

TATA STEEL



General Conditions of Contract for Demolition Contracts

CC5
September 1988
(Revised September 2010)

Table of Clauses

1. Definition of Terms
2. Safety : Compliance with Legislation and Local Regulations
3. Site Conditions and Execution
4. Delivery to and Clearance of Site
5. Interference with other Operations and Rights and Trespass
6. Contractor's Workmen
7. Access to Site and Use of Facilities
8. Ownership of Material
9. Assignment and Sub-Letting
10. Contractor's Default
11. Care of the Reserved Material
12. Insurance of the Reserved Material
13. Liability for Damage to Property and Injury to Persons
14. Fire Precautions
15. Statutory Payments
16. Variations
17. Code of Conduct
18. Bankruptcy
19. Acceptance of Conditions
20. Law

Schedule : Sale Contract : General Conditions for Use with CC5

First Issued	1974
Revised	1987
Revised	1988
Revised	2000
Revised	2006
Revised	2010

General Conditions of Contract for Demolition Contracts

Conditions governing demolition contracts to be executed by contractors on any of the premises of Tata Steel UK Limited and/or any of its subsidiary companies.

1. Definition of Terms

1.1 **“The Employer”** means the person named as such in the Contract and his respective successors and assigns.

“The Contractor” means the firm or company named as such in the Contract and includes any sub-contractors.

“The Site” means any land or premises provided by the Employer for the purposes of the Works.

“The Works” means all the demolition and clearance and/or other work to be performed by the Contractor in accordance with the Contract. The physical boundaries of the Works will be as shown on the Contract drawings or plans.

“Contractor’s Equipment” means any plant, equipment, sheds, materials, tools, stores, machinery, apparatus, articles, temporary works and other things of all kinds brought onto or erected on the Site by or on behalf of the Contractor for the execution of the Works.

“Completion” means the date at which the Works are handed over to and accepted by the Employer as completed and, where appropriate, an Acceptance Certificate is issued by the Employer.

“The Contract” means all things in writing (including, but not by way of limitation, these Conditions) whenever made which properly should be referred to in determining the rights and obligations of the Employer and the Contractor.

“The Contract Price” means the sum named in the Contract as the Contract Price as may be altered upward or downward in accordance with any specific term of the Contract.

“Material” means all things of all kind whatsoever whether ancient or modern found or discovered on, under or around the Site including, without limitation, minerals, metals, objects, articles, scrap, cable and wire, plant, equipment and vehicles.

“Reserved Material” means those items of material defined in the Contract which are to be preserved or set aside.

“Sale Contract Material” means Material (if any) on or under the Site agreed to be sold to the Contractor pursuant to the Sale Contract.

1.2 In these conditions the masculine shall include the feminine and the singular shall include plural and vice versa unless the context otherwise requires.

Any reference to an Act of Parliament in these Conditions shall be a reference to that Act as it may be re-enacted or modified.

Clause headings and marginal notes are inserted for convenience only and shall not affect the construction and interpretation of these Conditions.

