

UNIVERSITY OF GRONINGEN

GENERAL PURCHASING TERMS AND CONDITIONS

FOR SUPPLIES AND SERVICES

14 December 2021

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SECTION I: GENERAL FOR SUPPLIES AND SERVICES

1. Terms and definitions

- 1. **Service(s):** the work to be performed by the Contractor for a specific need of the Contracting Authority, not being works or Supplies.
- 2. **Supplies:** placing one or more Goods in the possession of, respectively bringing them under the control of the Contracting Authority, and any installation/assembly of these Goods:
- 3. **Order:** the Order from the Contracting Authority to the Contractor to perform the Service or Supply.
- 4. **Contracting Authority:** University of Groningen (UG), having its place of business at 9712 CP Groningen, Broerstraat 5, and its registered office in Groningen.
- 5. **Contractor**: the other party to the agreement with the Contracting Authority.
- 6. **Agreement:** the agreed business relationship between two or more parties after offer and acceptance.
- 7. **Parties**: the Contracting Authority and the Contractor.
- 8. **Goods**: the material items to be delivered.

2. Applicability

- 1. These General Purchasing Conditions regulate the legal relationship between the Contracting Authority and the Contractor.
- 2. If the Agreement concerns Supplies, then in addition to the provisions of the general section (Section I), the provisions of Section II (Supplies) apply.
- 3. If the Agreement concerns Services, then in addition to the provisions in the general section (Section I), the provisions in Section III (Services) apply.
- 4. To the exclusion of all General Purchasing Conditions of the Contractor or third parties, these General Purchasing Conditions form an integral part of the Agreement as if they were literally incorporated therein.
- 5. If the Parties wish to deviate from these General Purchasing Conditions, this must be agreed explicitly in writing by the Parties.
- 6. These General Purchasing Conditions apply to all Agreements and requests for quotation, offers, or acceptances concerning Agreements involving Supplies and/or Services by the Contractor for the Contracting Authority.
- 7. Different or additional general terms and conditions or other stipulations to which the Contractor refers in its tender, order confirmation, correspondence, invoice, or other communications will not apply unless the terms and conditions in question have been explicitly accepted by the Contracting Authority in writing.
- 8. By entering into the Agreement, the Contractor accepts the applicability of these general purchasing conditions.

3. Formation and amendment of the Agreement

- 1. Unless otherwise agreed in writing, the Agreement is only entered into if it is signed on behalf of the Contracting Authority by a person authorized to represent it.
- 2. Any additional agreements and/or undertakings made by or on behalf of the Contracting Authority will only be binding on the Contracting Authority if these have been confirmed in writing by a person authorized to represent it.
- 3. Any amendments to the Agreement must be recorded in writing by the Parties.
- 4. A quotation, price estimate, or other offer by the Contractor constitutes an irrevocable offer.

- 5. Unless expressly indicated otherwise by the Contracting Authority, every request for a quotation, offer, or price estimate that it makes is without obligation.
- 6. If the Contractor makes a quotation, price offer or other offer to the Contracting Authority, or carries out a performance, or makes preparations for this before receiving a written Order or order confirmation from the Contracting Authority as referred to in Article 3(1), it does so at its own expense and risk. Unless otherwise agreed in writing, the Contractor cannot charge the Contracting Authority any costs for this.

4. Non-compliance or late compliance

- As soon as the Contractor knows or expects that its obligations cannot be delivered or completed on time or that it cannot otherwise fulfil its obligations in time, it will inform the Contracting Authority of this in writing within five working days after the occurrence of and stating the cause or circumstances that make timely delivery or completion impossible.
- 2. In the event of malfunctions and/or contingencies, the Contractor will immediately inform the Contracting Authority after having become aware of this. This also applies in the event that damage to the Contracting Authority's property has occurred or could occur.
- 3. If the Contractor invokes the inability to fulfil the Agreement, the Contractor must do everything possible in consultation with the Contracting Authority to limit loss on the part of the Contracting Authority as much as possible.

5. Prices

- All prices stated by the Contractor are exclusive of VAT, not subject to unilateral change
 and include all costs, levies, and other taxes in connection with the performance of the
 Agreement, including but not limited to the costs for transport, insurance, packaging, and
 any repossession of packaging by the Contractor, as well as import and export costs.
- 2. The agreed prices are fixed until the end of the Order unless the Agreement states circumstances that could lead to amendment of the price as well as determines the manner in which the price amendment will take place.
- 3. If third parties are engaged with the Contracting Authority, the costs of these third parties are deemed to be included in the Contractor's price and are not eligible for separate compensation by or settlement with the Contracting Authority.

