



1. INTRODUCTION

1.1 The term "Subcontractor" means person, firm, partnership or company with whom an official order has been placed by the contractor.

1.2 The term "Contractor" means KADOR ENGINEERING PTY. LIMITED ABN 41 010 145 534, being the Head Contractor who has contracted the Subcontractor.

1.3 The term "Works" means products and services provided by the Subcontractor to the Contractor.

2. QUOTATIONS, OFFERS AND ACCEPTANCE

2.1 The Contractor shall from time to time ask the Subcontractor to submit a quotation or offer for Works to be performed for a third party. Such quotations or offers must be submitted in a speedy manner and reach the Contractor within five (5) working days from the date of the Contractor's request.

Terms and conditions contained in any quotation or offer received by the Contractor (implied or otherwise) not embodied herein are expressly excluded. Quotations are deemed to include site supervision and plant, materials and labour to complete the Works as detailed in the contract documentation. A full set of contract documents if relevant, may be viewed at the Contractor's offices Monday to Friday between 8.00am and 4.00 pm.

2.2 Acceptance of any quotation or offer from the Subcontractor shall only become binding once the Contractor issues a written order of acceptance.

3. ASSIGNMENT

The Subcontractor shall not assign their rights or liabilities under this contract without the written agreement of the Contractor.

4. SUB-SUBCONTRACTING

The Subcontractor shall not sublet any part of their work without the prior written approval of the Contractor.

5. CANCELLATION

The Contractor may at any time cancel the order for Works either in part or in whole. All costs properly incurred by the Subcontractor to the date of cancellation and substantiated with supporting documentation may be charged to the Contractor.

6. INSURANCE

The Subcontractor shall take out and maintain suitable insurance policies indemnifying the Contractor against professional negligence of the Subcontractor, the Subcontractor's employees, agents or consultants, loss of or damage to any property and injury or death of any persons. The Subcontractor shall provide evidence of insurance when requested. Failure to provide evidence of insurance cover will result in the cover being arranged by the Contractor and all costs will be deducted from the Subcontractor's account.

7. PAYMENT

Payment terms shall be 30 days from the beginning of the month following the month in which the invoice or payment claim was received.

8. RETENTION

A retention of 5% on interim payments and 2.5% on final account will be deducted. Retention monies will be released on completion of making good defects at the end of the defects liability period stated in the main contract documents.

9. SUPERVISION

The Subcontractor will provide sufficient supervision to carry out and complete the Works as per the contract documentation.

10. CLEANING

The Subcontractor will maintain a clean working environment and shall not allow waste materials to accumulate on site.

12. PROGRAMME

All Works are to be completed in accordance with the master site program. Time is of the essence and extensions of time will not be granted.

All overtime and compression costs necessary to complete the Works by the due date will be deemed to be included in the Subcontractor's offer.

12. SITE INSTRUCTIONS

This document is the property of © Kador Engineering (Australia) Pty Ltd (ABN 41 010 145 534)

Page 1 of 1

The Subcontractor must comply with all site instructions issued by the Contractor. If additional costs are to be incurred by complying with a site instruction, then notice must be given immediately to the Contractor and full written details including substantiation forwarded to the Contractor within period of seven (7) days. Failure to notify the Contractor in due time of any additional costs may result in the claim being rejected.

13. DAY WORK

No day work is to be carried out unless authorised by the Contractor. Day work sheets must be presented for signing by an authorised employee of the Contractor on a daily basis. Day work sheets will include the names of personnel, materials and plant. Claims for day works not supported by signed day work sheets shall be rejected. Rates for day works shall not exceed those stated in the main contract.

14. DETERMINATION

14.1 Without prejudice to any other rights and remedies of which the Contractor may possess if the Subcontractor

(i) fails to proceed regularly and diligently with the Works; or
(ii) without reasonable cause suspends the Works either in whole or part; or

(iii) refuses or neglects to carry out a site instruction; or

(iv) fails to comply with the provision of clause 3, then the Contractor may determine the contracting of the Subcontractor under the terms of this contract. In the event of the contract of the Subcontractor being determined, the Contractor may contract others to carry out and complete the Works. All costs associated with the determination and contracting of others to complete the Works will be deducted from any amounts owing to the Subcontractor. Any costs in excess of monies owing to the Subcontractor will be collected as a debt.

15. PRIVACY

15.1 The Subcontractor hereby authorises the Contractor to collect, retain, record, use and disclose consumer and/or commercial information about the Subcontractor, in accordance with the Privacy Act 1988, to persons and/or legal entities who are a Solicitor or any other professional consultant engaged by the Contractor, a Debt Collector, Credit Reference Organisation and/or any other individual or organisation which maintains credit references and/or default listings.

15.2 The Subcontractor also authorises the Contractor to make enquiries with respect to the Subcontractor's consumer and commercial credit worthiness; to exchange information with other Credit Providers in respect to previous consumer and commercial defaults of the Subcontractor and to notify other Credit Providers of a consumer and/or commercial default by the Subcontractor.

16. DISPUTE RESOLUTION

Without prejudice to either party's rights under the *Building and Construction Industry Payments Act 2004* and the *Subcontractors' Charges Act 1974*, either party may refer any dispute under, or arising out of, this contract to the Institute of Arbitrators & Mediators Australia, for resolution under the Rules of the Construction Industry Dispute Resolution Scheme. Each case will first be referred to a Conciliator appointed by the Institute unless each party wishes to proceed directly to arbitration. If the conciliation is not satisfactorily concluded within six weeks or if the parties want to proceed directly to arbitration, the Institute will appoint an Arbitrator who will make a final and binding award.

17. CONTRACTED TRANSPORTERS – CHAIN of RESPONSIBILITY

All Contracted Transporters of goods are required to meet or exceed the standard set out in the Kador Engineering *SOP-Loading Unloading and Contracted Transporters*. Any failure to do so will be in breach of Kador Engineering's Terms and Conditions of engagement.

18. GOVERNING LAW AND JURISDICTION

These terms and conditions are governed by the laws of the State of Queensland and all disputes arising between the Subcontractor and the Contractor will be submitted to the Brisbane Registry of any Court as is competent to hear the matter