2. Safety: Compliance with Legislation and Local Regulations

- 2.1 Before commencing work the Contractor shall report to the Employer's appointed representative. The Contractor and his sub-contractors in carrying out the Contract shall conform at their own expense with all applicable legislative provisions and by-laws in particular (but without limitation) building and constructional laws and regulations including the Health and Safety at Work Act 1974, the Factories Act 1961 (as these Acts may from time to time be re-enacted or modified) and the construction regulations made there-under and with any local and Site Regulations of the Employer particularly (but without limitation) those relating to health, safety and hygiene. Before beginning work on the Site the Contractor shall sign a Certificate provided by the Employer certifying that the Contractor has been made aware of the Employer's local and Site Regulations and that the Contractor will abide by them and will procure his sub-contractors' employees and all other persons having access to the Site by his authority to abide by the same.
- 2.2 In carrying out the Contract the Contractor shall also comply with the recommendations of the British Standard BS6187-1982 Code of Practice for Demolition as amended from time to time.
- 2.3 No demolition operations shall be undertaken unless under the immediate supervision of a competent employee of the Contractor with adequate experience of this type of work. The Employer's appointed Safety Advisor shall be given prior notice of each occasion on which the use of explosives is intended and actual use of explosives shall be subject to the prior approval of such Safety Advisor.
- 2.4 The Contractor shall pay special attention to those parts of the Works where there may be a risk of flooding, explosion, fire or acid burning. Before any demolition work is undertaken and during the course of demolition all necessary steps must be taken to prevent danger from fire and/or explosion through leakage or accumulation of gas or vapour.
- 2.5 Before carrying out the Works the Contractor shall ascertain the location of potentially dangerous facilities at and adjacent to the Site such as live cables (underground cables shall not be disturbed) and mains runs and for this purpose shall consult with the appointed Engineer of the Employer who shall also advise the Contractor as to the contents and locations of tanks and other equipment at and adjacent to the Site which potentially might be hazardous to the safe execution of the Works. Any advice given by the Employer's Engineer shall not detract from the responsibility which the Contractor alone shall have to avoid such hazards and damaging such facilities in his execution of the Works.
- 2.6 The Contractor shall be liable for the safety of his own personnel and equipment whilst they are on the Site and shall take adequate precautions to ensure the safety of all other personnel and equipment within the Site boundaries or adjacent thereto.

3. Site Conditions and Execution

- 3.1 The Contractor shall be deemed to have informed and satisfied himself fully as to the nature and extent of the Works including (but not by way of limitation) the physical condition of, and around the Site so far as is

practicable and therefore to have provided, unless otherwise expressly specified in the Contract, for all reasonable foreseeable eventualities (including, but not by way of limitation, flagmen) in the Contract Price.

- 3.2 The Contractor shall carry out and complete the Works in accordance with the stipulated programme and by the due date set for Completion with all due care and diligence and in accordance with the other provisions of the Contract and/or where execution is not there detailed to the reasonable satisfaction of the Employer.
- 3.3 The Contractor shall inform the Employer and confirm in writing any circumstances where delay may be expected due to those restrictions imposed by the operation of the business of the Employer in the vicinity of the Works.
- 3.4 The Contractor shall at this own expense provide Contractor's Equipment and everything else necessary for carrying out the Contract except as otherwise agreed in writing. However, the Contractor will be permitted to use such supplies of electricity, water, gas and any other services as may from time to time be available from the Employer, but shall make reasonable payment therefor unless the Employer's local or Site Regulations expressly provide otherwise. The Employer will not be liable for loss or damage caused by variations, cessation or diminution in pressure, quantity or quality or by the interruption, withdrawal or failure of such services. The Contractor shall at his own expense provide any apparatus necessary for utilising such services and shall be responsible for any loss or damage to persons or property caused by his use of them.
- 3.5 The Contractor shall until Completion be responsible for the proper supervision and maintenance of fencing, lighting, guarding and watching of the Works on the Site.

4. Delivery to and Clearance of Site

- 4.1 The Contractor will be responsible at his own expense for delivery and for unloading on the Site all Contractor's Equipment and everything else necessary for carrying out the Contract. All such items shall be sited or deposited as directed by the Employer but shall remain in the custody and at the risk of the Contractor who shall be liable for the care, safety and storage thereof.
- 4.2 The Contractor shall on Completion remove all Contractor's Equipment and rubbish and leave the Site in a level, clean and tidy condition to the satisfaction of the Employer. Failure to do so shall entitle the Employer to do the same at the Contractor's expense. Any Contractor's Equipment left on Site shall be at the Contractor's risk and if not removed within 28 days of Completion may be disposed of by the Employer without liability or accountability to the Contractor.

5. Interference with other Operations and Rights and Trespass

- 5.1 The Contractor in carrying out the Works shall ensure that there shall no interference with the operations of the Employer or of other contractors or with the use and enjoyment of any public or private rights or with any easement or property (including for the avoidance of doubt any road within the Employer's property) whether of the Employer or not unless the Contractor unavoidably so requires and then the

Contractor shall ensure that any such unavoidable interference is as limited as possible. In particular (but without limitation) the Contractor shall be responsible for the removal of spillage from public roads and the Employer's roads used to transport materials in the execution of the Contract.