6. Billing and payment

- 1. The Contracting Authority will not make any payments if the Agreement has not been signed and returned.
- 2. The Contractor must send each invoice digitally to the Contracting Authority in an uneditable PDF file (<u>crediteuren-FSSC@rug.nl</u>). It must be accompanied by the order number issued by or on behalf of the Contracting Authority or a statement confirming that payment is owed.
- 3. Payment does not release the Contractor from any guarantee and/or liability. Payment does not imply any acknowledgement or renunciation of rights in any way.
- 4. The Contracting Authority is authorized to set off amounts owed by it to the Contractor or to companies affiliated with the Contractor, regardless of whether the amounts concerned are due or not, against claims it has against the Contractor and companies affiliated with the Contractor or to suspend their payment.

- 5. The Contracting Authority has the right, after informing the Contractor of this, to make payments for the Contractor to third parties, including but not exclusively to subcontractors and/or Contractors engaged by the Contractor in the performance of the Agreement if the progress of the performance of the Agreement could be compromised by failure to make this payment. These payments are deducted from what the Contracting Authority owes the Contractor.
- 6. If Article 6(2) of these General Purchasing Conditions has been met, payment of the invoice will be remitted within 30 days after receipt and approval of it. Payment terms are not deadlines.

7. Contractor's expertise

- 1. The Contractor guarantees that it has the required expertise to perform the Agreement. The Contractor will perform the Agreement entered into with the Contracting Authority in full, punctually, and without deviations.
- 2. The Contractor guarantees that the Goods delivered, and the Services provided comply with the Agreement, have the promised characteristics, are suitable for the purpose for which they are intended, and are of good quality or meet the reasonable requirements of competence. The Goods delivered and the Services provided will furthermore conform to the usual requirements of reliability, efficiency, and with all statutory requirements and usual industry regulations regarding safety, quality, health, and the environment.
- 3. The Contractor must under no circumstances deviate from the requirements specified in the Agreement or deviate in any other way from the specifications, without the Contracting Authority's prior written permission.
- 4. When providing services or carrying out work at the premises of the Contracting Authority or of third parties, the Contractor must always observe the relevant safety regulations, including rules set by the Contracting Authority or third parties.

8. Documentation

- The Contractor must hand over all quality and/or warranty certificates, user manuals, specifications, drawings, and the technical files relating to the or Services at the same time as the Supplies and/or the completion of the Services, without additional costs.
 These form part of the Agreement.
- 2. The documentation as referred to in this Article must provide a correct, complete, and detailed description of the Goods delivered and/or Services performed by the Contractor and their functions and is intended to provide the Contracting Authority with a simple overview of the possibilities of the Supplies and Services.
- 3. The Contracting Authority reserves the right to reproduce, amend, and divulge the documentation as referred to in Article 8(1) of these General Purchasing Conditions within its organization without additional compensation for use. The related copyright will be respected.

9. Intellectual property

- 1. The Contractor guarantees that providing the agreed performance and the normal use thereof, all in the broadest sense, will not infringe any patent right, copyright, trademark right, design right, or any other intellectual property rights of a third party. The Contractor indemnifies the Contracting Authority against claims of this nature.
- 2. All intellectual property rights to or in connection with Goods or work processes specifically designed and/or manufactured for or on behalf of the Contracting Authority, and to the drawings, texts, models, manuals, samples, aids, calculations, software, and other documents and data carriers made or used by the Contracting Authority or the

Contractor will belong to the Contracting Authority. The Contractor undertakes, to the extent necessary, to cooperate with the transfer of the intellectual property rights referred to above and will, after completion of the Contract, hand over the Goods and any auxiliary materials to the Contracting Authority. The Contractor will not use the data, Goods, or work processes referred to above for any other purpose than to perform the Agreement with the Contracting Authority and will not make any copies of them without the Contracting Authority's written permission.

