ECONOLOFT LIMITED

STANDARD CONDITIONS OF TRADING

The following standard conditions apply to every agreement entered into by Us for the provision of Services and Materials.

1 DEFINITIONS

In these condition

1.1 The following words and expressions have the following meanings:

"Balance of Deposit" such sum is specified in the signed Final Specification;

"Cancellation Period" has the meaning set out in Condition 2.5;

"Certificate" the certificate provided by Us upon Completion;

"Completion" the completion of the work required to effect the

Conversion in accordance with Contract (and "Complete"

and "Completed" shall be construed accordingly);

"Conditions" the terms and conditions for the provision of Services and

Materials, as set out in this document, together with any special terms and conditions set out in the Schedule;

"Contract" the contract between Us and You for the Conversion, on the

Conditions;

"Contractors" self employed builders, joiners, electricians, plasterers and

other tradesmen, recommended by Us to physically

complete the Conversion;

"Conversion" the loft conversion to be designed by Us at the Property, as

detailed in the Schedule;

"Design and Drawing Deposit" the deposit payable by You by way of contribution to Our

design and drawing process costs on the signing of the

Schedule, as specified in the Schedule;

"Drawings" all sketches, surveys, plans, drawings, structural

calculations, designs and specifications made by Us in

relation to the Conversion;

"Final Specification" the detailed specification of the Conversion to which was

sent to You following approval by You of the Drawings;

"Materials" all timber, steel, plasterboard, bricks, breeze blocks,

glass, felt and other building materials supplied by Us in

relation to the Conversion;

"Order" Your written order with Us for the Conversion (including

the order for the provision of Materials and Services by Us)

as set out in the Schedule;

"Order Acknowledgment" Our written acknowledgment and acceptance of Your

Order;

"Price" the monies payable by You to Us in return for the provision

of Services and Materials pursuant to the Conversion as

shown on the Schedule and the Final Specification;

"Property" the property at which You wish the Conversion to take

place, as specified in the Schedule;

"Quotation" Our written quotations for the provision of Services and

Materials, as specified in the Schedule;

"Schedule" the Schedule on the final specification containing (amongst

other items) Your details, details of the Conversion to be performed, and any special Conditions, signed by Us and

by You;

"Services" the technical inspection of the Property, the design of the

Conversion, the production of Drawings, overseeing the work carried out by Contractors from our approved list (or any other tradesman You may engage) in order to complete the Conversion to the required standard, and the provision

of Materials;

"Us", "We", "Our" Econoloft Limited (and including Our authorised

Contractors and employees);

"You," "Your" the person(s) who enter(s) into the Contract with Us, and

who accept(s) performance of the Conversion (or any part

thereof), as set out in the Schedule.

1.2 the Schedule forms part of the Contract for all purposes:

2 <u>CONTRACT</u>

- 2.1 Your signature of the Schedule constitutes an offer to require provision of the Services and Materials to effect and complete the Conversion.
- 2.2 The Contract comprises these Conditions, the Schedule and the Final Specification.
- 2.3 No Contract shall have been formed until the offer constituted by Condition 2.1 has been accepted by Us and written confirmation of such acceptance has been sent by Us to You on the Order Acknowledgement. For the avoidance of doubt, signature of the Schedule by Our representative does not constitute such acceptance. You must notify Us within 7 days of the date of the Order Acknowledgment if any of the details are incorrect, otherwise the details set out in the Schedule and confirmation in the Order Acknowledgment shall be deemed to be correct.
- Only these Conditions apply to the Contract, and shall override any other terms, conditions or warranties which You may seek to impose. Your acceptance of the provision of any of the Services and Materials shall be conclusive evidence that these Conditions are accepted by You and apply to the Contract.
- 2.5 No variation to the Contract shall apply unless agreed in writing by Us (except pursuant to Your statutory cooling off period as set out in the Schedule).

