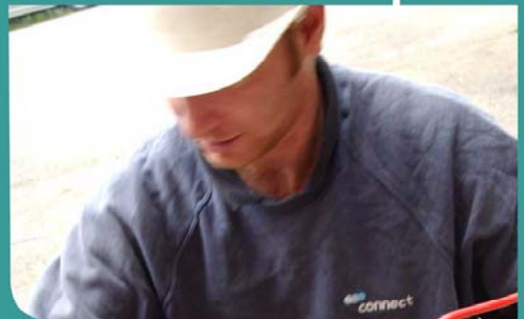


GENERAL CONDITIONS

For the provision of services/materials between Connect Utilities Limited and the Relevant Contractor



March 2007

connect

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THESE GENERAL CONDITIONS apply to the provision of Services and/or Materials by a Contractor to the Customer.

WHEREAS

The Customer wishes from time to time to engage the Contractor to perform certain Services and/or provide certain Materials as detailed herein and the Contractor is able and willing to provide the same, subject to and upon the Conditions set out below and such of those other documents as mentioned in Clause 2.2 as may apply (collectively “the Agreement”).

IN CONSIDERATION of the mutual promises and covenants made between the parties and contained both in the Agreement (in particular Clause 3) entered into between the Parties, the Customer and the Contractor hereby agree as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 In the Agreement following words and expression shall have the meanings hereby assigned to them except where the context otherwise requires:

Adoption Agreement	means the Network Construction Contract (so called) (or any similar construction contract) between either of: IPL, IPNL, IML, IWNL (or Envoy on behalf of the foregoing) (as the case may be) and the Client named in that contract for certain works in respect of the installation of a Network or Meters at a Project or the Adoption Agreement (so called) between the Customer and a Water Undertaker;
Business Day	means any day when the Banks in the City of London are open for business;
Charges	means the consideration to be paid by the Customer for Services and/or Materials supplied by the Contractor in response to an Order and means the price agreed or calculated pursuant to an Order;
Commencement Date	means, in respect of Orders accepted subsequently, the date this edition of the General Conditions is placed on the Customer’s website;
Contractor	the relevant contractor providing the Services and/or Materials to the Customer, or its successors and permitted assigns of the other part;
Confidential Information	means all material, including, without limitation, manufacturing, technical, or engineering, data, processes, operating and testing procedures, designs, charts, drawings, letters, photographs, and specifications, plans, graphs, manuals, studies, reports, tables, proposals, conclusions, samples, scientific, specifications, findings, formulae, formulations, ideas, inventions, know-how, business plans, customer lists and information about actual or potential customers, financial, pricing or other commercial information, copyright or other intellectual property whether or not registerable which are regarded by the Customer as proprietary and confidential, and other data and correspondence derived from the Customer or to which the recipient may be

exposed by reason of or in connection with the Agreement , other than any matter which:

- a. is at the date of receipt lawfully in the public domain or which subsequently lawfully comes into the public domain in either case without doing so as a result of the breach of the Party receiving such matter; or
- b. was already lawfully in the possession of the other Party at the date of receipt; or
- c. lawfully becomes available to the other Party from a bona fide Third Party not bound by a similar restriction to disclosure

Consequential Loss	means loss of use, revenue, profit or property sale or increased cost of working or any indirect or special loss in each case howsoever caused, arising out of or in connection with the Agreement and whether or not foreseeable at the date of the Agreement, irrespective of whether caused by negligence or by any other tortuous act or omission or by breach of the Agreement
Customer	means the person named as the Customer in Schedule 3 hereto;
End User	means a person to whom IPL, IPNL, IML or IWNL provides, whether pursuant to a licence or exemption under the Gas Act 1986 or Electricity Act 1989 (as amended) or Water Industry Act 1991 (as amended) or otherwise, services or sells gas and/or electricity and/or water, or a consumer at any premises directly affected by the performance, non performance or partial performance of the Services;
Envoy	means Envoy Asset Management Limited;
Force Majeure	means any event beyond the reasonable control of the Party affected and not reasonably foreseeable and avoidable by the exercise of reasonable diligence and foresight including, but not limited to, an act of God; decree of government; fire; flood, or explosion; war, rebellion, sabotage or terrorism; riot or civil commotion, industrial disputes or actions (not involving the employees of a Party seeking to excuse non-performance on an event of Force Majeure); but excluding a date change failure of or affecting the Contractor or anyone providing products or services to the Contractor.
IML	means Independent Meters Limited Company Number 05041663;
Intellectual Property	means copyright, design or patent, trade or service mark, mark work, software right, know-how, or any other or similar right, whether or not registerable, any registration of or application for any registration of any of the foregoing including the right to

	apply for registration in any part of the world;
IPL	means Independent Pipelines Limited Company Number 28268692;
IPNL	means Independent Power Networks Limited Company Number 04935008;
IWNL	means Independent Water Networks Limited Company Number 05776438;
Materials	means any: (i) pipe (of any material), wire, cable, line, pressure reduction station or pressure regulator, meter, equipment, cut-out board, filter, valve, chamber or fitting and, (ii) any consumable material (being any materials or instruments which as a result of the proper performance of the Services become attached to, or incorporated into, any fitting or meter or other equipment situated or to be situated on a consumer's premises and which materials or instruments are by their nature or design likely to be used up or wear out in consequence of being used);
Materials and Tools	means any Materials, tools or other equipment for use in providing the Services as such equipment may be specified by the Customer from time to time;
Network	means a pipe-line (or any part) as defined in the Pipelines Act 1962 intended for the conveyance of Gas (a "Gas Network") and gas meter(s) and meter box or a distribution system as defined in Standard Licence Condition 1 of the Standard Conditions of the Electricity Distribution Licence determined pursuant to the Utilities Act 2000 intended for the distribution of electricity (an "Electricity Network") or a water main or sewer, water service pipe, supply pipe and/or communication pipe (together with any associated fittings) drain or sewerage treatment plants mentioned in the Water Industry Act 1991 or the Scottish Water Statutes in all cases together with all Materials and necessary and associated fittings.
Normal Working Hours	means Monday to Saturday 08:00 to 20:00, excluding Public Holidays;
Order	means the Customer's purchase order or works instruction, job voucher, facsimile, letter or e-mail communication requesting that the Contractor supplies some/all of the Services and/or Materials, and reference to an order includes any amendment thereto (an Order Amendment) where the context permits;
Order Amendment	means the Customer's written amendment to an Order;
Parties	means the Customer and the Contractor together;
Programme of Work	means the event or events to be performed by the Contractor, as specified in an Order and the date or dates on which the Contractor will perform the said Services or deliver for use the said Materials as the date or dates and locations are specified in

	the Order;
Project	means the specific scheme of work for which the Contractor has been engaged;
Reasonable and Prudent Operator	means a person seeking in good faith to perform its contractual obligations and in so doing and in the general conduct of its undertaking exercising that degree of skill, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced operator engaged in the same type of undertaking under the same or similar circumstances and conditions and the expression "RPO" shall be construed accordingly;
Regulations	means all the applicable codes, regulations, statutory instruments, together with any and all relevant licences or laws, official codes or guidance documents, recommendations or standards of any regulatory authority (including those of Ofgem/GEMA/Ofwat/ IGE/IGEM/IEE or HSE), by whatever name, including without limitation those referred to in Clause 19 and Schedule 2 and their nearest equivalent successor bodies;
Related Persons	means either Parties': a. parent, subsidiary, affiliated or associated companies b. co-venturers, successors or assignees c. any contractor (of any tier) of that Party or any of the entities referred to in a) or b), not being the other Party, ord. the agents, servants, officers or directors of any of the entities referred to in a), b) or c) above;
Scottish Water Statutes	A Statute(s) having effect in Scotland and which regulate the provision of water/sewerage services.
Services	means those individual Services ordered by the Customer pursuant to Clause 3.2
Service Level Standards	means such standards as may be set and revised by the Customer from time to time and such revisions shall (in respect of Orders already placed) be with the consent of the Contractor
Specification	means any information provided to or the existence of which (if placed on the Customer's website) is made known to the Contractor by or on behalf of the Customer describing the Services and/or Materials. This information may include data, designs, drawings and samples whether disclosed orally or reduced to a tangible medium, as referred to in the Agreement or any Order, and any modification thereof or deletion thereto duly agreed by the Parties
Statutes	means an Act of Parliament including any Act of the Scottish Parliament and any Regulations.