10. Obligation to provide information and confidentiality

- 1. The Contractor is obliged with respect to Contracting Authority:
 - a) To inform the Contracting Authority on request or otherwise about everything that is relevant to the Agreement;
 - b) Independently request information from the Contracting Authority that it needs and of which it knows or should reasonably know that that information is or should be available.
- 2. The Contractor is obliged, both during and after termination of the Agreement, to maintain confidentiality with regard to the content of the Agreement, anything that comes to its knowledge during the performance thereof, and information received with regard to the Contracting Authority, except to the extent that it is required to disclose this information by law or court order.
- 3. The Contractor is entitled to use confidential data that:
 - a) are already in its possession and not subject to any duty of non-disclosure
 - b) have been independently developed by the Contractor
 - c) have been obtained from a source other than the Contracting Authority and are not subject to any duty of non-disclosure
 - d) are generally available at the time of receipt or subsequently become generally available without the Contractor playing any role, or
 - e) are made known to another party by the Contracting Authority without any duty of non-disclosure.

11. Liability

- 1. The Contractor is liable for all damage suffered by the Contracting Authority, its personnel and employees or by third parties in the performance of the Agreement. The liability may be limited in the Agreement.
- 2. An agreed limitation of the Contractor's liability (including the previous paragraph) will lapse:
 - a) insofar as the Contractor, in turn, has recourse against third parties, including insurers:
 - b) in the event of intent or gross negligence on the part of the Contractor or its personnel;
 - c) in the event of breach of intellectual property rights;
 - d) in the event that the Dutch Data Protection Authority imposes fines because of the Contractor's negligence;
- 3. Product liability for Goods supplied or used, whether processed or not, rests entirely with the Contractor.
- 4. The Contractor is liable for professional errors, failures such as mistakes, negligence, omissions, defaults, and incorrect advice, which a professional and careful service provider should avoid under the given circumstances and with due observance of normal attention and with normal professional knowledge and a normal manner of performance. The Contractor indemnifies the Contracting Authority against claims from third parties

- arising from or related to the Goods delivered or used and/or Services provided by the Contractor.
- 5. The Contractor indemnifies the Contracting Authority against claims from third parties arising from or related to the Goods delivered or used and/or Services provided by the Contractor.
- 6. The Contractor is liable for and indemnifies the Contracting Authority against any claims by third parties with regard to losses directly or indirectly resulting from culpable failure to fulfil obligations to the Contracting Authority or from unlawful acts or omissions by the Contractor. The Contractor will vouch for the acts and omissions of its staff and those of third parties engaged in the execution of the Agreement as if they were its own.
- 7. The Contractor will take out and maintain adequate liability insurance as referred to in this Article. The Contractor is obliged to provide access to the statement to that effect at the Contracting Authority's first request.

12. Changes

- 1. Even after the Agreement has been entered into, the Contracting Authority is authorized to supplement or otherwise change the scope and/or quantity of the Goods and/or Services to be provided.
- An addition or other amendment to the Agreement must be made in writing by the Contracting Authority to the Contractor and must be accepted by the Contractor. The Contractor must not start with the changed work until it has received a written Order for it.
- 3. If the Contractor believes that there is a change to the Agreement, it will report this in writing as soon as possible. Additional work that the Contractor could reasonably have foreseen when concluding the Agreement is not eligible for compensation. The Contractor does not start with the changed work until it has received a written Order for it.
- 4. Additional work will be compensated at the original price. The terms and conditions of the Agreement apply. If in the opinion of the Contractor an amendment affects the agreed price and/or time and/or term of the Supplies or Service, the Contractor is required, before accepting the amendment to the Agreement, to inform the Contracting Authority of the above consequences in writing as soon as possible, but within no more than eight days after being notified of the requested amendment. If the Contractor fails to do so, it will not be entitled to additional payment as a result of the addition and/or other change ordered.
- 5. The Contractor may not make or carry out any changes without the Contracting Authority's permission.

13. Outsourcing and transfer of rights and obligations

- 1. The Contractor is not authorized to have the Agreement or its obligations under the Agreement performed in whole or in part by a third party, except with Contracting Authority's written approval. The Contracting Authority may attach further conditions to this approval.
- 2. If the Contractor assigns the work in whole or in part to a third party with the Contracting Authority's permission, it must draw up a written Agreement to this effect. The Contractor is obliged to include all its rights and obligations under the Agreement with regard to the work to be outsourced in full in the agreement between the Contractor and the third party and to also oblige the third party to do what has been determined in this paragraph in writing with the parties it engages.
- 3. Claims of the Contractor against the Contracting Authority must not be transferred or given in pledge.

