

Conditions of Trading

for use in conjunction with the

HVCA Double Guarantee Scheme

for domestic heating installations

These conditions are issued by the Heating and Ventilating Contractors' Association as being suitable for use by the members of the Association for contracts direct with householders under the HVCA Double Guarantee Scheme for Domestic Heating Installations up to 60 kW (200,000 Btu/h).

1 Period of tender

This tender is open for acceptance in writing within 14 days of the date hereof or such longer period as may be agreed in writing.

2 Basis of tender

- a Unless otherwise expressly agreed in writing, we will provide all labour, materials and equipment necessary for the proper execution of the work covered by our tender.
- b The customer shall bear the cost of any fuel, water or electricity used on the site, and any fees incidental to the work, which are compulsorily payable by reason of any statute, bye-law or regulation.
- c The additional cost caused by working overtime at the request of the customer shall be charged as an extra.
- d This tender does not include any Value Added Tax properly chargeable on the work. The net cost of any such VAT shall be reimbursed to us.

Note: Where practicable, the contractor should indicate whether VAT will be payable and, if so, the likely amount thereof.

3 Variations

We shall not be liable to undertake any variations to the work covered by our tender unless such variations have been authorised by the customer or his agent and the value of the variations has been agreed. In cases where the value cannot be established or agreed before the variations are carried out, the work shall be undertaken at cost plus a percentage addition to cover overheads and profit as stated in the tender or subsequently agreed in writing.

4 Payment

Payment including the cost of any VAT properly chargeable at the date of application shall be made as follows:

- either
- a Through an approved Finance Company or similar organisation
 - or
 - b Unless otherwise agreed in writing – 50 per cent of the price stated in our tender when the bulk of the material is on site; a further 40 per cent when the installation is ready for operation; and the balance (subject to variations) forthwith on submission of our final account.

5 Beneficial use

Beneficial use of the installation by the customer shall be conditional upon observance of payment provisions.

6 Materials

The property in unfixated materials delivered to site shall pass to the customer when payment in respect thereof is made under clause 4b but not before. The customer shall take all reasonable steps to

protect and keep in safe custody all materials delivered to site, whether fixed or unfixated. We will accept liability for damage, destruction or theft of all materials on site, whether fixed or unfixated, during the progress of the works, provided that such liability shall not attach to damage, destruction or theft caused by negligence or wilful misuse by the customer.

7 Access to work

Our employees shall be allowed access for such working hours as we require between the hours of 8.00 am and 6.00 pm on weekdays or at other times or days as may be agreed with the customer, to any part of the customer's premises, so far as may be necessary in connection with our work. We shall have the right to charge for any extra cost caused by the failure of the customer or his agent to allow us access as aforesaid.

8 Guarantee

Unless it is specifically agreed in writing that some other terms of guarantee shall apply we undertake to guarantee the installation in accordance with the terms of the HVCA Double Guarantee Scheme for Domestic Heating Installations as printed overleaf.

9 Drawings

Unless expressly stated, any drawings furnished by us shall not be binding as to detail. We reserve copyright in any drawings submitted by us.

10 Compliance with law and government regulations

Acceptance of this tender constitutes a warranty and representation by the customer that he has complied and will comply with every applicable Statute, Order-in-Council, regulation or direction, bye-law or other lawful requirement or instruction, whether of the Government or any local or other lawful authority, and in particular that he has lawfully obtained every necessary licence, permit or authority that may be required in connection with the work.

11 Progress of work

While we will make every effort to maintain progress, we shall not be liable for delays due to strike, lockout or any other cause beyond our control.

12 Dispute procedure

Any dispute arising out of or in connection with this contract may be referred to litigation or arbitration. Where such dispute is referred to arbitration, such arbitration shall be subject to the Conditions stated in the terms of the Double Guarantee Scheme as printed overleaf.

13 General

- a The above conditions shall apply to all work covered in our tender and to all orders subsequently placed with us by the customer or his agent in connection with the same work.
- b All quotations are strictly nett.



Heating and Ventilating Contractors' Association
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Terms of the scheme

IMPORTANT – rights conferred under this guarantee are additional to your own common law and statutory rights

1 Subject to the terms and conditions herein contained, this Guarantee Scheme applies to the installation of a domestic central heating system or part thereof of a gross load not exceeding 60 kW (200,000 Btu/h) in the domestic premises of an individual house-holder by an installer who, at the time when the work was executed, was a Member of the Heating and Ventilating Contractors' Association (hereinafter referred to as 'the Association'). The Guarantee does not apply to any installation or part of an installation designed to operate by means of solar energy.