Sub-Contractor	means any Third Party employed by or contracted to the Contractor in accordance with the Agreement and / or any Sub-Contractor to the Sub-Contractor Sub-Contract shall be construed accordingly
Supply Month	means a calendar month in which the Services and/or Materials are to be supplied
Supply Year	means a period beginning on 1 January and ending on the 31 December of a specified year
Third Party	means any person other than either or both of the Parties to the Agreement

1.2 In the Agreement references to any Statute or Regulations includes the same as from time to time amended, whether before, on or (in the case of re-enactment or consolidation only) after the Commencement Date, and shall be deemed to include provisions of earlier legislation (as from time to time amended) which have been re-enacted (with or without modification) or replaced (directly or indirectly) by such provision and shall further include all statutory instruments or orders from time to time made pursuant thereto.

1.3 In the Agreement and its Schedules and unless the context otherwise requires:

- a. the singular includes the plural and vice versa;
- b. any reference to a Clause or a Schedule is a reference to a Clause or a Schedule of the Agreement and a reference to the Agreement is a reference to the Agreement including the Schedules; and,
- c. a reference in the Agreement to writing, or to any related expression, includes a reference to any communication effected by telex, cable, facsimile transmission or any comparable means;
- d. a reference to any legislation, or to any Regulation, licence or other order made under any legislation, includes a reference to any re-enactment or modification of the same.

1.4 A reference to IPL, IPNL, IML, IWNL (in any order) and (as the case may be) Envoy, shall be deemed to be a reference to each of those individually.

1.5 The headings in the Agreement are for convenience only and do not in any way affect its interpretation. Words of inclusion are without limitation.

2. CONSTITUTION AND ADMINISTRATION OF THE AGREEMENT

2.1 The Agreement consists of the documents referred to in Clause 2.2.

2.2. In the event of a conflict between any of the documents comprising the Agreement, unless specified elsewhere in these General Conditions, the order of precedence shall be as follows, in descending order of precedence:

- a. these General Conditions (excluding the Schedules, Specification)
- b. any Schedules to the Agreement (excluding the Specification)
- c. the Specification (whether or not an Invitation to Tender process is used)

- d. the Order or Order Amendment
- e. any Customer's written acceptance of the Order (including any written amendments agreed by the Parties (if any))
- f. any other document incorporated by reference and any written amendment or written variation duly agreed by the Parties, including any Invitation to Tender and acceptance.

Provided that in all cases the Contractor promptly notifies the Customer in writing if it believes a conflict exists.

- 2.3 Where more than one standard (whether required under any Statute, Regulation, contract or implied in law applies to the standard at which the Services must be performed or to which the Materials must be supplied by the Contractor in the event of a conflict the Contractor shall, acting as an RPO, apply the higher standard.
- 2.4 The Agreement may be administered by the Customer's nominee. The Customer will notify the Contractor of its nominee.

3. CONSIDERATION

- 3.1 The Contractor agrees to supply the Services and/or the Materials in accordance with the provisions of the Agreement and the Customer agrees to pay the Charges properly levied in respect of those Services and/or Materials.
- 3.2 The placing of an Order by the Customer, shall create an agreement to purchase the Services and/or Materials on the conditions set out or incorporated into the Agreement.

4. TERM AND TERMINATION

- 4.1 The Agreement shall commence on the Commencement Date and, subject to termination as provided by this Clause or by operation of Law, shall continue until terminated:
 - a. by the Contractor giving to the Customer not less than six (6) month's prior written notice; or,
 - b. by the Customer giving to the Contractor not less than thirty (30) days prior written notice.
- 4.2 Without prejudice to a Party's rights and remedies under the Agreement, or at law, either Party may terminate the Agreement or any severable part thereof if the other Party commits a persistent or substantial breach of any of its obligations hereunder and such breach either:
 - a. is incapable of remedy; or,
 - b. is capable of remedy but has not been remedied within twenty (20) days after the Party in breach has received written notice requiring the breach to be remedied.
- 4.3 If the Contractor becomes bankrupt, insolvent, makes or attempts to make any composition, scheme or arrangement with its creditors or any of them, or being a corporation, passes a resolution for winding up, or an order is made by the Court that the Contractor shall be wound up (other than voluntary winding up for the purpose of amalgamation or reconstruction), the Court shall make an administration order, a receiver or manager is appointed by the Court or the Contractor's creditors or any of them, the Contractor shall become subject to any of the circumstances entitling the Court or a creditor to appoint a receiver or manager, or which entitle the Court to make a

winding up or administration order, then the Customer shall have the right to:

- a. terminate the Agreement forthwith by written notice to the Contractor, liquidator, receiver, administrator or other person in whom the Agreement may become vested (without prejudice to the existing rights and obligations of the Contractor and the Customer respectively); or
- b. give the liquidator, receiver, administrator or other person the option of performing the Agreement up to an amount agreed.

4.4 Without prejudice to the provisions of Clauses 4.7 and 22:

- a. the Contractor shall indemnify the Customer against all losses, costs, damages, expenses including legal expenses suffered by the Customer as a result of the Contractor's default or insolvency, and against any direct or indirect loss suffered by the Customer as a result thereof; and
- b. the Customer may deduct or set-off from any amount due from the Customer to the Contractor an amount equal to such losses, costs, damages, expenses (whether any of those are contingent or prospective, present or future and whether liquidated or unliquidated) including legal expenses, which the Customer has suffered by reason of such default, insolvency or termination.

4.5 Where Clause 4.4 applies the Customer may, in addition and at its convenience, terminate any Order or any part thereof forthwith at any time by notice to the Contractor. In this event the Customer shall, subject to any other provisions of the Agreement, pay the Contractor for any Services and / or Materials supplied in accordance with the Agreement and any Order up to the time of termination.

4.6 In the event of any termination by the Customer pursuant to the Agreement (including without limitation termination pursuant to Schedule 1: Price Review Procedure), unless otherwise instructed by the Customer, the Contractor shall:

- a. complete the performance of any of the Services and / or delivery of any of the Materials ordered but not performed;
- b. reimburse all of the Customer's reasonable expenses (over and above the amounts which would have been due to the Contractor but for such termination) incurred by the Customer as a result of having the Services completed or Materials delivered by others;
- c. return the Specification and all copies of any part thereof and any Materials and Tools provided by the Customer and which are in the Contractor's possession;
- d. save as set out in this Clause above, cease to use the Specification and any Intellectual Property belonging to the Customer; and
- e. to the maximum extent permitted by law, provide a complete indemnity to the Employer (as defined under the I.C.E. Conditions of contract referred to in Schedule 5 hereto) to the extent of any costs, damages or liabilities which may arise owing to the operation of the Transfer of Undertakings Protection of Employment Regulations 1981 (as amended).

4.7. In the event of termination of the Agreement or any part thereof by the Customer, the Customer shall have for any reason the right of set-off and may retain from any amount due to the Contractor from the Customer under the Agreement or any Order, an amount equal to any bona fide claim or claims that the Customer may have against the Contractor whether such claim or claims are contingent or prospective, present or future and whether liquidated or unliquidated.

5. INTENTION

- 5.1 Unless made the subject of an Order any forecast or expected profile volume or value of work issued by the Customer shall be an estimate for guidance only and shall not represent a contractual offer or acceptance, representation or any other form of commitment on the part of the Customer whether said to be express and / or implied.
- 5.2 At any time, the Customer may alter the above mentioned forecast/profile of its requirements or the Services without incurring any liability to the Contractor.
- 5.3 The Contractor is obliged to read and fully appraise itself of the standards required under any relevant Statute, under the Specification and all the other documents forming part of the Agreement and is therefore deemed to have constructive and / or actual notice of the same.

6. ORDERS

- 6.1 Upon the issue of an Order the Contractor shall complete such Order in accordance with the Agreement.
- 6.2 From time to time the Customer and the Contractor may agree to a written variation of an Order, in which case the variation shall constitute an Order Amendment . Subject to the foregoing an Order Amendment may be despatched by a facsimile, letter or e-mail and shall be effective on receipt by the Contractor. Changes to the General Conditions shall, in respect of Orders accepted subsequently, take effect automatically when placed on the Customer's website.
- 6.3 The Contractor shall ensure that, at all times during the Agreement it maintains sufficient personnel, facilities, and material and financial resources to perform its obligations under any Order or otherwise under the Agreement and that its other operations do not interfere with the provision of the Services and/or the Materials.
- 6.4 Where the Contractor is required to provide any Materials, the Contractor shall plan its operations so as to maintain a minimum quantity and variety of such Materials in stock in the United Kingdom and at intervals of not less than three months, other than in the final two months of the Agreement, the Contractor and the Customer will review the quantity and variety of such Materials that is appropriate to be held as working stock.