14. Dissolution and suspension

- 1. If the Contractor foresees or should reasonably foresee that it will fail to fulfil one or more of its obligations, the Contractor is obliged to inform the Contracting Authority of this without delay and in advance, stating the reasons and the probable duration of the delay.
- 2. If the Contractor imputably fails to fulfil one or more obligations under the Agreement, the Contracting Authority has the right, in accordance with the provisions of the Dutch Civil Code (Burgerlijk Wetboek), without prior warning and/or notice of default, without being obliged to pay any compensation and notwithstanding all its other rights, to dissolve the Agreement in whole or in part by means of a statement to that effect and/or to oblige the Contractor to repeat the performance at the Contractor's expense or to reverse the performance performed at the Contractor's expense and risk or to accept the Contracting Authority repeating the performance at the Contractor's expense and risk.
- 3. In the event of the bankruptcy, suspension of payments, closing down or liquidation of the Contractor, or if a substantial portion of the Contractor's assets are seized, and this seizure is not lifted within a reasonable time, the Contracting Authority will be entitled, without prior warning and/or notice of default, without the obligation to pay any compensation and notwithstanding all its other rights, to terminate the Agreement in full or in part without judicial intervention by means of a declaration to that effect.
- 4. Without prejudice to its other rights, the Contracting Authority has the right in the situations as described in this Article to suspend all or part of its obligations under an Agreement entered into with the Contractor.
- 5. Without prejudice to any of its other rights, the Contracting Authority has the right to terminate the Agreement in whole or in part if any gain has been offered or provided by the Contractor or one of its subordinates or representatives to a person who works for the Contracting Authority's company or to one of its subordinates or representatives.
- 6. In the event of termination or cancellation of the Agreement, amounts that the Parties owe each other will become immediately due and payable.
- 7. After dissolution, the Contractor is obliged to repay the Contracting Authority the amounts already paid of the purchase or contract price, for which no performance has yet been delivered, as soon as possible, but at the latest within 14 days after dissolution, plus the statutory interest after expiry of the term.

15. Disputes and applicable law

- 1. Parties will endeavour to resolve any disputes related to the formation, interpretation, performance or termination of an Agreement in consultation.
- 2. Without prejudice to the provisions of the preceding paragraph of this Article, all disputes related to the formation, interpretation, performance or termination of an Agreement will be settled at the Contracting Authority's discretion by the civil court in Groningen, without prejudice to the right of the Parties to appeal and cassation.
- 3. This Agreement is governed by Dutch law. The Vienna Convention (United Nations Convention on Contracts for the International Sale of Goods, Vienna) does not apply.

SECTION II: SUPPLIES

16. Supplies

- 1. Unless agreed otherwise in writing, the Contractor is not permitted to make partial supplies or partial services. The Contracting Authority is entitled, without prior notification, to return non-agreed partial supplies and/or the Goods that have been delivered in excess at the Contractor's expense and risk.
- 2. Delivery of the Goods will take place to the Contracting Authority with delivery paid at the time indicated by the Contracting Authority, and at the place designated by the Contracting Authority in accordance with the applicable Incoterm DDP (Delivered Duty Paid), and in proper packaging with all necessary documents, such as waybill, packing slip and cross-border documents. The order number, the department to which the items are to be delivered, and any other relevant information must be shown clearly on the outside of the packaging.
- 3. The Contracting Authority is entitled not to take delivery of the Goods to be delivered if the aforementioned regulations and provisions have not been complied with.
- 4. The Contracting Authority has the right to postpone the Delivery in special circumstances. In such cases, the Contractor must store, keep, secure, and insure the items in proper packaging, separately and identifiably.

17. Inspections and tests

- 1. The Contracting Authority is at all times entitled but never obliged to ascertain the nature and progress of the production process, the Supplies or the performance of the Agreement and the machines and raw materials used for this by inspections and tests performed by the Contracting Authority, or a third party appointed by the Contracting Authority.
- 2. The Contractor will inform the Contracting Authority in good time of the place and time at which a requested inspection or test can take place. The Contractor will cooperate fully, and free of charge with inspections and tests carried out by or at the request of the Contracting Authority. Cooperation will include assistance by staff and material support. At the Contracting Authority's first request, the Contractor will provide a list of the components of the Goods to be supplied and the Goods used, and of packaging and the production process.
- 3. If the Goods have been examined by an independent testing institute and the outcome is negative, the costs of testing will be borne by the Contractor. The Contractor must repay amounts paid in connection with those Goods or their Delivery within 14 days.
- 4. The Contractor grants the Contracting Authority the right to use the Goods before the inspection or testing takes place.
- 5. The Contracting Authority will have the right to return rejected items at the expense and risk of the Contractor.
- 6. Inspections within the meaning of this Article will not release the Contractor from any obligation or liability.
- 7. Inspection, control or testing by or on behalf of the Contracting Authority does not mean acceptance of the delivered Goods.