- 5.2 The Contractor shall take all necessary precautions to prevent trespass on the Site and nuisance to the Employer and others.

6. Contractor's Workmen

- 6.1 The Contractor shall in respect of all persons employed by him in the execution of the Works pay rates or wages and observe hours and conditions of labour in accordance with either local or national agreement between the contractor(s) and the trade(s) union(s) which shall reflect the general level of wages, hours and conditions observed by other employers in the locality whose general circumstances in the trade or industry in which the Contractor is engaged are similar.
- 6.2 The Employer shall be entitled to have suitable certificates of competence from the Contractor for any person employed in connection with the Works.
- 6.3 The Contractor will not without the consent in writing of the Employer or of the contractor concerned knowingly take into employment workmen or other employees from the Employer or from any other contractor employed in connection with the Works by the Employer.
- 6.4 The Employer shall be at liberty to object to any representative or person employed by the Contractor in the execution of the Works on the Site or in any other place who shall in the opinion of the Employer misconduct himself or be incompetent or negligent. The Contractor shall remove that person from the Works and he shall not be again employed by the Contractor in connection with the Works without the permission of the Employer. Any removal of labour under this Condition shall not constitute a valid reason for the Contractor's failure to complete the Works in accordance with the Contract.
- 6.5 The Contractor shall during all working hours have upon the Site a competent supervisor and all orders, directions and notices given by the Employer to him shall be as binding on the Contractor as though given to the Contractor.
- 6.6 The Contractor shall abide by the Employer's site harmonisation procedures.
- 6.7 Unless the Contract otherwise provides the Contractor will provide during the period of the Contract all proper welfare and amenity facilities for his employees.

7. Access to Site and Use of Facilities

- 7.1 The Contractor shall have access (but not exclusive access) only to such parts of the Site and at such times as are reasonably necessary for the purpose of carrying out the Works and to such other parts as the Employer may from time to time authorise. The Contractor shall be responsible for ensuring that his employees do not enter any other part of the Site and that they make use only of such roads, routes and facilities and at such times as the Employer may from time to time authorise.

7.2 The Employer shall have the right to enter onto that part of the Site occupied by the Contractor at any time and for any purpose including (but not by way of limitation) to search the Site or any of the Contractor's personnel thereon for unauthorized use or possession of any property.

8. Ownership of Material

8.1 The Material shall, as between the Contractor and the Employer, remain the property of the Employer and shall be dealt with as directed by the Employer except Sale Contract Material in which the property shall pass in accordance with the Sale Contract.

8.2 From the date access is granted to the Site the Contractor shall be responsible for taking all proper measures to protect and safeguard the Material until the same may be removed from the Site or this Contract shall have terminated whichever shall first occur.

9. Assignment and Sub-letting

9.1 The Contractor shall not assign or sub-let the carrying out of the Works nor any part thereof without the prior written approval (which there shall be no obligation to give) of the Employer on such terms and conditions (which shall include imposition of all these Conditions on assignees or sub-contractors) as it may specify.

9.2 Any consent given by the Employer under Clause 9.1 shall not relieve the Contractor from his responsibilities to the Employer for the performance of the Works in accordance with the Contract.

10. Contractor's Default

10.1 If the Contractor shall neglect to execute the Works with due diligence and expedition or shall refuse or neglect to comply with any reasonable order given to him in writing by the Employer in connection with the Works or shall contravene any provisions of the Contract, the Employer may give seven days notice in writing to the Contractor to make good the failure, neglect or contravention complained of.