7. PERFORMANCE

- 7.1 If a Programme of Work does not apply, time shall be of the essence in the performance of the Services or delivery for use of the Materials by the Contractor to the Customer.
- 7.2 The Contractor shall perform the Services and/or deliver the Materials in accordance with the date or dates and at the place or places specified in the Agreement
- 7.3 Immediately on becoming aware of any event or circumstance that will or may give rise to any delay in the performance of the Services and / or delivery of the Materials the Contractor shall notify the Customer in full of the cause of such delay (providing such documentary evidence as the Contractor shall in its absolute discretion require) and shall provide the Customer with particulars of any change to the Programme of Work which may be considered for extending the time.

7.4 If progress against any Programme of Work is delayed by reason of:

- a. any suspension reasonably requested by the Customer, other than as a result of any breach by the Contractor of its obligations hereunder;
- b. an event of Force Majeure in accordance with Clause 21;
- c. any unreasonable delay by the Customer in supplying tools, Materials, plant, equipment, drawings, information, approvals, or any other matter specified in the Order or Orders; or
- d. any other relevant act or omission by the Customer,

then the Customer shall grant an extension or extensions of time to the Order on such terms as the Customer in its sole discretion considers reasonable in all the circumstances.

7.5 If the performance of the Services or delivery for use of the Materials is delayed beyond the date specified in the Agreement, and to the extent that such delay is attributable to a failure on the part of the Contractor, then without prejudice to Clause 21 and 22:

- a. the Customer may terminate the Agreement or any Order or part Order and reserve all rights in damages and otherwise arising; or
- b. if such delay has continued for a period of at least 14 (fourteen) days the Customer (at its sole option) may defer its right to terminate the Agreement or the Order or part Order and accept by way of liquidated damages, payable by deduction from the Charges, 1% (one per cent) of the Charges for the Services delayed, per week or part of week delay, to a maximum of 10% (ten per cent).

7.6 Delivery of the Materials shall take place and property in the same shall pass to the Customer upon actual delivery to such persons as may be specified at the location and on the date or dates specified in the order, but only if the Materials:

- (a) Conform in all material respects with the customer's specification for such materials;
- (b) Are free from material defects in materials and workmanship employed in their manufacture;
- (c) In the following order of priority:
 - i. are of good and sound design, materials and workmanship;
 - ii. are of satisfactory quality and are fit for the purpose for which they are supplied under the agreement
 - iii. conform as to quantity and description with the specification;
 - iv. correspond with any samples or patterns referred to in the agreement or from time to time supplied to the customer by the contractor ;
 - v. meet the appropriate British, EU and / or international standards or equivalent specifications relevant to the services and / or materials to the extent that these do not conflict with the specification;
 - vi. comply with the provisions of clause 19 and Schedule 2;
 - vii. are free from any defect in title.

7.7 The Customer expressly reserves the right to reject tenders of delivery and / or materials which do not conform to the Agreement.

7.8 For the avoidance of doubt, the risk in the materials remains with the contractor until the materials are delivered in accordance with the agreement, whereupon the risk passes to the customer. The Parties agree that the foregoing shall not prejudice the Contractor's obligations of safe handling, safe keeping and care of the materials as specified in the Agreement or the customer's right to claim damage in respect of any losses resulting

from a breach of the same.

8. PACKAGING, CARRIAGE AND CARE OF MATERIALS

8.1 Materials shall be packaged and carried so as to reach the places of performance undamaged and in good condition. The Contractor shall be responsible for the safe handling, safe keeping and care of the Materials from the time of despatch from the warehouse or storage facility until they have been adopted by IPL, IPNL, IML, IWNL (or Envoy on behalf of the foregoing) as part of a Network.

8.2 Delivery receipts, freight receipts (howsoever called) and bills of lading shall not be evidence of the condition of the materials at the time of shipping, delivery or at all. Any terms, conditions, representations, disclaimers or statements contained in the same which purport otherwise shall be void and any presumptions implied by law or otherwise are hereby displaced and disclaimed to the fullest extent permitted by law.

9. WARRANTY – THE SERVICES

9.1 Without prejudice to Clause 19 and Clause 22:

- a. the Contractor warrants that the Services shall be performed in accordance with the provisions of these General Conditions including, Schedules 2 and (where applicable and to the extent not in conflict with Schedule 2) Schedule 5;
- b. the Contractor warrants that it has a full understanding of what is required under the Order, the Specifications and the requirements of all relevant Statutes;
- c. where the Services consist of (in whole or in part) the performance of any Street Works (within the meaning of the New Roads and Streetworks Act 1991) the Contractor warrants that on completion of each of the Services under an Order, any permanent reinstatement conducted shall be free from defects for a period of 2 (two) years, or in the case of excavations of deeper than 1.5m for a period of 3 (three) years from the completion of the relevant Services under that Order; and
- d. subject to the other provision of this Clause 9.1, if at any time during or following the completion of an Order, the Services are found not to be in accordance with the Agreement, the Customer may at its option either rectify those Services at fault (whether by itself or by engaging an alternative contractor) or require the Contractor expeditiously to make good any defect in performance in each case at the Contractors expense.

9.2 In addition to any other remedies it may have under the Agreement, if the Contractor fails to fulfil its obligations to the Customer under this Clause then the Customer shall have the right to:

- a. terminate the Order or any part of it whilst reserving all rights in damages and otherwise arising; or
- b. recover from the Contractor all and any extra costs and expenses arising from the defective, poor or non-performance of the Services, including those of making good any defect in performance, carriage, storage, removal, replacing and testing any defective Materials or Tools or in the Customer purchasing equivalent or similar services equivalent to the Services **PROVIDED THAT** the Customer may deduct any such extra costs and expenses from any monies due or that may become due to the Contractor from the Customer.

9.3 Any the Services re-performed by the Contractor under the provision of this Clause shall be subject to the provisions of these General Conditions.

10. WARRANTY - MATERIALS

10.1 This Clause 10.1 shall apply if Materials are provided by or on behalf of the Contractor as part of or in order to perform the Services. Subject to the conditions and limitations in this Clause 10 and Clause 22, where the Contractor is obliged to provide Materials, the Contractor warrants that, for a period of ten (10) years from the date those materials are put into use, any Materials in part or in whole supplied by the Contractor under the Agreement :

- a. will conform in all material respects with the Contractor's Specification for such Materials
- b. will be free from material defects in materials and workmanship under normal use and maintenance; and
- c. will satisfy the requirements of Clause 7.6 c) i) to vii) above.

10.2 For the avoidance of doubt, the warranties in this Clause 10 apply to Materials and any part thereof replaced pursuant to this warranty in which case such unexpired portion of the warranty as applied to the original Materials shall be transferred to the replacement Materials.

10.3 The Contractor accepts that it may not be expedient for the Customer to repair or replace the Materials using components or replacements provided by the Contractor and in such circumstances where (but for this Clause) the warranty would ordinarily not extend to such alternative component or replacement, the use of such alternative component or replacement shall not invalidate this warranty unless the Contractor, having been informed of the details of the use of the alternative component or replacement, proves to the Customer that such is detrimental to the proper use of the Materials for the purposes contemplated by the Agreement.

- 10.4 a. Subject to Clause 21 and Clause 28, the warranty set out in this Clause 10 constitutes the sole and exclusive obligations of the Contractor to the Customer with respect to Materials and is in lieu of all other warranties express or implied; and
- b. the benefit of this warranty will inure to the Related Persons of the Customer and any End Users without further formality.

11. AUDITING, INSPECTION, TESTING AND MONITORING

11.1 Any reference to "the Contractor" in this Clause includes any Sub-Contractor.

11.2 The Customer by its authorised officers and agents shall at all reasonable times be granted access to any site in the control of the Contractor to enable the Customer to ensure that the Services are in accordance with the Agreement. This may include auditing, inspecting, testing, and monitoring (together "auditing") the Services or the Materials during and on completion of performance. Such auditing shall not be interpreted as acceptance of the Services or Materials or any of them, or relieve the Contractor of any obligations under the Agreement;

11.3 For the purposes of Clause 11.2, the Contractor shall make available such tools,

instruments, apparatus, equipment, facilities, services and materials for carrying out such tests (or on demand, confirmatory re-tests), at no extra cost, as the Customer may reasonably request.

- 11.4 Whilst on the Contractor's premises the Customer's employees or agents shall comply with all reasonable requirements of the Contractor in relation to safety.

