the Contractor has submitted a payment application to the Sub-Contractor within 5 days after the month end of the month to which the application relates, the Contractor shall submit a payment notice to the Sub-Contractor for the amount of the invoice submitted to the Sub-Contractor within 5 days after the month end of the month to which the application relates. The payment notice shall state:
 - 7.11.1 the amount of the invoice submitted to the Sub-Contractor, which the Contractor considers to be due in respect of the month;
 - 7.11.2 how the amount has been calculated.
- 7.12 The Contractor shall pay the amount stated in the payment notice or, as the case may be, pay interest on the amount of the payment notice within 14 days of submitting the payment application to the Sub-Contractor.
- 7.13 All payments made by the Contractor to the Sub-Contractor shall be expressed exclusive of any Value Added Tax chargeable thereon.
- 7.14 If the Contractor has submitted a payment application to the Sub-Contractor within 5 days after the month end of the month to which the application relates, the Contractor shall pay the Sub-Contractor the amount of the invoice submitted to the Sub-Contractor within 5 days after the month end of the month to which the application relates, plus interest at the rate of 5% per annum above the base rate of the Bank of England as published from time to time in the London Gazette from the due date until the payment is received.
- 7.15 No further payment shall be made by the Contractor for the Works over and above the consideration stated in the payment application and without limitation no payment will be made by the Contractor in respect of any goods, materials or services supplied by the Sub-Contractor in carrying out the Works.

8. NON-COMPETITION AND

- 8.1 [The Sub-Contractor shall not, during the course of carrying out the Works or within the period of the Agreement, solicit or employ any persons or employees with which the Contractor has done business in the past, or who are competitors of the Contractor [within a radius of <<insert radius>> miles] or who are competitors of the Contractor.] [The Contractor may waive this restriction entirely on the basis upon receipt of a written request from the Sub-Contractor.]
- 8.2 [The Sub-Contractor shall not, during the course of carrying out the Works or within the period of the Agreement, solicit or employ any persons or employees with which the Contractor has done business in the past, or who are competitors of the Contractor [within a radius of <<insert radius>> miles] or who are competitors of the Contractor.] [The Contractor may waive this restriction entirely on the basis upon receipt of a written request from the Sub-Contractor.]

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or on a per-client request from the S any prior agreement the sharing of the cl

r basis upon receipt of a written er may be given if it shall violate or and the client in question as to

9. DATA PROTECTION [,] [S [ESSING]

9.1 In this Clause 9:

9.1.1 "Data Protection from time to and privacy EU law ve 2016/679), a and North (Withdrawal made there Regulations

s all applicable legislation in force dom applicable to data protection d to, the UK GDPR (the retained data Protection Regulation ((EU y of England and Wales, Scotland, section 3 of the European Union tecton Act 2018 (and regulations r and Electronic Communications

9.1.2 "personal data Legislation;

a as defined in the Data Protection

9.1.3 "First Party" this Agreement

stance, either one of the parties to

9.1.4 "Other Party" parties is no

ar instance, whichever one of the

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

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

9.3 For complete deta retention of person which personal data Other Party's (and personal data shar Privacy Notice of th

lection, 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 he Other Party should refer to the

9.4 For the purpose of to the Other Party d

Notice of a First Party is available arty.

9.5 [All personal data to Agreement shall be Agreement entered

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

9.6 ¹[All personal data Party under this Ag of the Data Proces to this Agreement.

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

10. CONFIDENTIALITY

10.1 Except as provided party, each party sh and [for <<insert pe

authorised in writing by the other he continuance of this Agreement mination:

10.1.1 keep confide

rmation;

10.1.2 not disclose

tion to any other party;

¹ See the notes about Clause 9 in the info

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10.1.3 not use any Confidential Information for any purpose other than as contemplated in the terms of this Agreement;

10.1.4 not make any disclosure of Confidential Information in any way or part with possession of Confidential Information;

10.1.5 ensure that any disclosure of Confidential Information by its officers, employees, agents, subcontractors or consultants, which, if done by that party, would constitute a breach of Clauses 10.1.1 to 10.1.4 above.