3 OUR COMMITMENT TO YOU

- 3.1 Once We have received the signed Schedule and Your Design and Drawings Deposit, We will write to You with an Order Acknowledgement. This will include arranging an appointment for a surveyor to visit to survey the Property. If You have signed the Schedule where indicated pursuant to Condition 2.5 We will commence work on Your behalf, even though it is within the Cancellation Period. That work will consist of preparing all Drawings necessary for the work to be carried out. We will send those Drawings to You for Your approval. You will have 7 days to notify Us if any of the Drawings are not in accordance with Your instructions. Once You approve the Drawings We will require You to sign them and return them to Us.
- As soon as practicable after receipt of the signed Drawings, We will prepare the Final Specification and send it to You. The Final Specification will set out all the details of the work We are to perform in respect of the Conversion (and those to be provided by the approved contractors such as plumbing, electrical, plastering, etc) the Materials You have ordered (softwood, hardwood), the number of rooms forming part of the Conversion, the access route to the Conversion, and the monies due to Us on agreement of the Final Specification. You must notify Us promptly (and in any event within 7 days of receipt) if You do not agree with any part of the Final Specification.
- 3.3 In the event of any conflict or discrepancy between the details set out in the Schedule and in the Final Specification, the Final Specification shall prevail and shall govern the Services and Materials We are to provide, the Specification of the Conversion You have ordered.

- 3.4 Once You have agreed to the Final Specification, You are to return that document to Us, signed, together with Your payment of the Balance of Deposit.
- 3.5 If planning permission is required to build the Conversion, We will submit the plans for the Conversion to the appropriate local authority or accredited buildings regulations inspecting body on Your behalf. Please note that the Price does NOT include any local authority fees and/or buildings regulations inspecting body. These fees can be for permission for building regulation approval, planning permission or certificate of lawful development, skip permits for Contractors. This list is not exhaustive and is provided for illustration only. All such fees are payable by You directly to the appropriate local authority or inspecting body. We can however pay them for You at the same time as We submit Your planning permission application, provided You have provided Us with those monies in cleared funds.
- 3.6 If the Conversion does not require planning permission, We will arrange a date with You to commence the physical work necessary to effect the Conversion. You will be required to pay a building fee at this stage (which will be detailed on the Final Specification).
- 3.7 If You do not agree to the Final Specification, or the Conversion is prevented from being Completed for any reason beyond Our reasonable control, then the Contract will terminate at that point, and the Design and Drawings Deposit You have paid will not be refundable.
- 3.8 Once You have returned the Final Specification, We will appoint an Econoloft Approved Contractor to complete the conversion. Please note that You will be responsible for discharging payments directly to the Contractor in accordance with Condition 7.6.
- 3.9 You will be required to make payment in cleared funds as specified in the Final Specification when We make the first delivery of Materials to the Property to enable work on the Conversion to commence. No work will be performed on the Conversion until such payment has been received.

4 VARIATIONS TO SPECIFICATIONS

- 4.1 If We discover unforeseen physical defects in the Property which was not readily apparent when the initial survey was performed We reserve the right to amend the Drawings and the Final Specification, and to make such alterations as may be necessary to the Property, to enable the Conversion to be Completed, and We shall be entitled to charge You an additional amount of money equal to any costs We have incurred (whether for Materials, Services or other fees) because of the additional work We have had to undertake to accommodate to remedy the defect.
- 4.2 We reserve the right to amend the Drawings or the Final Specification as necessary to obtain planning permission or building regulations approval. We will be entitled to charge You an additional amount to reflect the further work We have performed to obtain the relevant approvals and permissions.
- 4.3 Whilst We will take all practicable care to ensure that the Drawings are accurate, and that the Conversion You have selected can actually be built, You acknowledge and understand that circumstances outside of Our control can arise which mean that We have to perform additional work not originally envisaged or falling within Our initial Price, and therefore it is only fair that We are entitled to be paid for any such additional work.
- 4.4 You will be responsible for agreeing any additional labour costs associated with Conditions 4.1 or 4.2 directly with our Sub Contractors.
- 4.5 If You do not agree to pay for any additional work pursuant to Conditions 4.1 to 4.4 (inclusive), and We cannot resolve the matter, then the Contract will terminate and We will be under no obligation to Complete the Conversion. All funds paid will not be refundable in these circumstances.

5 WHAT WE GUARANTEE

- 5.1 We will inspect the Contractor's work and (subject to Condition 6), We guarantee that it will be of the required standard to enable the Conversion to be Completed.
- 5.2 Upon Completion, we shall issue to you a Certificate confirming that the Conversion has been completed in accordance with the agreed specifications. This Certificate shall constitute a guarantee in respect of the Conversion works carried out by us and shall remain valid for a period of ten (10) years from the date of Completion.

This guarantee covers defects arising from workmanship or materials in any part of the Conversion excluding:

Any plumbing, heating, or sanitary equipment;

Any third-party components, materials, or systems supplied or installed by parties other than us, or installed under your instruction; and

Any defects arising from misuse, neglect, or failure to carry out proper maintenance.