12. CHARGES AND PAYMENT

- 12.1 Charges for the Services shall be as set out in or calculated in accordance with the Order. Unless agreed otherwise all charges are subject to VAT at the current applicable rate.
- 12.2 From time to time, but at intervals of not less than one (1) calendar month, the Contractor shall send to the Customer, or to any other person specified by the Customer, a detailed priced invoice or invoices as instructed on the Order, clearly stating the Order number, the Charges, VAT at the rate prevailing on the date of invoice, item numbers, settlement terms and all information required to be stated on a tax invoice as required for VAT purposes by virtue of Section 5(10) Value Added Taxes Act 1983 or any amendment or re-enactment thereof.
- 12.3 Unless otherwise specified in the Agreement, payment shall be made within sixty (60) days of receipt by the Customer of the Contractor's properly rendered invoice and, issued in respect of the Services performed and / or Materials delivered in accordance with the Agreement, or any agreed pre-performance stage payments.
- 12.5 Unless otherwise agreed, the Charges and any other sum due under the Agreement shall be in Sterling.

13. ASSIGNMENT AND SUB-CONTRACTING

- 13.1 The Contractor may not assign the Agreement in whole or in part, or sub-contract any of its rights under the Agreement except with the prior written consent of the Customer (the giving of which shall be at the sole discretion of the Customer) and any attempted assignment or transfer without such consent will be null and void *ab initio*.
- 13.2 The Contractor shall ensure that the terms of its agreements with its Sub-Contractors (where such sub-contract has been permitted) are not inconsistent with the provisions of the Agreement and, for the avoidance of doubt, a reference to "the Contractor" in this Clause includes any Sub-Contractor of the Contractor.
- 13.3 The Customer shall be entitled to assign the Agreement and its rights and obligations hereunder. The Customer will give the Contractor notice of any such assignment as soon as practicable after such assignment.
- 13.4 The Customer shall be entitled to exercise its rights or perform its obligations through a Third Party nominated by the Customer and the Customer shall notify the Contractor of its nomination.

14. REPORTS AND RECORDS

- 14.1 The Contractor shall maintain a true and correct set of records pertaining to this Agreement and shall retain all such records for a period of not less than 5 years after completion of the Services and / or delivery of the Materials under each Order and shall

permit the Customer access to examine all such records.

- 14.2 The Contractor shall promptly provide such information (as the Customer may in its sole discretion specify from time to time) so as to enable the Customer to carry out the audit and monitoring functions referred to in Clause 11 to monitor performance against the relevant Service Level Standards (if any) and against compliance with any relevant Statutes.

15. CONFIDENTIALITY

- 15.1 The Agreement (including the Specifications and all other information that may be produced or supplied by or on behalf of the Customer in connection with the Agreement, or learned by the Contractor as a result of the performance of the Services and / or procurement, manufacture, construction, delivery, safekeeping and maintenance of the Materials) shall be treated as confidential by the Contractor and any of its Sub-Contractors during the continuance of the Agreement and for a period of ten (10) years thereafter and shall be used only for the purpose of the Agreement. The Customer shall keep confidential any information disclosed to by it or which it learns from the Contractor in the course of the performance of the Services and / or delivery of the Materials.

- 15.2 The obligation on either Party to keep information confidential, as set out in Clause 15.1, shall not apply to any material:

- a. that is known or becomes known publicly through no fault of the Contractor; or
- b. that is learnt by the Contractor from a Third Party entitled to disclose it; or
- c. that is known to the Contractor before receipt from the Customer; or
- d. that is developed by the Contractor independent of any material received from the Customer; or
- e. the disclosure of which is required by tribunal or regulatory or similar authority of competent jurisdiction.

- 15.3 If it becomes necessary or desirable for the Contractor to disclose any information covered by Clause 15.1, the Contractor may disclose such information to its employees or employees of a Related Person or its professional advisers who are under conditions of confidentiality substantially similar to those set out in the Agreement and then only to the extent necessary to give effect to the purposes of the Agreement.

- 15.4 Each Party acknowledges that any breach by it of this Clause 15 (Confidentiality) is likely to result in extensive loss and damage to the other and that, without prejudice to any right under the Agreement to claim damages, an injunction shall be an appropriate remedy against the breaching party.

16. INTELLECTUAL PROPERTY

- 16.1 The Customer shall at all times own all Intellectual Property in the Specifications and in any item produced or created by itself, the Contractor (or the Contractor's servants, agents and sub-contractors) so as to perform the Services and / or deliver the Materials on behalf of the Customer.

- 16.2 Subject to the provisions of Clauses 16.3 and 16.4, the Customer shall indemnify the Contractor from all costs or damages incurred or suffered by the Contractor that are the result of any allegation that the use of such Specifications infringes the Intellectual Property of a Third Party.

- 16.3 If any allegation, claim or threatened claim is brought to the attention of the Contractor that the Specification (or use thereof) or the performance of the Services and/or delivery of the Materials, infringes the Intellectual Property rights of a Third Party, then the Contractor will:
- a. notify the Customer promptly in writing of such allegation, claim or threatened claim; and
 - b. give the Customer full and complete authority, information, and assistance for the defence of such action, empowering it to proceed in the name of the Customer, if the Customer deems it necessary; and
 - c. make no compromise or settlement of any claim without the prior written consent of the Customer.
- 16.4 The Customer will not be liable with respect to any claim of infringement of Intellectual Property that is based on the combination by the Contractor of the Specification with the learning of the Contractor or any Third Party other than the Customer.
- 16.5 Subject to the provisions of Clause 16.6, the Contractor shall indemnify the Customer from all costs or damages incurred or suffered by the Customer, that are the result of any allegation that the use or provision of the Services and/or delivery of the Materials infringes the Intellectual Property of a Third Party save that the Contractor will not be liable with respect to any claim of infringement of Intellectual Property that is based on the performance of the Services and / or delivery of the materials solely in accordance with the Specification.
- 16.6 If any allegation, claim or threatened claim is brought to the attention of the Customer, that the Specification or the Services and/or delivery of the Materials infringes the Intellectual Property rights of a Third Party, then the Customer will:
- a. notify the Contractor promptly in writing of such allegation, claim or threatened claim; and
 - b. without prejudice to the right of the Customer to defend such action (and to make any counter claim) give the Contractor full and complete authority, information, and assistance for the defence of such action, empowering it to proceed in the name of the Contractor, if the Customer deems it necessary; and
 - c. make no compromise or settlement of any claim without the prior written consent of the Contractor.
- 16.7 If the performance of the Services and/or delivery of the Materials is prohibited or restricted by the enforcement of any Third Party Intellectual Property right in any material other than those specified in the Specification, to enable the Contractor to satisfy its obligations under Clause 16.5, the Customer may (at its sole discretion) require the Contractor, at the Contractor's expense, to either:
- a. Obtain, for the Customer and End Users, the right under the Third Party Intellectual Property the right to perform the Services and then to perform or continue to perform the Services and (as the case may be) use the Materials; or
 - b. modify the Services and / or Materials to make them non-infringing; or
 - c. replace activities of the Services and / or specification of the Materials with non-infringing alternatives to the extent that this is practicable.
- 16.8 This Clause sets out the entire liability of the Contractor to the Customer in respect of the infringement of the Intellectual Property rights of any Third Party.

- 16.9 Where, subject to the other provisions of this Clause 16, the Contractor can demonstrate that it owns Intellectual Property in any material or item the use of which is required for the performance of the Services and / or delivery of the Materials the Contractor shall be deemed to have granted a royalty- free licence to IPL (to the extent that the Agreement relates to a Gas Network or, as defined in IGE/G/1 a gas meter) or IPNL (to the extent that the Agreement relates to an Electricity Network) or IML (to the extent that the Agreement relates to a gas meter owned by IML) or to IWNL (to the extent that the Agreement relates to a Water Network or a Sewerage Network) its servants or agents for the purposes of these General Conditions including for the purpose of IPL, IPNL, IML or IWNL exercising any rights of Step In pursuant to Schedule 1.

17. GOVERNING LAW AND LANGUAGE

- 17.1 The construction and performance of the Agreement and any Order or Order Amendment shall be governed by the Laws of England and Wales (without regard to its conflicts of laws principles) in every particular and shall be deemed to have been made in England.
- 17.2 Any proceedings to enforce or arising out of or in connection with the Agreement or of any Order or Order Amendment shall be brought in any court of competent jurisdiction in England and Wales which shall have exclusive jurisdiction to which the Parties hereby submit and consent to personal jurisdiction and venue therein.
- 17.3 Either Party shall be entitled to take such steps as it may consider necessary or desirable in order to enforce any judgement or order against the other Party with respect to the Agreement or any Order or Order Amendment, in any jurisdiction where that other Party trades or has assets.