18. Packaging

- 1. The Contractor is responsible for ensuring that Goods are properly packaged and transported. The Goods must be accompanied by all necessary documents, such as a packing slip. Damaged Goods will be returned.
- 2. Returnable packaging will be returned to the Contractor at the Contractor's risk and expense.
- 3. The Contractor remains the owner of the packaging, replacement and waste materials. The Contractor is obliged to take back these materials and/or other waste at its expense.
- 4. Responsibility for the processing or destruction of packaging materials (including packaging materials used for transport) rests with the Contractor. If packaging material is processed or destroyed at the Contractor's request, this will be done at the Contractor's risk and expense.
- 5. The Contractor is liable for damage caused by insufficient and/or improper packaging.
- 6. The Contractor guarantees that the Goods have been produced with due observance of and in accordance with the statutory environmental regulations.

19. Transfer of ownership and risk

- 1. The Contractor guarantees full and unencumbered ownership of the Goods.
- 2. The risk for the Goods to be delivered will pass to the Contracting Authority upon delivery, provided the Contracting Authority has approved and accepted the Goods. The Contractor will always bear the cost of any damage arising during transport, loading, or unloading.
- 3. Ownership of the Goods transfers to the Contracting Authority at the time of Delivery or payment, whichever occurs first.

20. Warranties

- 1. The Contractor vouches for the absence of any visible or invisible failings during the agreed warranty period or, in the absence thereof, the warranty period customary in the industry and, in the absence thereof, in any case for a period of one (1) year after the Supplies. The warranty period will be extended by a period equal to the period(s) during which the Goods have not been used or could not be used in full as a result of a failing by the Contractor as referred to in this provision. New warranty periods equal to those referred to above will apply to Goods supplied as replacements and to components of those Goods that have been replaced or repaired.
- 2. If the term of a manufacturer's warranty is longer than the term required pursuant to paragraph 1, that longer term of the manufacturer's warranty will apply.
- 3. If a failing occurs during the warranty period, the Contracting Authority is entitled either to return the Goods and to demand immediate repayment of the payment made for those Goods or to demand that the Contractor, at the Contracting Authority's first demand, at its own expense and risk repairs all defects occurring during the warranty period and/or replaces the Goods or defective parts thereof, notwithstanding the Contracting Authority's right to compensation for further damage (including consequential damage) and damage suffered by third parties.
- 4. In the event that the Contractor fails to meet its warranty obligations or does not do so promptly, the Contracting Authority is entitled to carry them out or arrange for them to be carried out at the Contractor's expense. If the Contracting Authority exercises this right, it must notify the Contractor in writing.

21. Dissolution

- 1. In addition to Article 14 (Dissolution and Suspension) of these General Purchasing Conditions, the following applies to the Deliveries.
- 2. Unless agreed otherwise in writing, the agreed date for delivery or performance is a deadline. If it can be foreseen that delivery or fulfilment on the agreed date will not be possible, the Contractor must notify the Contracting Authority immediately. In this case, the Contracting Authority has the right to cancel the Agreement without prior warning or notice of default or to set an extended term for Delivery, notwithstanding its right to compensation for damage. If the Contractor fails to give this notification, it will lose the right to invoke force majeure and will remain bound to deliver at the agreed time.