For the avoidance of doubt, this guarantee is non-transferable and shall apply solely to the original contracting party.

6 WHAT WE DO NOT COVER

- 6.1 when giving Quotation, or when issuing the Order Acknowledgement, warrant that the proposed Conversion does or does not need planning or building consent. You understand and agree that this may only become apparent during the process of progressing the Conversion.
- 6.2 guarantee that planning permission will be granted, or under what conditions
- 6.3 carry out party wall award services.
- 6.4 guarantee any Completion date. We will take all reasonable steps to Complete the Conversion by an agreed date that date is approximate only, and We shall not be liable for any loss or damage to You arising on account of any such delay. Time of Completion shall not be of the essence, and You shall not be entitled to cancel the Contract, refuse provision of Services or Materials, or require any refund on account of any such delay howsoever caused, except where the delay is solely due to Our deliberate and willful default when there are no mitigating circumstances (such as adverse weather).
- 6.5 accept responsibility for any representations made by the Contractor, unless We confirm such representations in writing to You.
- 6.6 guarantee the work of any unapproved contractor. If You do not wish to use one of Our Contractors to Complete the Conversion, then You are solely responsible for arranging any guarantees You may require in connection with the Conversion, and ensuring that it has been Completed to a satisfactory standard.
- 6.7 accept responsibility for any damage to the Property or the Conversion caused by Your own actions or negligence. The guarantee given by Condition 5.2 will not apply, for example, if You burn the Property down.

7 YOUR COMMITMENT TO US

- 7.1 You are the legal owner of the Property, and that You have authority to place an order for the proposed Conversion;
- 7.2 You will allow Us and the Contractors unfettered and reasonable access to the Property to enable the Conversion to be Completed;
- 7.3 You will be responsible for clearing the means of access to the loft area, including the removal of any floor or existing conversion work and sufficient clearance to enable a measured survey to be carried out of the Property;
- 7.4 You will remove, safeguard and/or protect all items of value on the Property;
- 7.5 You will be responsible for any fees payable in respect of any application made by Us for planning permission, building regulations approval, and any other statutory license fees (ie: highway fees for skips scaffolding, parking permits or material licenses);
- 7.6 You will be responsible for the discharge of the Contractor's fees as specified on the final specification;
- 7.7 You will be responsible for the cost of any Services required in connection with the Conversion (such as plumbing, or electricity) which do not fall within the scope of the Services set out in the Final Specification;
- 7.8 You be responsible for the decoration of the Conversion once Completed unless specified in the Final Specification;
- 7.9 You will tell Us of any changes to the Property which may affect the Conversion, the Drawings or the Final Specification (such as extensions, or alterations in the internal layout) as soon as practicable and in any event a minimum of 10 days before any work is due to commence on the Conversion;
- 7.10 You have advised Us if, the Property is located within a "specially designated area" as defined by Your local authority (ie: conservation area, area of outstanding natural beauty etc), or that Your permitted development rights have been restricted, or that any covenants or building restrictions have been imposed on the Property by a residence association, freeholder or previous owner);
- 7.11 You have advised Us if the Property is not freehold, or has ever been in the ownership of a housing association or local authority;
- 7.12 You will be responsible for satisfying the Party Walls Act 1996

8 PAYMENT TERMS

- Payment of any part of the Price must be made in cleared funds on the appropriate dates set out above. If You fail to make any payment to Us on the due date, then (without prejudice to Our other rights or remedies) We can:-
 - 8.1.1 cancel the Contract so far as any Services remain to be performed or Materials provided under it, or suspend any further performance of any of the Services or delivery of Materials;
 - 8.1.2 charge You interest (both before and after any judgment) on the amount unpaid at the rate of 8% above the Bank of England base rate per annum compounded daily, until payment in full is made, under the Late Payment of Commercial Debts (Interest) Act 1998.

9 OUR LIABILITY TO YOU

- 9.1 You agree with Us that if You suffer loss or damage as a result of any breach of any terms of this Contract by Us or as a result of Our negligence, then Our liability in respect of such loss or damage shall be limited to the smallest of the following:-
 - 9.1.1 the actual amount of any loss or damage suffered by You;
 - 9.1.2 the sum of £2,000,000.

This limitation shall continue to subsist indefinitely and notwithstanding termination of the Contract.