18. NOTICES

- 18.1 Any notice required to be given under the Agreement shall be in writing and shall be delivered in person, sent by registered mail or recorded delivery or transmitted by telex or facsimile or email to the address set out for a Party as detailed in Schedule 3, or such other address as the Customer or the Contractor may from time to time notify the other.
- 18.2 Any notice or communication given or made under the Agreement shall be deemed to have been received:
- a. on delivery , in the case of a letter delivered in person; or
 - b. on the next working day after despatch, in the case of a letter sent by registered mail or recorded delivery; or
 - c. immediately, in the case of a telex, facsimile transmission or email.

19. STATUTORY OBLIGATIONS

- 19.1 The Contractor shall inform itself of and shall comply with and ensure that Services and / or the Materials and the use to which the Materials may be put conform to all relevant Statutes (including those detailed in Schedule 2) and shall ensure that a similar provision is contained in any permitted assignment or Sub-Contract entered into by it.
- 19.2 the Contractor is deemed to have actual / constructive knowledge of the contents of the statutes referred to in Clause 19.1 above.

20. WAIVER, AMENDMENT AND INVALIDITY

- 20.1 No obligation under the Agreement shall be considered waived by either Party unless executed in writing. No such waiver shall be a waiver of any past or future default, breach or modification of the terms of the Agreement unless expressly set forth in such waiver.
- 20.2 The non-enforcement of any of the terms of the Agreement by either Party shall not be construed as a waiver of any of the breaching Party's other rights and obligations hereunder or of the non-enforcing Party's right to claim damages for losses resulting from the breach.
- 20.3 Without prejudice to Clause 6.1, these General Conditions may be altered from time to time by the Customer without notice, written or otherwise, to the Contractor, with such amendments to be effective as at the date they become available on the Customer's web site.
- 20.4 The Contractor has fully examined these General Conditions and the other documents making up the Agreement and has agreed that they are reasonable. In the event that any provision of these General Conditions is held by any court or other competent authority to be invalid or unenforceable or is so rendered by any applicable code, regulation, licence or law, such provision shall be deemed deleted without prejudice to the remaining provisions of these General Conditions which shall continue in full force and effect notwithstanding such deletion and the Parties shall thereupon negotiate in good faith a substitute provision or provisions which achieves, as near as possible, the effect of the deleted provision whilst complying with the said code, regulation or law.

21. FORCE MAJEURE

- 21.1 A Party shall not be deemed to be in breach of the Agreement, nor otherwise be liable to the other for any delay or failure in performing any of its obligations under the Agreement if and to the extent that such delay or failure was due to any act or omission of the other or for any reason of Force Majeure or to any other cause beyond its reasonable control, provided that the Party seeking the protection of this Clause:
- a. as soon as practical after becoming aware of such delay or failure, gives the other Party written notice of such delay or failure, the reasons for it, an estimate of how long the circumstances may continue;
 - b. supplies the other Party with its action plan to circumvent the causes of such delay or to mitigate their effect;
 - c. uses all reasonable endeavours to circumvent the causes of such delay and to mitigate their effects;
 - d. remains liable to perform its obligations as soon as the cause of delay is lifted; and
 - e. shall have acted and is acting at all material times as a reasonable and prudent Operator.
- 21.2 In the event that any occurrence referred to in Clause 21.1 causes a prolonged delay in carrying out an Order or Order Amendment or in the event that an interruption in the Agreement through an occurrence referred to in Clause 21.1 may reasonably be anticipated to continue for a period of a period of thirty (30) days, the Customer may terminate the Agreement or any part thereof without incurring any additional liability to the Contractor.

22. LIABILITY

- 22.1 The Contractor shall be liable for and shall indemnify the Customer against all claims in respect of personal injury or death or in respect of loss or damage to any property which arises out of or in consequence of the performance (which shall for the avoidance of doubt be deemed to include for the purposes of this Clause any partial or non-performance) of the Agreement and against all demands, fines, costs, charges and expenses including, without limitation, all claims, charges and fines arising (in whole or in part) as a result of breach or infringement of any Statute, arising in connection therewith, save that the Contractor shall not be liable in relation to death or personal injury, or loss of or damage to property of the Customer to the extent that the same is caused by the sole negligence of the Customer.
- 22.2 The indemnity granted by the Contractor to the Customer pursuant to Clause 22.1 shall inure to the benefit of the Customer's Related Persons, successors and permitted assigns.
- 22.3 The Contractor shall be liable for and will indemnify and hold harmless the Customer and its Related Persons, in respect of any Consequential Loss suffered or incurred by the Customer or its Related Persons and provided that without prejudice to any duty of the Customer at common law, the Contractor shall be entitled to mitigate or reduce any such loss.
- 22.4 Other than for the payment of any Price properly due in return for Services performed or Materials delivered for use by the Contractor in accordance with the Agreement, or for claims, damages, losses or expenses incurred in respect of personal injury or death or in respect of loss or damage to any property to the extent that the same is caused by the sole negligence of the Customer, the Customer or its Related Person shall not be liable to the Contractor for any loss or damage resulting from any representation (other than one made fraudulently) or from any breach of any express or implied warranty, condition or term of the Agreement or from any breach of any duty at common law or under any statute, order, directive or regulation.
- 22.5 The Customer or its Related Persons shall not be liable to the Contractor for any Consequential Loss which the Contractor or any of its Related Persons may suffer or incur. This sub-clause shall not limit liability in any case of fraud by the Customer.

23. INSURANCE

- 23.1 The Contractor shall effect and maintain with reputable insurers (as agreed from time to time with the Customer) a Public/Products Liability insurance policy in respect of each Party's liability for any death or bodily injury to any person or any loss or damage which may occur to any physical property, including the Materials and any Network into which the Materials are to be incorporated, which may arise out of the Contractor's performance, partial performance or non performance of this Agreement with an insured limit of indemnity of at least £5 million per occurrence or series of occurrences arising out of any one event.
- 23.2 The terms of the policy shall include an Indemnity to Principals provision whereby in the event of a claim being made against the Customer, in respect of which the Contractor would be entitled to indemnity under the policy, the insurers will indemnify the Customer or those Related Persons who are notified to the Contractor for the purposes of this Clause against any such claims and any such costs, charges and expenses in respect thereof.

23.3 Unless otherwise agreed between the Parties, all insurances shall be effected with an insurer and in terms to be approved by the Customer (such approval not to be unreasonably withheld) and the Contractor shall:

- a. whenever reasonably requested to do so by the Customer produce satisfactory evidence of insurance cover. The Contractor shall notify the Customer promptly of any alteration to the terms of the policy or in the amounts for which insurance is provided, or of any change in the Contractor's circumstances which may result in the same;
- b. administer the insurance policies and the Contractor's relationship with its insurers at all times to preserve the benefits for the Customer set out in this agreement;
- c. do nothing to invalidate any such insurance policy or to prejudice the Customer's or any Customer Affiliate's entitlement thereunder; and
- d. procure that the terms of such policies shall not be altered in such a way as to diminish the benefit to the Customer or any Customer Affiliate of the policies as provided at the Effective Date.
- e. in effecting any insurance under this Agreement ensure that the Contractor's proposal to the insurer is complete and accurate in all particulars, and disclose in the proposal and / or to the insurer in any event all those facts and circumstances of which a reasonable and prudent insurer would wish to be aware in deciding whether or not to accept the risk proposed by the Contractor, upon what terms such a risk should be borne (if at all) and the amount of any premium. For the avoidance of doubt, this obligation arises upon each renewal of the insurance and / or the arrangement of temporary cover.

23.4 Wherever insurance is arranged in the joint names of the Parties, or on terms containing provisions for indemnity to principals, the Contractor shall procure that the subrogation rights of the insurers against the Customer are waived and the policy shall permit the Customer or those Related Persons who are notified to the Contractor for the purposes of this Clause, to be joined to and be Party to any negotiation, litigation or alternative dispute resolution procedure including arbitration, adjudication or mediation and / or any complaint to the association of British insurers upon the terms of the policy or any claim thereunder.