10.2 Should the Contractor fail to comply with the notice referred to in Clause 10.1 within seven days from the date of its service in the case of failure, neglect or contravention capable of being made good within the time or otherwise within such time as may be reasonably necessary for making it good, then without prejudice to any other remedies (whether by way of termination, damages or otherwise whatsoever) which it may have under the Contract or at common law the Employer may:

(a) employ other workmen and execute that part of the Works which the Contractor shall have neglected to execute, or

(b) take the Works in whole or in part out of the Contractor's hands and re-contract with any other person to complete the same.

10.3 In the event of Clause 10.2 applying the Employer shall have the free use of all the Contractor's Equipment without being responsible to the Contractor for fair wear and tear and to the exclusion of any right of the Contractor over the same.

10.4 The Employer shall be entitled to retain any sum which may otherwise be due to the Contractor and to apply that sum towards the payment of the cost of carrying out any work referred to in Clause 10.2. If the cost

of doing this work shall exceed the sum retained, the Contractor shall pay the excess forthwith to the Employer.

11. Care of the Reserved Material

- 11.1 The Contractor shall at his own expense make good except as provided by Clause 11.2 any loss or damage to the whole or any part of the Reserved Material that occurs before Completion.
- 11.2 The Contractor shall not be liable to make good at his own expense any loss or damage that may result from any of the following excepted causes:
- (a) radio-active contamination (in so far as it is uninsurable) war, invasion, act of foreign enemies, hostilities (whether or not war be declared), civil war, rebellion, revolution, insurrection, military or usurped power.
 - (b) loss or damage directly caused by any act or omission of the Employer or any employee or representative of the Employer.
-

12. Insurance of the Reserved Material

- 12.1 The Contractor shall insure in the joint names of the Contractor and the Employer the whole and every part of the Reserved Material at full replacement value in the minimum sum specified in the order against all loss or damage from any cause arising (other than any of the excepted causes referred to in Clause 11.2(a)) with insurers and in terms approved by the Employer and shall maintain that insurance in full force and effect until Completion.
- 12.2 The policy or policies of insurance shall be shown to the Employer whenever he requests together with satisfactory evidence of payment of premiums. If any insurance is not effected or any premium not paid the Employer may effect or pay the same and deduct the cost of so doing from the Contract Price.
- 12.3 The provisions from this Clause shall not limit the obligations and liabilities of the Contractor under Clause 11 (Care of the Reserved Material).
-

13. Liability for Damage to Property and Injury to Persons

- 13.1 The Contractor shall indemnify the Employer against all actions, losses, liabilities, damages, claims, costs, charges, demands and expenses that arise out of, relate to or are in connection with the loss of, or damage to, any property (including but not limited to property of the Employer but not including property to be demolished) or injury to, or death of, any person (including but not limited to any employee of the Employer) and the execution of the Contract save to the proportionate extent that the same shall have arisen directly from the Employer's negligence or wilful default.
- 13.2 Except in respect of personal injury or death or loss of, or damage to, property conferring on a person other than the Employer a good cause of action against the Contractor and/or the Employer, the liability of the Contractor under the indemnity provided under Clause 13.1 for any one act or omission shall not exceed (unless otherwise stipulated by the Employer prior to the Contract being entered into) the Contract Price or £10 million whichever is the greater.

13.3 The Contractor shall arrange and maintain, at its own cost, all necessary insurance on terms satisfactory to the Employer. In particular insurance must be effected for:

13.3.1 Public liability for not less than £10 million for any one incident;

13.3.2 Product liability for not less than £10 million for any one incident;

13.3.3 Employers liability insurance for a minimum limit of £10 million.

The Contractor shall maintain that insurance in full force and effect until Completion. Whenever the Employer requests, the Contractor shall show the Employer evidence of the insurance together with satisfactory evidence of payment of premiums. If any insurance is not effected or premiums not paid, the Employer may effect or pay the same and may deduct the cost of so doing from the Contract Price..

13.4 The Contractor will insert appropriate conditions in his subcontracts reflecting the provisions of Clauses 11 to 13 inclusive

14. Fire Precautions

14.1 The Contractor shall comply with the Employer's fire drill arrangements. The Contractor shall provide his own fire fighting appliances unless otherwise agreed by the Employer. Any Contractor not being obliged to so provide or not having the necessary fire appliances and availing himself of the facilities of the Employer may be required to make reasonable payment therefor.

