

CONDITIONS OF ENGAGEMENT AND FEE ARRANGEMENTS

- 1) **Ritzi Structural Engineering Consultants Ltd** Conditions of Engagement shall be the ACE (Association of Consultancy and Engineering) Agreement appropriate to the appointment except as modified by the following conditions and the accompanying letter. A copy of the ACE Agreements are available for inspection in our offices.
- 2) Disbursements will be included in lump sum and percentage fees only up to the value noted unless otherwise stated. Disbursements will be additional to time and all other charges.
- 3) For appointments on a lump sum or percentage fee basis, additional work necessary as defined under the appropriate clause "Payment for variation and/or disruption of the Consultant's work" of the ACE Agreement or for any cause outside **Ritzi Structural Engineering Consultants Ltd's** control will be charged on a time and disbursements basis unless otherwise agreed.
- 4) **Ritzi Structural Engineering Consultants Ltd** will invoice monthly within the stated stages or at times appropriate to the Contract with the exception of small works noted in 5. Our payment terms under this section are strictly 7 days from invoice date.
- 5) For all surveys and/or minor works with a fee of up to £1,800.00 (excluding disbursements), payment of our account shall be made prior to release of our documentation. For works with a fee of up to £9,000.00 (excluding disbursements), we reserve the right to request a deposit payment on commencement and/or full payment of our fee prior to release of documentation. The balance of any payments due under this section are by return following receipt of invoice.
- 6) Invoicing and statements are computerised and as our costs are almost wholly salaries and expenses which cannot be deferred, interest is automatically added to fees outstanding after 14 days from invoice date or 14 days for unpaid accounts in Section 5. Interest shall be calculated in accordance with the Late Payment of Commercial Debts (Interest) Act 1998 and at the relevant reference rate plus the statutory rate of interest and will accrue from day to day.
- 7) The Client may not withhold any payment after the final date for payment of any sum due under this Agreement unless the Client gives, not later than seven days before such final date, a Notice specifying the amount proposed to be withheld and the ground for withholding payment or if there is more than one ground, each ground and the amount attributable to it. Failure to advise of such reasons within this period will be deemed as acceptance of the account in full. Supporting documentation for any disputed fees invoiced will be sent to the client for his information within 30 days of notification of a disputed amount. We reserve the right to cease working on any project where payment or our accounts are not made within our payment terms.
- 8) Quoted Lump Sum Fees shall be valid for a period of 3 months from the date of issue. They may then be increased in line with any increased salary costs and expenses as appropriate.
- 9) **Ritzi Structural Engineering Consultants Ltd** assume that any design and drawing works undertaken will be carried out in one operation and that these deliverables can be provided in one package. Should it be necessary to provide advance information to builders or to design out of sequence we reserve the right to revise our fee to account for any further time commitments over and above those allowed for.
- 10) When site visits are included in **Ritzi Structural Engineering Consultants Ltd** terms of engagement, these visits will be made when reasonably required but only to inspect those parts of the structure for which we have provided design and specification in order to see whether these have been carried out generally according to our design brief. **Ritzi Structural Engineering Consultants Ltd** will not be responsible for any failure on the part of the Client to act in accordance with any recommendations that **Ritzi Structural Engineering Consultants Ltd** may make in connection with these inspections and will be indemnified by the Client against any claim from third parties which may result from such failure.
- 11i) Notwithstanding anything to the contrary in the ACE Agreement and without prejudice to any provision in the ACE agreement whereby liability is excluded or limited to a lesser amount **Ritzi Ltd** is not responsible under the ACE Agreement or otherwise for advising as to the actual or possible presence of pollution and contamination or as to the risks of such matters having occurred, being present or occurring in the future and the liability of **Ritzi Ltd** whether in contract, in tort, in negligence, for breach of statutory duty or otherwise for any claim or claims arising out of or in connection with pollution and contamination is excluded.
- 11ii) Notwithstanding anything to the contrary in the ACE Agreement and without prejudice to any provision in the ACE Agreement whereby liability is excluded or limited to a lesser amount, **Ritzi Ltd** is not responsible under the ACE Agreement or otherwise for advising on matters that wholly, partly, directly or indirectly arise out of or result from asbestos (including without limitation the costs of testing for, monitoring, abatement, mitigation, removal, remediation or disposal of any asbestos or product or waste that contains asbestos) and the liability of **Ritzi Ltd** whether in contract, in tort, in negligence, for breach of statutory duty or otherwise for any claim or claims arising out of or in connection with asbestos or any product or waste that contains asbestos is excluded.