24. REPRESENTATIONS AND UNDERTAKINGS

24.1 Each Party hereto represents that:

- a. it is a corporation duly organised and validly existing under the laws of the place of its incorporation with power to enter the Agreement and any Order and to exercise its rights and perform its obligations hereunder;
- b. all corporate or other action required to authorise its execution of these Terms and Conditions and any Order and its performance of its obligations hereunder has been duly taken;
- c. its execution of the Agreement and any Order and its exercise of its rights and performance of its obligations hereunder do not constitute and shall not result in any breach of any agreement to which it is a Party, or, to the best of its knowledge, any law or treaty;
- d. all acts, conditions and things required to be done, fulfilled and performed have

been done fulfilled and performed in order:

- i. to enable it lawfully to enter into, exercise its rights under and perform the obligations expressed to be assumed by it in the Agreement,
 - ii. to ensure that the obligations expressed to be assumed by it in the Agreement are legal, valid and binding, and
 - iii. to make the Agreement admissible in evidence in the jurisdiction in which it is incorporated,
- e. the obligations expressed to be assumed by it in the Agreement are legal, valid and binding obligations enforceable against it in proceedings taken in the jurisdiction in which it is incorporated;
- f. its execution of the Agreement and any Order constitute, and its exercise of its rights and performance of its obligations hereunder shall constitute, private and commercial acts done and performed for private and commercial purposes; and
- g. it shall not be entitled to claim immunity from suit, execution, attachment or other legal process in any proceedings taken in the jurisdiction in which it is incorporated in relation to the Agreement.
- 24.2 Each Party acknowledges that, in entering into the Agreement, it does not do so on the basis of, and does not rely on, any representation, warranty or other provision except as expressly provided in the Agreement, and all conditions, warranties or other terms implied by statute or common law are excluded to the fullest extent permitted by law.
- 24.3 The Contractor acknowledges that at all times the Customer is relying on the skill and knowledge of the Contractor. The Contractor shall (for the purpose of performing the Services and / or supplying the materials and agreeing all and any Charges) have informed itself fully and studied carefully the Specification, drawings and all other data relating to , and shall have obtained for itself a full understanding and knowledge of the nature and scope of the Agreement and of the prevailing conditions relevant thereto, under which the Agreement will operate. Except to the extent that the Customer has warranted the same the Customer shall not be responsible for the exactness and sufficiency of any information provided by it or on its behalf of the Contractor and shall not owe a duty of care to the Contractor for such exactness or sufficiency.

25. RELATIONSHIP OF PARTIES

- 25.1 Nothing in the Agreement nor any Order shall create, or be deemed to create, any agency, partnership or joint venture relationship between the Customer and the Contractor.
- 25.2 Neither Party has any authority to bind the other Party, and neither Party shall hold itself out as the agent of the other Party.

26. ENTIRE AGREEMENT

The Agreement constitutes the entire agreement between the Customer and the Contractor with respect to the subject matter of these General Conditions and supersedes and extinguishes any representations and understandings, whether written or oral, previously given or made (save for any found to have been made fraudulently) other than those contained herein. Terms and Conditions in any Invoice or other documentation of the Contractor shall have no effect, unless expressly incorporated into the Agreement by written agreement in accordance with Clause 20.3.

27. SURVIVAL

Any termination of the Agreement (however occasioned) shall not affect any accrued rights or liabilities of either Party nor shall it affect the coming into force or continuance in force of the provisions of Clauses 10, 15, 16, 22, 23 and 28 or of any other provision hereof which is expressly or by implication intended to come into or remain in force on or after such termination.

28. THIRD PARTY RIGHTS

Subject to the benefits provided for under Clause 10 and 22 and without prejudice to any rights of Step-In as provided for in Part 4 of Schedule 1, the Agreement does not give rights to, or confer any benefits on, any person or Third Party which is not expressly made a party hereto.

SCHEDULE 1

THE SERVICES/MATERIALS, LIST OF CHARGES, PRICE REVIEW PROCEDURE AND STEP IN

A. THE SERVICES/MATERIALS

To be agreed between the Parties

B. LIST OF CHARGES

All prices are subject to VAT at the current applicable rate

C. PRICE REVIEW PROCEDURE

To be agreed between the Parties

D. STEP IN NOTICE

To be agreed between the Parties (if applicable)

SCHEDULE 2

PART A: INVITATION TO TENDER

If used this document shall be clearly labelled as an "Invitation to Tender"

PART B: CUSTOMERS WRITTEN ACCEPTANCE (IF ANY)

If used this document shall be clearly labelled as an "Acceptance of the Tender"

SPECIFICATION:

Where Services consist of or include works relating to the provision of any of the following: extensions, connections, re-routing or maintenance of a Gas, Electricity or Water Network, as relevant, ("Works") or any reinstatement of such Works:

1. To the extent that they do not conflict with these General Conditions, the provisions of the I.C.E. Conditions of Contract 6th Edition shall be deemed incorporated into these General Conditions and shall govern the performance of the Services at a Project. The I.C.E. 6th Edition shall apply in an amended form, with such amendments as are set out in Schedule 5.
2. The Contractor agrees that it has seen and fully familiarised itself with the relevant utility network owner's Connections, Service Disconnection and Service Alteration Agreement, or equivalent agreement, between the Customer (or any other person) and agrees to perform the Works in a way which corresponds with that Agreement to the extent it does not conflict with these General Conditions.
3. The Contractor shall perform the Services in accordance with the New Roads and Street Works Act 1991 "Specification for the Reinstatement of Openings in Highways" 2nd edition issued in June 2002 or any revised edition subsequently published.
4. The Contractor shall perform the Services in accordance with the following documents:
 - a. Final Connections to NG's below 7barg Network (UIP/GT Briefing Note 1) (Revised 9 Feb 2004) or its nearest successor for the area.
 - b. NG process changes for introduction of the Gas Industry Registration Scheme (GIRS) and IGE /TD/101 (UIP/GT Briefing Note 2) Design Submission Check List . Specifies requirements of "Certification File" and "Completion File". (Revised 9 Feb 2004)
 - c. Withdrawal of the NG approach main service to Gas Transporters and Utility Infrastructure Providers (UIP/GT Briefing Note 3 Version 2)
 - d. Introduction of service pipe alterations and disconnections by Authorised Utility Infrastructure Providers (UIPs) (UIP / GT Briefing Note 6) (Revised 01/06/2004)
 - e. NG's Guidance Note for Minimum Fit for Purpose requirements when connecting New Mains and Services to the below 7 bar network.
 - f. The UIP/IGT Connections, Service Disconnection and Service Alteration Agreement between NG and Independent Pipelines Ltd; and

3rd Party Engineering Bulletin 3EB/1 Service Alterations and Disconnections.

MATERIALS TO BE PROVIDED BY THE CUSTOMER (IF ANY)

Where applicable, these shall be agreed in writing between the Customer and the Contractor

MATERIALS AND TOOLS TO BE PROVIDED BY THE CONTRACTOR (IF ANY)

Where applicable, these shall be agreed in writing between the Customer and the Contractor

PART C: TECHNICAL STANDARDS FOR GAS & ELECTRICITY AND WATER/SEWERAGE

The following shall apply to the extent applicable:

GENERAL

Technical Standards for Gas, Electricity and Water/Sewerage (where appropriate) Part A B and C and all Technical Notes and Field Notes (or similar) of the Customer (or of either IPL, IPNL, IML, IWNL or Envoy).

GAS STANDARDS

- *The Gas Transporter Licence or Electricity Distribution Licence (so called) (as updated, amended or consolidated from time to time) or Ofwat/GEMA Licence or Instrument of Appointment of the Customer*
- *The Network Code of IPL/Connection, Use of System Agreement of IPNL or their successor documents.*

UTILITIES AND COMPETITION RELATED STATUTES

The following to the extent applicable:

- *Gas Act 1986, as amended by Gas Act 1995 as amended by the Utilities Act 2000.*
- *Electricity Act 1989 (as amended by the Utilities Act 2000)*
- *Competition Act 1998*
- *Enterprise Act 2002*
- *Water Industry Act 1991 (as amended)*
- *Water Act 1999*
- *Scottish Water Statutes*

CONSTRUCTION, ENVIRONMENT AND SAFETY RELATED STATUTES

- *Health and Safety etc At Work Act 1974*
- *Highways Act 1980*
- *The Notification of Installations Handling Hazardous Substances Regulations 1982*
- *Reporting of Injuries Diseases and Dangerous Occurrences Regulations 1995*
- *The Pressure Systems Safety Regulations 2000*
- *New Roads and Street Works Act 1991 (and Codes of Practice)*
- *The Street Works (Qualifications of Supervisors and Operators) Regulations 1992*
- *The Management of Health and Safety at Work Regulations 1999*
- *The Construction (Design and Management) Regulations 1994/2000*
- *The Waste Management Licensing Regulations 1994*