- 9.2 We promise to exercise reasonable skill and care in the provision of the Services but if any breach of this promise by Us causes death or personal injury, then We shall accept liability.
- 9.3 Our liability under Condition 9.1 shall be to the exclusion of all other liability to You whether contractual, tortuous or otherwise, and all conditions or warranties whatsoever concerning the Services and Materials (whether express or implied) are excluded to the fullest extent permitted by law. Without prejudice to the generality of the foregoing, in no circumstances shall We be liable for any special, indirect or consequential loss or damage of any nature whatsoever.
- 9.4 You agree with and accept that with regard to the limitations of Our liability set out in Conditions 9.1 to 9.3 (inclusive), that such limitations are perfectly fair and reasonable having regard (amongst other things) to the following circumstances:-
 - 9.4.1 that the potential losses which could or might be caused as a result of the breach or negligence as referred to in Conditions 9.1 to 9.3 (inclusive) are greatly in excess and wholly disproportionate to the amount which We are charging;
 - 9.4.2 that We are anxious to keep to as low as level as reasonably possible for Your benefit, and the benefit of all Our customers, Our charges in respect of the Materials and Services provided by Us.
- 9.5 You confirm that You have read and fully understood the terms of Conditions 9 and accept the limitation of liability in this Condition 9.
- 9.6 The limitation of liability contained in Conditions 9.1 to 9.3 shall extend not only to Us but to Our employees and duly authorised Contractors or agents.

10 GENERAL

10.1 Ownership of Drawings

The intellectual property in any Drawings prepared in relation to the Conversion remains Our property. If the Contract is terminated before the Conversion is Completed (for any reason), You shall not be entitled to use Our Drawings to complete the Conversion with any other person, firm or company and unauthorised use by You of the Drawings to build a loft conversion at the Property will oblige You to pay Us a fee equivalent to the Balance of Deposit.

10.2 <u>Materials Supplied</u>

Any Materials We supply to You remain Our property until You have paid the Price in full. However, You shall be responsible for insuring those Materials, and in the event of those Materials being stolen, damaged or destroyed, You shall either pay Us in full for their value, or else claim on Your insurance policy and remit directly to Us the proceeds of any such claim. You shall be responsible for any shortfall between the proceeds You receive from such a claim, and the actual value of those Materials.

10.3 Your Bankruptcy

If You become bankrupt before paying Us the Price in full/or any part thereof which may still be outstanding), then We shall be entitled to cancel the Contract immediately you grant to Us an irrevocable license to enter the Property without notice to recover any of Our Materials which may be located there and which have not been paid for in full.

!0.4 Skip Hire

We will pay for the hiring of two skips sited outside the Property for building rubbish. You are responsible for any local license and associated fees required, and for the cost of hiring any additional skips unless otherwise stated in the Schedule.

10.5 Transfer of Rights

You cannot transfer Your rights or obligations under this Contract without Our written permission.

10.6 Other Parties to the Contract

The Contracts (Rights of Third Parties) Act 1999 does not apply to this Contract. That means no-one except You or Us can take action to enforce its terms but that does not affect the right that any third party might have apart from that Act.

10.7 Our Right not to Enforce

If We decide not to enforce any of the provisions of this Contract, or We delay in so doing, that will not prevent Us from enforcing that, or any other provision at a later date.

10.8 Notices

All notices given under this Contract will be treated as delivered if they are properly addressed and sent by post to, in Our case, Our address shown in the Schedule, and in Your case, Your postal address, as also shown in the Schedule.

10.9 Contract Documents

The documents that make up the Contract are set out in Condition 2.2. However, if You seek to rely on something which You can reasonably assume from the facts, You must give Us written details and We reserve the right to accept or reject such an addition to the Contract.

10.10 Governing Law

The Contract is governed by English law, and the English Courts will deal with any dispute arising under it. However, prior to resorting to court action, any disputes will (unless We and You agree otherwise) be first taken to arbitration through the Fair trades arbitration system for settlement using their standard procedures.

10.11 Your Joint Liabilities

If You compromise more than one legal person, then Your liability is joint and several.

10.12 Invalidity

If any of the provisions of this Contract are held by any competent authority to be invalid or unenforceable, in whole or in part, the validity and enforceability of the other provisions shall not be affected thereby.

10.13 Non-Disparagement

In the event of your dissatisfaction, you agree not to make any disparaging statements be they express or implied, oral or written (including but not limited to social media) about the Company, its Officers, Directors, Employees, in any manner likely to be harmful to them or their business or business reputation until we have received a written formal complaint and had a reasonable time (no less than 28 days) to reply or rectify. Should it be required, mediation will be engaged with by both parties before this clause is waived.