SECTION III: SERVICES

22. Personnel, labour, and environment

- The Contractor guarantees that persons it engages for work who are used for the
 performance of the Agreement are sufficiently qualified. The employees to be engaged by
 the Contractor must have the legally required diplomas and certificates needed for the
 performance of the Agreement.
- 2. The Contractor guarantees that it and persons it engages for work that are used for the performance of the Agreement comply with all legislation and regulations applicable in the Netherlands in the field of quality, working conditions and the environment (such as but not limited to the Working Conditions Act (Arbeidsomstandighedenwet), the Working Hours Act (Arbeidstijdenwet), the Placement of Personnel by Intermediaries Act (Wet Allocatie Arbeidskrachten Door Intermediairs), the Foreign Nationals Employment Act (Wet Arbeid Vreemdelingen), the Sham Employment Arrangements Act (Wet Aanpak Schijnconstructies), the Compulsory Identification Act (Wet op de Identificatieplicht), the Minimum Wage and Minimum Holiday Allowance Act (Wet Minimumloon en Minimumvakantiebijslag), and the Cross-Border Employment Conditions Act (Wet Arbeidsvoorwaarden Grensoverschrijdende Arbeid) etcetera.
- 3. When performing the Agreement, the Contractor must comply with the applicable Collective Labour Agreement that applies to the Contractor. The Contractor must have the certification or quality mark that usually applies within the sector in order to show that its staff are paid in accordance with legislation, regulations and the Collective Labour Agreement, and that demonstrates compliance with all legislation relating to working conditions and occupational health and safety.
- 4. The Contractor guarantees that it complies with the requirements as referred to in the applicable Collective Labour Agreement, and the law with regard both to its own personnel and the personnel of third parties it engages.
- 5. The Contractor guarantees that the resources used by the Contractor comply with everything prescribed by law with regard to quality, occupational health and safety, and the environment.
- 6. The Contractor is obliged to impose the obligations from this Article in full on all parties with which it enters into agreements for the performance of its work under the Agreement. The Contractor is also obliged to stipulate that these parties subsequently include these contractual obligations in full in any agreements that they enter into for the performance of the Agreement.
- 7. The Contractor must record all employment conditions agreements with regard to the payment of wages owed and allowances for its employees involved in the performance of the Agreement in a transparent and accessible manner in its payroll administration.
- 8. The Contractor must impose the contractual obligations set out in this Article in full on all parties with whom it makes arrangements or enters into agreements for the purpose of executing the Agreement. In addition, the Contractor must ensure, before and during the performance of the work, that third parties engaged by it comply with the provisions of this Article and of the Collective Labour Agreement, in respect of its own staff, subcontractors or suppliers. The Contractor must treat these parties in the manner described in this Article. The Contractor must document its findings with regard to this provision, as part of the information referred to in this Article.
- 9. If at any time it appears that the Contractor has not complied with its obligation to pay the employees in accordance with the legislation and Collective Labour Agreement and/or if there is a subsequent payment obligation on the part of the Contractor in this regard,

the Contractor will comply with this payment or repayment obligation with immediate effect and provide proper proof thereof to the Contracting Authority.

23. Wages and Salaries Tax and National Insurance Contributions (Liability of Subcontractors) Act/Reverse Charge Scheme

- 1. The Contractor indemnifies the Contracting Authority against all third-party claims arising from the work performed by the Contractor, including those related to possible fines based on violation of the Foreign Nationals (Employment) Act or other statutory provisions and wage claims pursuant to Section 616a and/or Section 616b of Book 7 of the Dutch Civil Code (Burgerlijk Wetboek). The Contractor must pay the relevant amounts to the Contracting Authority on demand, failing which the Contracting Authority is entitled to withhold these amounts from the next instalment, to set them off against claims the Contractor has against the Contracting Authority, or to recover them.
- 2. If the Contracting Authority requests that the Contractor provide further information or documentation relating to the provisions of this Article, the Contractor must provide the requested information and/or documentation within 10 working days. The Contracting Authority is entitled to verify indications of underpayment. Depending on the situation, the Contracting Authority is entitled to consult trade unions and/or authorized bodies for this purpose. The Contracting Authority will inform stakeholders about indications of underpayment and the subsequent measures taken. The Contractor must not hinder these processes and must cooperate in the verification of the indications and in dealing with authorized bodies.
- 3. If the Contractor or a third party engaged by it has not fulfilled its obligations as referred to in this Article, there is an imputable failing in the fulfilment of the Contractor's obligations under this Agreement, and the Contractor is in default without notice of default being required.
- 4. The Contractor indemnifies the Contracting Authority against all damage and costs if the Contracting Authority is held liable on the grounds of non-payment of the wages owed by an employee in the chain.
- 5. In the event of misconduct or an imputable failing of the Agreement by personnel of the Contractor or third parties engaged by it, the Contracting Authority is entitled to deny personnel of the Contractor or third parties engaged by it access or to remove them from the work at first notice. The related costs will be borne by the Contractor.
- 6. The Contractor is obliged to open a blocked account (G-account) as referred to in the Implementing Regulations 2004 for Hirer, Supply Chain and Contracting Authority Liability and to notify the Contracting Authority in full detail of all changes in this account at least every three months.
- 7. The Contractor will only enter into an agreement with subcontractors who have G-accounts or who will immediately open such an account unless a subcontractor has to be regarded as a self-employed person.

14 December 2021