14.2 The Contractor shall (in particular but without limitation) comply at all times with the requirements of his public liability policy of insurance.

15. Statutory Payments

The Contractor shall be responsible for collection, deduction (where appropriate) and payment to the responsible authority of all statutory payments (including National Insurance Contributions and Training Levy) in respect of all persons employed or taken on or directed by the Contractor or by his sub-contractors in connection with the execution of the Works. The Contractor shall indemnify the Employer against all actions, claims, demands, costs, charges, and expenses related to such statutory payments and suffered or incurred by the Employer.

16. Variation

16.1 The Contractor shall not vary, add to or omit any of the Works, except as directed in writing by the Employer, but the Employer shall have full power from time to time during the execution of the Contract by notice in writing to direct the Contractor to vary, add to or omit in any manner any part of the Works, and the Contractor shall carry out those variations and be bound by these Conditions, so far as applicable, as though those variations were stated in the Contract.

16.2 In any case in which the Contractor has received a direction from the Employer under this Clause, the Contractor shall advise the Employer in writing:

(a) within 4 days whether in principle there should be an increase or decrease in the Contract Price, and

(b) within 21 days of the amount of that increase or decrease.

The amount of that increase or decrease shall be ascertained and determined in accordance with the rates specified in the schedule of prices of schedule of rates so far as the same may be applicable and where rates are not contained in those schedules or are not applicable, such amount as shall be fair and reasonable in all the circumstances.

Due account shall be taken of any partial execution of the Works which is rendered useless by any variation. No increase of the Contract Price under this Clause 16.2 shall be made unless the Contractor shall have given the advices in writing referred to in this Clause within the times specified.

16.3 If the Employer shall make any variation under this Clause in any part of the Works, reasonable notice in writing shall be given to the Contractor to enable him to make the necessary arrangements accordingly. If in the opinion of the Contractor, any variation is likely to prevent or prejudice the Contractor from or in fulfilling any of his obligations under the Contract, he shall so notify the Employer in writing, and the Employer shall decide whether or not the same shall be carried out. If the Employer confirms his instructions in writing, those obligations shall be modified by the Employer to such extent as may be fair and reasonable in all the circumstances. Until the Employer so confirms his instructions they shall be deemed not to have been given.

17. Code of Conduct

It is a fundamental condition of the Contract and of the placing by the Employer of the business incorporated in the Contract with the Contractor that the Contractor shall have complied and shall at all times and in every respect comply with the Code of Conduct of the Employer as issued from time to time.

18. Bankruptcy

If the Contractor shall become bankrupt or insolvent or have a receiving order made against him or compound with his creditors or being a corporation commence to be wound up, not being a members' voluntary winding up for the purpose of reconstruction or amalgamation, or carry on his business under a receiver for the benefit of its creditors or any of them, the Employer shall be at liberty either:

(a) to terminate the Contract forthwith by notice in writing to the Contractor or to the receiver or liquidator or to any person in whom the Contract may become vested and to act in the manner provided in Clause 10 (Contractor's Default) as though the last mentioned notice had been the notice referred to in Clause 10 and the Works had been taken out of the Contractor's hands, or

(b) to give such receiver, liquidator or other person the option of carrying out the Contract subject to his providing a guarantee from

a guarantor acceptable to the Employer for the due and faithful performance of the Contract up to an amount to be agreed.

19. Acceptance of Conditions

The Contractor's acceptance of the Employer's order to carry out the Works includes acceptance of these Conditions and any special conditions attached hereto and of the Employer's local and Site Regulations which can only be varied with the written authority of the Employer. No term or condition attached to, or incorporated in, the Contractor's tender or quotation, nor any standard or printed terms or conditions of the Contractor shall apply unless and to the extent that they are accepted in writing by the Employer.

20. Law

The Contract shall be governed and construed in accordance with English Law and shall be subject to the jurisdiction of the English Courts.