- *The Controlled Waste (Registration of Carriers and Seizure of Vehicles) Regulations 1994*
- *The Gas Safety (Installation and Use) Regulations 1994/96/98*
- *The Pipelines Safety Regulations 1996*
- *The Environmental Protection Act 1990*
- *The Housing Grants, Construction and Regeneration Act 1996 (Construction Act 1996)*
- *HSE Approved Codes of Practice (ACOPs)*
- *The Gas Safety (Management) Regulations 1996*
- *Health and Safety at Work Act 1974*
- *Electricity at Work Regulations 1989*
- *Control of Noise at Work Regulations 2005*
- *The Construction (Health Safety & Welfare) Regulations 1996*
- *Control of Substances Hazardous to Health Regulations 2002*
- *The Highly Flammable Liquids and Liquefied Petroleum Gas Regulations 1972*
- *Traffic Management Act 2004*
- *Confined Spaces Regs 1997*
- *Construction (Head Protection) Regulations 1997*
- *Work at Height Regs 2005*
- *Control of Vibration at Work Regulations 2005*
- *DSEAR 2002*
- *Electrical Safety, Quality and Continuity Regulations 2002*
- *Electricity at Work Regulations 1989*

I.G.E./I.G.E.M. RECOMMENDATIONS

- *IGE/GL/1 Planning of Gas Distribution Systems Operating at Pressures not Exceeding 7 bar*
- *IGE/GL/3 Network Emergency Procedures*
- *I.G.E./GL/4 Management and Audit Procedures*
- *I.G.E./GL/5 Plant Modifications Procedures and Modifications and Non-Routine Operations Procedures to pipe systems*
- *I.G.E./GL/6 Non-Routine Operations*
- *I.G.E./GL/8 Reporting and Investigation of Gas Related Incidents.*
- *I.G.E./SR/9 Construction of systems*
- *I.G.E./SR/18 Safe working in the vicinity of gas pipelines, mains and associated installations: (Parts 1 & 2)*
- *I.G.E./SR/22 Purging fuel gases*
- *I.G.E./SR/23 Venting fuel gases*
- *I.G.E./SR/24 Risk assessment*
- *I.G.E./SR/26 Horizontal directional drilling and impact moling*
- *I.G.E./SR/28 Trenchless Techniques*
- *I.G.E./TD/3 Distribution mains/construction of systems (Edition 3)*
- *I.G.E./TD/4 Gas Services/construction of systems*
- *I.G.E./TD/13 Pressure regulating installations*
- *I.G.E./TD101 Management of UIP activities*
- *I.G.E./UP/1 Soundness Testing and Purging of Industrial and Commercial Gas Installations*
- *I.G.E./UP/2 Gas Installation Pipework, Boosters and Compressors on Industrial and Commercial Premises*
- *I.G.E./G5 Gas installations in flats and other multi dwelling buildings*

BASIC PIPEWORK STANDARDS - POLYETHYLENE

- *British Gas Engineering Standard GBE/PL2 or where the Customer expressly consents in writing the nearest equivalent IGE Standard*
Technical specification for polyethylene pipes and fittings for natural gas and suitable manufactured gas.
Part 1 - Pipes for use at pressures up to 5.5barg
Part 4 - Fusion fittings with integral heating element(s)
Part 6 - Spigot end fittings for electrofusion and/or butt fusion purposes
Part 8 – Pipes for use at pressures up to 7barg
- *British Gas Engineering Standard GBE/PL3:*
Technical specification for the Network Operator for anchoring mechanical fittings for polyethylene pipe for natural gas and suitable manufactured gas.

BASIC PIPEWORK STANDARDS – NON-POLYETHYLENE

- *AP15L* *Specification for line pipe.*
- *BS1965* *Butt welding fittings – carbon steel.*
- *BS3601* *Carbon steel pipes and tubes.*
- *BS3799* *Steel pipe fittings, screwed and socket welded.*
- *BS EN 288* *Specification and approval of welding procedures for metallic Installation*
- *Part 1: 1992* *Materials*
Part 2: 1992 *General rules for fusion welding*
Part 3: 1992 *Welding procedure specification for arc welding*
Part 3: 1992 *Welding procedure tests for the arc welding of steels*
- *BS EN 287* *Approval testing of welders for fusion welding*
Part 1: 1992 *Steels*
- **Ventilation etc BS 8313**

OTHER RELEVANT STANDARDS MADE UNDER THE ABOVE

- *BS6400* *Installation of domestic sized meters*

TELEMETRY AND METERING

- *BS 5345* *Code of practice for selection, installation and maintenance of electrical apparatus for use in potentially explosive atmosphere*
- *BS5501* *Electrical apparatus for potentially explosive atmospheres*
- *BS EN 60079-10* *Electrical apparatus for explosive gas atmospheres*
- *IGE/GM/5* *The installation and use of electronic gas volume converters*
- *HS(G) 107* *Maintenance of portable and transportable electrical equipment*
- *HS(G) 85* *Electricity at work – safe working practices*
- *BS 7671* *IEE regulations for electrical installations 16th edition*

OTHERS

HSE Codes of Practice and Guidance Notes including, without limitation HSG 47 and HSG 65

SCHEDULE 3

NOTIFICATION OF IDENTITY OF CUSTOMER AND ADDRESSES FOR SERVICE

The Customer is **Connect Utilities Limited**

The addresses for service, pursuant to Clause 18 are:

The Customer	
Name and Address:	CONNECT UTILITIES LIMITED OCEAN PARK HOUSE EAST TYNDALL STREET CARDIFF CF24 5GT
Facsimile No	
Marked for the attention of:	The Company Secretary (or his nominee)

Connect Utilities Limited is a company registered in England and Wales
Registered address Ocean Park House, East Tyndall St, Cardiff CF24 5GT
Registered number 05355345

The Contractor	
Unless otherwise agreed between the Customer and the Contractor, any notices for the Contractor shall be either its registered office or, if none, the principal place of business and labelled for the attention of the Company Secretary or, if none, the person who has accepted the Order.	

SCHEDULE 4

PROGRAMME OF WORKS

_____ TO BE AGREED BETWEEN THE PARTIES _____

SCHEDULE 5

SCHEDULE OF AMENDMENTS TO I.C.E. CONDITIONS OF CONTRACT 6TH EDITION

CONDITIONS OF CONTRACT FOR THE PROVISION OF MAINS AND SERVICES SCHEDULE OF AMENDMENTS TO I.C.E. CONDITIONS OF CONTRACT 6TH EDITION

The conditions applicable to this contract are the I.C.E. Conditions of Contract, 6th Edition, as amended by the most recently issued Corrigenda relating thereto, and further amended as set out below.

DEFINITIONS AND INTERPRETATION

CLAUSE 1(1)

Amend paragraph (a) to read as follows:

“Employer” means Connect Utilities Limited.

Amend paragraph (c) to read as follows:

“Engineer” means the then current Director of Engineering (or his nearest equivalent successor), Inexus Group (Holdings) Limited of Ocean Park House, East Tyndall Street, Cardiff CF24 5GT

Amend paragraph (h) to read as follows:

“Bill of Quantities” shall be deemed to read “Schedule of Rates” meaning the schedule of rates provided by the Contractor as part of his tender, or if a tender is not used as otherwise provided to the Employer.

Delete paragraph (i).

In paragraph (j) replace the word “sum” by the word “sums”.

Delete paragraph (k), (l) and (m).

Amend paragraph (s) to read as follows:

“Defects Correction Period” shall mean a period of 5 years, without prejudice to the period referred to in Clause 9(c) for reinstatement, which period shall be without prejudice to the provisions of Clause 22.

Amend paragraph (u) to read as follows:

“Section” means a part of the Works identified in a Works instruction.

Add a new paragraph (x) to read as follows:

- “(x) “Works Instruction” means an instruction issued to the Contractor by the Engineer in accordance with clause 14(3).”

ENGINEER AND ENGINEER’S REPRESENTATIVE

CLAUSE 2(3)

In paragraph (b) substitute the word “inspect” for the word “supervise”.

ASSIGNMENT AND SUB-CONTRACTING

CLAUSE 3

Delete the text of this clause and substitute the following:

- “3. The Contractor” shall not assign the Contract or any part thereof or benefit or interest therein or thereunder without the prior written consent of the Employer.”