- 11iii) Notwithstanding anything to the contrary in the ACE Agreement and without prejudice to any provision in the ACE Agreement whereby liability is excluded or limited to a lesser amount, **Ritzi Ltd** is not responsible under the ACE Agreement or otherwise for designing or advising on or otherwise taking measures to prevent or mitigate the effect of any act of terrorism or any action that may be taken in controlling, preventing, suppressing or in any way relating to an act of terrorism and the liability of **Ritzi Ltd** whether in contract, in tort, in negligence, for breach of statutory duty or otherwise for any claim or claims arising out of or in connection with such matters is excluded.
- 12) The period of Ritzi Structural Engineering Consultants Ltd.'s liability is from the effective date hereof to three years after the completion of the Services or the termination of the Services if earlier.
- 13) The sum referred to in the ACE Agreements as being the total liability of **Ritzi Structural Engineering Consultants Ltd** shall not exceed in aggregate the total of the fees payable to **Ritzi Structural Engineering Consultants Ltd** by the Client unless agreed otherwise.
- 14) Nothing in the contract of engagement confers or purports to confer on any third party any benefit or any right to enforce any terms of the contract.
- 15) Professional Indemnity - The liability of **Ritzi Structural Engineering Consultants Ltd** for any claim or series of claims arising out of the same occurrence or series of occurrences shall not exceed the amount of the quoted fee unless stated otherwise.
- 16) Ritzi Structural Engineering Consultants Ltd is a trading name of London Luxury Developments Ltd. PI insurance for all our projects provided under London Luxury Developments Ltd.
- 17) There will be no collateral warranties in this contract unless specifically required.
- 18) Adjudication
Part II of the Housing Grants, Construction and Regeneration Act (1996) provides for disputes to be referred to an Adjudicator. We bring to your attention that the following terms will apply.
- We reserve the right to refer disputes to a formal adjudication process as defined by the Act.
 - Seven days' Notice will be given of our intention to refer to the Adjudicator.
 - An Adjudicator shall be appointed by an Adjudicator Nomination Body (ANB) from the published DoE list.
 - The adjudication procedure used shall be that of the Construction Industry Council current at the date of the engagement of the adjudicator. The Adjudicator shall determine the dispute within 28 days and his/her decision shall be binding on both parties, and where applicable, shall create an enforceable debt not subject to offset or counter claim.
 - Subsequent arbitration proceedings may be followed in accordance with the ACE Conditions of Engagement.
- 19) In the event of payments significantly overdue, we reserve the right to suspend the performance of our terms of appointment with 7 days' notice. Ritzi Structural Engineering Consultants Ltd reserves the right to withhold issuing of calculations to Building Control, for works other than substructure elements, where either less than 75% of the project fee has been paid or one or more invoices has become greater than one month overdue.
- 20) Contractor Design Elements
The execution of our responsibilities for Structural Engineering Design will be in accordance with the ACE Conditions. The detailed design of the following elements will be delegated to the Contractor.
- All temporary works
 - All drainage works.
 - All proprietary products/ elements.
 - Reinforced concrete scheduling and detailing – fabrication Drawings, Steel Connection Details
 - Bespoke glazing design and detailing will be undertaken by the specialist glazing supplier.
- The preparation of the Desk Study, Site Investigation, Geotechnical Interpretative Report and specialist geotechnical design items, for example - piled foundations, slope stability analyses and associated retention systems (should they be required), will be undertaken by a specialist geotechnical consultant/ contractor.
- 21) Building control (among other things) is responsible to check how the building work will be undertaken, the thermal efficiency, suitability of products used and the structural integrity of the design. Essentially, we are dealing with the structural integrity of the design and the Architect will deal with the rest of the items as described above.
- 22) Amendments to the scheme from other consultants or other factors that are beyond our control will be charged on an hourly basis or a pre-agreed lump sum fee.
- 23) We reserve the right, at our sole discretion, to update, change or replace any part of these Terms of Service by posting updates and changes to our website. It is your responsibility to check our website periodically for changes or request an updated T&C copy. Your continued use of our services following the posting of any changes to these Terms of Service constitutes acceptance of those changes.
- 24) Copyright in all drawings, designs, documents and materials of any nature prepared by us for you (the "Intellectual Property") shall remain vested in us, but you shall have a licence to use the Intellectual Property for the purposes for which it was prepared by us, subject always to us having received full payment for the Services in accordance with this Appointment. We shall not be liable for the use of any Intellectual Property for any purpose other than that for which it was originally prepared by us.

Assumptions & Exclusions:

Our Design work generally excludes the elements as listed below, except if noted otherwise:

- Above and below ground drainage and specifications for drainage pumps
- Demolition method statement and risk assessments (by contractor/specialist sub-contractor)
- Sustainable Urban Drainage, SUR 1 calcs, work related to shared drainage, diversion of Thames Water sewers, etc.
- CTMP or basement impact assessment, Specification of below ground damp-proofing/tanking
- Structural input for external landscaping
- Design of piles
- Geotechnical engineering
- Works related to site contamination and land remediation
- We would expect to mutually review our fee should the scheme and program alter significantly from the current proposals, or construction cost deviate more than 15% from the current budget
- Any work not mentioned is deemed to be beyond the scope of requested services
- Any design, development post issue of the Building Regulations, not considered to be part of the construction phase, will be carried out on a time charge basis
- Any involvement to discharge Party Wall conditions will be carried out on a time charge basis
- Temporary works.
- All glazing and cladding elements such as facades, balustrades and roof lights. This includes all secondary steelwork design to the facades and cladding elements and their fixings back to the primary structure. This also includes the design of stone facades. We will provide design wind loads for the specialist suppliers.
- All staircases and balustrades. We have assumed that we will provide imposed loads for staircases and balustrades and provide assistance in the design development of the initial schemes for both costing purposes.
- Steel to steel connections and steel fabrication drawings. We will provide design intent for any exposed steel to steel connections and if the contractor's fabricator is unable to provide the design of the steel to steel connections we can provide a fee for carrying out these works. Secondary steelwork
- Reinforcement drawings and bar bending schedules. We would be happy to provide a fee for this once we know the extent of the reinforcement works.
- Highways crossovers and highways surveys.
- Works related to site contamination and land remediation, including all contamination surveys.
- We will, however, obtain prices for these works from a specialist.