Schedule

Sale Contract : General Conditions for use with CC5

- 1.1 The following General Conditions of Contract shall apply to the sale of Sale Contract Material whether or not the Contractor under the Sale Contract be the same as under the Demolition Contract.
- 1.2 Ferrous scrap shall remain the property of the Employer and shall be deemed not to have been agreed to be sold unless the contrary is expressly stated in the Contract.
2. The Contractor shall be deemed to have thoroughly inspected the Sale Contract Material to be sold or sold and to have satisfied himself before tendering as to the quality, condition, state, quantity, volume or weight thereof and the situation and means of access thereto.
- 3.1 Any condition, warranty or statement as to the quality, condition, state, quantity, volume, weight or other measurement of the Sale Contract Material to be sold or sold or its fitness for any purpose is hereby expressly excluded whether express or implied by statute, custom of the trade or otherwise.
- 3.2 The Employer does not give any warranty as to the quality, condition, state, quantity, volume, weight or other measurement of the Sale Contract Material to be sold or sold which Sale Contract Material shall be taken by the Contractor with all faults and imperfections nor shall any description of such Sale Contract Material given by the Employer constitute a sale by description.
- 3.3 The Contractor acknowledges that the provisions of this Clause 3 satisfy the requirement of reasonableness for the purpose of Section 6 or Section 11 of the Unfair Contract Terms Act 1977.
- 4.1 The Sale Contract Material is not sold for use at work as defined by the Health and Safety at Work Act 1974.
- 4.2 Any information about the Sale Contract Material including matters relating to the use to which it has been put or processes to which it has been subject is given in good faith by the Employer and to the best of his knowledge and belief but the Employer does not accept responsibility for its accuracy.
- 4.3 The Contractor undertakes to carry out on or in connection with the Sale Contract Material such testing, examination, repairs, modification or processing as may be necessary:
 - a) to comply with any relevant legislation and
 - b) to ensure, so far as is reasonably practicable, that the Sale Contract Material is safe and without risk to health;when put to the use or uses for which he intends them.
5. Without prejudice to the generality of the preceding Condition, the Contractor undertakes in respect of any motor vehicle or trailer bought from the Employer to carry out such testing, examination, repairs or modifications as may be necessary to ensure that it complies with all relevant road traffic, road transport or other relevant legislation and not to use or cause or permit the use of such vehicle or trailer until it complies in all respects with such legislation.
6. Unless otherwise agreed under the Sale Contract, the Sale Contract Material shall be loaded and removed by and at the expense of the Contractor within the time specified in the Sale Contract or where no time is specified at such time or times as the Employer shall specify.
- 7.1 Subject only to Clause 7.2 the Contractor at his own expense shall arrange for the Sale Contract Material to be removed from the Site with all due efficiency and so as not to interfere with the operations of the Employer and in such a way as not to cause or permit interference or nuisance to others. The Contractor shall comply with the Employer's Site Regulations and in particular (but without limitation) those relating to health, safety and hygiene.