2 The guarantee will be valid for a period of twelve months from the date upon which the Member demonstrates to the customer that the installation is ready for use.

3 The guarantee is conditional upon the customer making payment for the installation in full or otherwise completing any appropriate finance arrangements except as provided for in paragraph 9 hereof.

4 Claims under this guarantee shall be notified in writing by the customer to the Member as soon as practicable after the defect giving rise to the claim becomes apparent.

5 This guarantee is also conditional upon the correct operation of the installation by the customer and upon correct maintenance of the installation by a competent engineer.

6 The Member's liabilities under this guarantee shall be limited to ensuring that the workmanship and materials incorporated in the installation shall be free from defects, shall comply with any relevant orders made under the Consumer Safety Act 1978 and shall be capable of complying with any Member's specification supplied to the customer and the said liabilities shall be subject to sub-paragraphs i, ii and iii hereof:

- i No guarantee shall attach to any part of an existing installation connected to the installation provided by the Member.
- ii The Member shall not be liable for the cost of any extra work or any loss or damage, arising directly or indirectly as a consequence of the installation, or any part thereof, being operated by the customer before it is handed over for beneficial use.
- iii The Member shall not be liable for any loss or damage arising directly or indirectly as a consequence of any defect in the installation except in respect of loss or damage occasioned by the negligence or wilful default of the Member.

7 In the event of the Member failing to meet his liabilities under this guarantee, the customer shall be entitled to register a complaint with the Heating and Ventilating Contractors' Association, ESCA House, 34 Palace Court, Bayswater, London W2 4JG.

8 Subject to review by an arbitrator under paragraph 12 hereof, the Association shall decide whether the defect(s) complained of give rise to a complaint under this Guarantee Scheme, and, if it so decides, shall take steps as it deems appropriate, to remedy the defects or, at its option, reimburse the customer.

9 In the event of a Member becoming bankrupt or going into liquidation, the Association will only accept liability for any advance payments made by the customer to the Member to the extent that such payments represent the value of materials delivered to site to which the customer can claim title. Subject to paragraph 12 hereof the Association undertakes that:

- i if the installation is incomplete at the time of bankruptcy or liquidation, the Association will complete the unfinished work on the installation for a price which, when added to any advance payments defined above, shall not (subject to any variations) be greater than the price originally quoted by the Member provided that the customer shall permit the Association to negotiate with the liquidator or trustee in bankruptcy for the completion of the installation by another Member of the Association.
- ii the Association will discharge the Member's liabilities, under this guarantee, whether the Member becomes bankrupt or goes into liquidation before or after the completion of the installation.

10 The obligations undertaken by the Association under this Guarantee Scheme are conditional upon the customer, if so required by the Association, executing an assignment to the Association of the customer's rights and claims against the Member in default, to the extent that the Association satisfies those claims.

11 The liability of the Association in respect of the installation shall be limited to the sum of £5,000 provided that notwithstanding this limit the total liabilities of the Association in respect of all installations installed by the Member under the HVCA Double Guarantee Scheme shall aggregate to more than £25,000 the said liability may be reduced to a figure which is the same percentage of the said liability as is £25,000 expressed as a percentage of the total liabilities. In addition if notwithstanding the above limits the total liabilities of the Association in respect of all installations under the HVCA Double Guarantee Scheme shall aggregate to more than £100,000 the said liability may be reduced to a figure which is the same percentage of the said liability as is £100,000 expressed as a percentage of the total liabilities.

12 Should any dispute or difference arise with regard to the quality of the materials or workmanship or the standard(s) stated in the specification or as to the meaning of the terms and conditions hereof or arising under the terms of paragraph 8 hereof, such dispute shall and is hereby referred to the arbitration of such person as the parties hereto may agree to appoint as arbitrator or, failing such agreement, may be appointed by the President for the time being of the Chartered Institute of Arbitrators. The decision of such an arbitrator set forth in any report or award signed by him shall be final and binding upon the customer and Member of the Association (as appropriate) subject to any right of appeal under the Arbitration Acts. When any dispute or difference is submitted to arbitration as herein provided each of the parties to the dispute shall deposit with the Arbitrator the sum of £25 to be applied towards the fee of the Arbitrator and the cost of arbitration if the Arbitrator so directs in his report or reward.