CLAUSE 4

Delete sub-clauses (1), (2), (3), (4) and (5) and substitute the following:

- “4. The Contractor shall not sub-contract the whole or any part of the Works (including sub-contracting for labour only) without the prior written consent of the Engineer, and such consent if given shall not relieve the Contractor from any liability or obligation under the contract, and the Contractor shall be responsible for the acts, omissions defaults or neglect of any sub-contractor, its agents, servants or workmen as fully as if they were the acts, omissions, defaults or neglect of the Contractor”.

CONTRACT DOCUMENTS

CLAUSE 6(1)

In paragraph (a) delete the words “bill of quantities” and substitute the “words “schedule of rates”.

Number and type of Drawings to be provided in Clause 6(1)(b)

Delete sub-clauses (1) and (2) and substitute "Sufficient in number and in accordance with Work Instructions/operations Job Vouchers and project site plans detailing mains/services/meter positions (for cable and pipe) to enable the Contractor to meet his responsibilities in respect of the laying of all apparatus and the production of As Laid drawings.

CLAUSE 6(3)

In lines 6 and 7, delete from “but the Employer and Engineer shall have full power to reproduce and” and insert “ but the Contractor shall grant the Employer and Engineer an irrevocable, royalty free licence to”.

GENERAL OBLIGATIONS

CLAUSE 8(1)

At the end of paragraph (a) after “the Works” add the following words:

“so that the completed Works meet the Specification and are fit for their intended use.”

At the end of paragraph (b) add the following words:

“but excluding the materials to be provided by the Employer, as listed in the Specification.”

CLAUSES 14(1), (2), (3) and (4)

Delete sub-clauses (1), (2), (3) and (4) and substitute the following:

(1) “the Specification defines the general scope of the Works and the approximate overall time-scale in which they are to be constructed. The precise details of the Works and their timing will be dictated by the progress of the construction work being carried out by others at and in the vicinity of the Site. The Engineer shall from time to time advise the Contractor of the anticipated phasing of the Works but such information shall have no contractual effect insofar as it is contained in a Works Instruction issued in accordance with sub-clause (3) of this Clause.

(2) Prior to issuing any Works Instruction in accordance with sub-clause (3) of this Clause the Engineer shall discuss with the Contractor the matters to be covered by the Works Instruction and in particular the time needed for completion of the Section concerned.

(3) The Engineer shall issue to the Contractor a Works Instruction for each Section not less than 10 working days before work on that Section is to be commenced. Each such Works Instruction shall identify:

- (a) the work comprised in that Section;
- (b) the Works Commencement Date for that Section; and
- (c) the time for completion of that Section.

For the work comprised in each Section the Engineer or the Engineer’s nominee shall give to the Contractor on Site such further instructions as shall in the Engineer’s or, as the case may be, the Engineer’s nominee’s opinion be necessary in relation to the locations and sequence in which the work is to be carried out.”

CLAUSE 14(7)

In the opening wording delete the words “sub-clauses (1) and (6)” and substitute the words “sub-clause (6)”.

CLAUSE 14(9)

Delete the first two lines and substitute the words “The consent”.

CLAUSE 20(1)

In the third line of paragraph (a) delete the words “the Works” and substitute the words “each Section”.

CLAUSE 21(1)

In lines 2 and 3 of paragraph (1), delete “in the joint names of the Contractor and the Employer” and substitute the words “in its own name”.

Add new sub-Clause 21(3) as follows:

“(3) The Contractor shall cause the Employer’s interest and the interest of its Affiliates to be noted on all insurance policies taken out by the Contractor under this Clause 21.

CLAUSE 22(1)

In line 6, after “execution of the Works” add “including the custody and safe keeping of any materials entrusted by Employer or any Third Party at the direction of Employer to the Contractor.”

CLAUSE 22(2)

Delete sub-Clauses (a), (b), (c) and (d).

CLAUSE 23

In lines 2 and 3 of paragraph (1), delete “in the joint names of the Contractor and the Employer” and substitute the words “in its own name”.

Add new sub-Clause 23(5) as follows:

“(5) The Contractor shall cause the Employer’s interest and the interest of its Affiliates to be noted on all insurance policies taken out by the Contractor under this Clause 23.

CLAUSE 29(1)

At the end of paragraph (b) delete the full stop and substitute the word “or”. Add a new paragraph (c) as follows:

“(c) work being carried out by others (including, but not limited to , other contractors) at or in the vicinity of the site”.

WORKMANSHIP AND MATERIALS

CLAUSE 40

At the end of this clause, add a new sub-clause (3) as follows:

“(3) For the avoidance of doubt, the intervals between Sections are not suspensions and shall not be treated as such for the purposes of this Clause.”

COMMENCEMENT TIME AND DELAYS

CLAUSE 41(1)

Delete the text of this clause and substitute the following:

“(1) The Works Commencement Date for each Section shall be specified in the Works Instruction for that Section, being a date no less than ten working days after the issue of the Works Instruction”.

CLAUSE 41(2)

In the first sentence, delete the words “the Works” and substitute the words “each Section”, and after the words “Works Commencement Date” add the words “for that Section”.

CLAUSE 42(1)

Amend paragraphs (a) and (b) to read as follows:

- “(a) the extent of portions of the Site to which the Contractor is to be given access from time to time; and
- (b) the order in which access to such portions of the Site shall be given to the Contractor.”

CLAUSE 42(2)

Amend paragraphs (a) and (b) to read as follows:

- “(a) Subject to sub-clause (1) of this Clause, for each Section the Employer shall give to the Contractor on the Works Commencement Date access to so much of the site as may be required to enable the Contractor to commence and proceed with the construction of that Section.; and
- (b) Thereafter the Employer shall give to the Contractor such further access as is necessary to enable the Contractor to proceed with the construction of the Section with due despatch.”

CLAUSE 42(3)

In the second line delete the word “possession” and substitute the word “access”.

CLAUSE 43

Delete the text of this clause and substitute the following:

“43 Each Section shall be substantially completed within the time stated in the Works Instruction relating to that Section (or such extended time as may be allowed under Clause 44) calculated from the Works Commencement Date for that section.”

CLAUSE 44

In sub-paragraph (e), after “whatsoever” insert the words “other than a circumstances that, in the sole opinion of the Engineer, was within the control of the Contractor.”

LIQUIDATED DAMAGES FOR DELAY

CLAUSE 47

Delete this clause and substitute.

“47 Contractor shall be liable for the effects of any and all delay in completion of the Works and shall indemnify Employer for any costs, damages or expenses suffered or incurred by Employer, including, without limitation, reimbursement of any liquidated damages properly paid by Employer as a result of Contractor’s delay unless and to the extent that such delay was caused by the Employer or a bona fide Third Party.”

CERTIFICATE OF SUBSTANTIAL COMPLETION

CLAUSE 48(1)

In paragraph (b) delete the words “in respect of which a separate time for completion is provided in the Appendix to the Form of Tender”.

ALTERATION, ADDITIONS AND OMISSIONS

CLAUSE 51(4)

At the end of this clause, delete the words “Bill of Quantities” and substitute the words “Specification or in any Works Instruction”.

CLAUSE 55(2)

In the first line, delete the words “Bill of Quantities” and substitute the word “ Specification”.

PROVISIONAL AND PRIME COST SUMS AND NOMINATED SUB-CONTRACTS

CLAUSE 58

Delete the text of this clause and substitute the following:

“58 There are no provisional sums or prime cost sums and, accordingly, any references to a “Provisional Sum” or a “Prime Cost Item” in these Conditions of Contract shall be ignored.”

CLAUSE 59

Delete the text of this clause and substitute the following:

“59 Unless from time to time otherwise agreed, there is no Nominated Sub-Contractor and, accordingly, any reference to a “Nominated Sub-Contractor” or a “Nominated Sub-Contract” in these conditions shall be ignored”.

CERTIFICATES AND PAYMENT

CLAUSE 60(1)

Delete paragraphs (b) and (c).

CLAUSE 60(2)

Delete paragraph (b).

CLAUSE 60(3)

Delete this clause.

CLAUSE 63 (1)

In line 28, after “7 days notice in writing” insert “save that no notice shall be required in the case of a fundamental breach by the Contractor, incapable of remedy”

CLAUSE 71

Add new Clause 71 (4) as follows:

- (4) The Contractor shall comply with the requirements of The Construction (Design and Management) Regulations 1994 [NEW CDM Regs issued?] and all other applicable safety regulations and codes of practice.

CLAUSE 72

Add new Clause 72 as follows:

- 72 The Contractor shall comply with the requirements of The Environmental Protection Act 1990 (“EPA’90”) and in particular the Contractor will ensure that waste disposal is in accordance with the Environmental Protection Act 1990.