- 7.2 No material shall be loaded prior to removal from the Site until the Contractor shall be so authorized in writing by the Employer's duly authorized representative. Such authorization shall include a description of the Sale Contract Material and shall be presented at the Employer's weighbridge or check-out point by the Contractor on entering and leaving the Employer's premises.
- 8.1 The Sale Contract Material shall be at the risk of the Contractor from the date of this Contract and the Employer shall not be under any liability for the safe custody or preservation of the Sale Contract Material. If the Demolition Contract was made with the Contractor nothing in this Clause shall be taken as detracting from the Contractor's responsibility for the Works or the Reserved Material under the Demolition Contract prior to Completion thereof.
- 8.2 Property in the Sale Contract Material shall pass to the Contractor on removal from the Site.
9. The Contractor shall comply with all reasonable requirements of the duly authorised representative of the Employer at the Site as to the loading and removal of the Sale Contract Material and shall clear away the whole of the Sale Contract Material and leave the Site in a clean and tidy condition to the satisfaction of the Employer and if the Contractor fails to do so the Employer may carry out such work as may be necessary to put the Site in a clean condition and the Contractor shall pay to the Employer the cost of carrying out such work.
- 10.1 Unless otherwise agreed in the Sale Contract any necessary measurement, counting or weighing of the Sale Contract Material shall be carried out on the premises of the Employer and payment shall be made on the measurement, number or weight so ascertained. No allowance will be made by the Employer for dirt, dust, moisture content or otherwise. The Contractor through his representative shall be at liberty to witness the measurement, counting or weighing of the Sale Contract Material and no complaint of incorrect measurement, quantity or weight will be considered once the Sale Contract Material has left the Employer's possession.
- 10.2 Where the quantity, measurement or weight of the Sale Contract Material as it lies and as stated in the Contractor's tender differs when measured, counted or weighed in accordance with Clause 10.1 the Employer shall not be liable to supply any further material but the Contract Price for the Sale Contract Material as it lies will be adjusted accordingly.
- 10.3 Where no quantity, volume, measurement or weight of any Sale Contract Material has been specified in the Contract and if the Contract Price for the Sale Contract Material is not expressed as a rate or price per unit or unit of measurement then the quantity, volume, weight or other measurement agreed to be sold shall be that which may reasonably have been anticipated at the date of the Contract by the parties to be present on or under the Site.
11. The Contractor shall pay to the Employer the full amount of the Contract Price for the Sale Contract Material before removal of the Sale Contract Material from Site.
12. If the Contractor fails to remove the Sale Contract Material or any part thereof within one month after the time fixed for delivery under Clause 6 hereof or shall fail to pay for the same in accordance with Clause 11 hereof the Employer may give the Contractor one week's notice of his intention to re-sell the Sale Contract Material at the expiration of which notice the Contractor shall lose his right to remove the Sale Contract Material and the Employer may re-sell the Sale Contract Material elsewhere and retain the whole of the re-sale price and charge the Contractor forthwith with the difference in price (if upon re-sale a lower price is obtained) and also with any expenses of removing, storage and re-sale.

- 13.1 The Contractor shall indemnify the Employer against all losses, liabilities, claims, costs and expenses that may result from loss of or damage to any property (including that of the Employer) or injury to or death of any person (including any employee of the Employer) that may arise out of or in connection with the sale of the Sale Contract Material, other than loss, damage, injury or death resulting directly from the act or omission of the Employer.
- 13.2 Except in the respect of personal injury or death or loss of or damage to property conferring on a person other than the Employer a good cause of action against the Contractor the liability of the Contractor under the indemnity provided under Clause 13.1 for any one act or omission shall not exceed £1 million (unless otherwise stipulated by the Employer prior to the Contract being entered into).
- 13.3 The Contractor shall insure in his own name against all those risks the subject of the Contractor's indemnity in Clause 13.1 with insurers and on the terms approved by the Employer in the minimum sum (subject to Clause 13.4) of £1 million (unless otherwise stipulated by the Employer prior to the Contract being entered into). The Contractor shall maintain that insurance in full force and effect until Completion. Whenever the Employer requests, the Contractor shall show the

Employer the insurance policy or policies together with satisfactory evidence of payment of premiums. If any insurance is not effected or premiums not paid, the Employer may effect or pay the same and may deduct the cost of so doing from the Contract Price.

- 13.4 Insurance effected by the Contractor under Clause 13.3 in respect of his employees shall be for an unlimited amount.
14. The Contract for the sale of the Sale Contract Material shall be personal to the Contractor and the Contractor shall not assign the whole or any part of this Contract to any third party without the prior written consent of the Employer. The giving of such consent shall not release the Contractor from any of his obligations under the Contract.
15. VAT at the current rate shall be added to the price except in the case of cars used by the Employer for his business.
16. The Employer may by written notice cancel the Contract if the Contractor becomes bankrupt or being a company goes into liquidation or suffers a receiver to be appointed.
17. The Contract shall be governed by and construed in accordance with English Law and shall be subject to the jurisdiction of the English Courts.