10.2 Either party may:

10.2.1 disclose any Confidential Information to:

- a) any subcontractor of that party;
- b) any government authority or regulatory body; or
- c) any other person of that party or of any of the bodies referred to in Clauses 10.1.1 to 10.1.4 above;

provided that, in order to such extent as is necessary for the purposes contemplated by this Agreement (including the carrying out of the Works), or as may be required by the person, to whom the Confidential Information is confidentially disclosed (the "recipient"), the recipient is confidentially disclosed under clause 10.2.1, the recipient shall obtain and maintain an undertaking from the recipient, in writing, as nearly as possible to the effect of this clause 10, to keep the Confidential Information confidential and to use it only for the purposes for which the Confidential Information is disclosed.

10.2.2 use any Confidential Information for any purpose, or disclose it to any other person, or at any time, other than as permitted in clause 10.2.1, in the event of a breach or disclosure, that party must not disclose any Confidential Information which is not public knowledge.

10.3 The provisions of this clause 10 shall continue in force in accordance with their terms, notwithstanding the termination of this Agreement for any reason.

11. FORCE MAJEURE

11.1 No party to this Agreement shall be liable for any failure or delay in performing their obligations which may result from any cause that is beyond the reasonable control of that party. Such causes include, but are not limited to: power failure, strike, riot, insurrection, civil unrest, fire, flood, epidemic, pestilence, war, governmental action or any other cause which is beyond the control of the party in question.

11.2 [In the event that a party to this Agreement cannot perform their obligations for a continuous period of <<insert period>>, the other party shall terminate this Agreement by giving written notice at the expiration of such period. In the event of such termination, the parties shall agree to make reasonable payment for all Works completed up to the date of termination. Such payment shall take into account any prior contractual obligations of that party under this Agreement.]

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12. TERMINATION

12.1 This Agreement may be terminated with immediate effect by either party (the "Terminating Party") if:

12.1.1 the Other Party fails to comply with the terms and obligations of this Agreement and, if capable of remedy, is not remedied within 14 days of written notice of such failure from the Terminating Party;

12.1.2 the Other Party enters into or liquidation either voluntary or compulsory or for the purposes of bona fide corporate reconstruction or a receiver is appointed in respect of the whole or substantially the whole of the assets of the Other Party;

12.2 If the Main Contract is terminated, this Agreement shall terminate automatically;

12.2.1 this Agreement shall terminate automatically;

12.2.2 the Contractor shall notify the Sub-Contractor of the termination;

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 to the other party.]

12.4 The termination of this Agreement shall be without prejudice to any rights, claims or obligations of either party under this Agreement.

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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 to refer the dispute to a request made by the other party to the appointed representatives;

13.1.2 either party may refer the dispute to adjudication in accordance with the Scheme for Construction Adjudication (England and Wales) Regulations 1998;

13.1.3 either party may refer the dispute to arbitration in accordance with the Arbitration Act 1996 as amended. If the parties are unable to agree on the name of the arbitrator(s), either party may, upon giving written notice to the other party, 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.

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14. MISCELLANEOUS

14.1 This Agreement constitutes the entire agreement between the Sub-Contractor and the Contractor and supersedes any prior agreement between the parties and such prior agreements are cancelled as from the date of this Agreement. The parties acknowledge they have no claim against the other party in respect of any previous agreement.

14.2 Any notice to be served by either party on the other shall be sent by prepaid recorded delivery to the address shown in this Agreement.

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Agreement or to su
writing taking effect
deemed received 48

shall have notified to the other in
Clause or Agreement, and shall be

14.3 The headings in thi
be incorporated into

reference purposes only and shall not

14.4 In this agreement, u
include the plural a
gender, and a refer
and to an unincorp

ise requires, words in the singular
mporting any gender include any
s a reference to a body corporate

14.5 The parties agree t
right arising solely b
to enforce any term

a party to this Agreement has no
(Rights of Third Parties) Act 1999

15. GOVERNING LAW AND J

15.1 This Agreement sha
dispute concerning
jurisdiction.

ws of England and Wales and any
n shall be adjudicated in that

IN WITNESS WHEREOF this Ag
before written

executed the day and year first

SIGNED by

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

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

SIGNED by

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

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

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Part 1 – Description of the Works

<<Insert detailed description of Works and any other relevant document, e.g. a tender>>

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

<<Insert list>>

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

<<Insert list>>

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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>>

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