What is not insured?

- Defects in any existing and/or retained structures and its retained component parts.
- Loss or damage caused by normal settlement, drying out or natural shrinkage in the new home.
- Loss or damage normally covered under a household policy.
- Ingress of water to any basement or part of the home which is built partially or fully below ground level, unless the Habitable Area of a Basement is included in the cover.
- Fees incurred by you in preparing a claim.
- Any legal liability you may have to third parties arising out of the use or ownership of the home.
- Damage caused by movement and characteristic changes associated with the use of unseasoned timber within the new home.
- Damage caused by sulphides/sulphates (e.g. pyrite).
- Change in colour, texture, opacity or staining or any other ageing process.
- Wilful and malicious damage by you or any other party.
- Wear and tear, rust, toxic mould or mildew, action by or infestation of vermin or insects, atmospheric or climatic conditions or gradual deterioration.
- We do not usually submit the drawings and calculations to building control unless we are instructed by the client and are involved in the construction stage of the project. To submit the building regulation package and act as your agent our fee is £80 +Vat. Additional tasks will be charged on an hourly basis.

Terms and Conditions:

- Our quotation fee is based on the initial instruction received. Any further involvement due to changes in the design, additional calculations, further site visits or input required by Building Control or the contractor, unforeseen works and revisions to the scheme, will be charged at our standard hourly rate, which is currently £95.00 plus VAT for design engineers or £125.00 plus VAT for senior partner/chartered engineer.
- We normally issue invoices at intervals appropriate to our level of involvement. This will normally be at the stage where our design calculations are ready for submission to Building Control, plus at tender issue stage and at appropriate intervals during the course of construction, if post-contract involvement is required.
- Unless otherwise agreed payment of outstanding invoices is expected by return. We will exercise our statutory rights to claim interest and compensation for debt recovery costs under the terms of the late payment legislation if payments are unreasonably delayed. We reserve the right to cease working on design if interim payments remain outstanding beyond 28 days.
- In the event that an invoice is disputed or queried, the matter must be raised with the engineer responsible for the work within 14 days of the invoice date.
- Ritzi Consulting's financial liability under the terms of these conditions is limited to losses only incurred to the value of the Professional Indemnity Insurance available and in force at the time of the work.
- Retention of fees owed to Ritzi Structural Engineering Consultants Ltd will not be permitted
- No allowance has been made for the novation of Ritzi services to others.
- Ritzi Structural Engineering Consultants Ltd shall perform all services for the fee stated in the agreed fee letter.
- Ritzi Structural Engineering Consultants Ltd shall not be responsible for any design undertaken by sub-contractors or liable for defects in or omissions from it
- Ritzy will endeavour to perform the services in accordance with an agreed programme – four weeks minimum lead time needed.
- The vendor is responsible fortifying building control and allow adequate time for building control approval prior to commencing works on site.
- No steel sections should be ordered prior to approval by building control
- Ritzy Ltd will not be liable for material orders or construction of elements that are not suitable to site specifics if ordered or constructed prior to building control approval and will not compensate the client for claims arise due to costs occurred prior to receiving building control approval.
- For project that are urgent, we withhold the right to request additional payment. If is required to work weekends the hourly rate will be double.
- Our lead time is two weeks for projects up to 58sqm and 4 weeks for projects above that for the first draft and after a clear deposit payment.
- Ritzi Structural Engineering Consultants Ltd will not be liable for delays on site due to queries from contractors. Our lead time for answering on site queries after submitting our first draft is two weeks for projects up to 58 sqm. All correspondence for construction support or value engineering to be charged on an hourly basis.
- The fee proposal considered as a firm quote for the structural design work as described in individual letters, unless the vendor request changes or we discover something unforeseeable during our site visit, in which cases there will be further fee agreements. Our minimum fee for a site visit is £280 +Vat unless otherwise stated. The client is obliged to pay the site visit fee regardless of acceptance or rejection of further agreements due to inadequate information may be provided in the job description by the client, additions that may be proposed at a later stage or changes on the scheme.
- We have the right to subcontract part or the full contractual work to an affiliate company or subcontractor without previous notice.
- Our preferred suppliers may incur marketing costs to access projects/leads on our dashboard.