

## **22.0 TERMINATION OF NOMINATED SUPPLIER'S EMPLOYMENT**

### **22.1 Events of default**

In the event the Nominated Supplier –

- (a) fails to supply and deliver any Articles ordered under this Sub-Contract;
- (b) refuses or persistently neglects to comply with a written notice from the Contractor in accordance with clause 10 hereof to remove and replace any Articles that are found to be damaged, defective or in any way inferior to the approved sample or not in accordance with the Specification or do not meet the requirements of this Sub-Contract; or
- (c) fails to comply with the terms and conditions of this Sub-Contract,

then the Contractor may give to him a notice by registered post specifying the default and requiring the Nominated Supplier to remedy such default within fourteen (14) days of the receipt of such notice.

### **22.2 Termination**

If the Nominated Supplier fails to remedy the breach within such period, the Contractor shall have the right, but not without written consent of the S.O., to forthwith terminate this Sub-Contract by giving a written notice to that effect.

### **22.3 General default**

If the Nominated Supplier -

- (i) commits an act of bankruptcy;
- (ii) becomes insolvent or compounds with or makes arrangement with his creditors;
  - a. being a company, an order is made or resolution is effectively passed for the winding-up of the Nominated Supplier (except for the purpose of reconstruction or amalgamation with the written consent of the Contractor, which consent shall not be unreasonably withheld);
- (iv) is unable to pay its debt as and when they fall due, within the meaning of the Companies Act 1965; or
- (v) is levied with any distress or execution against him and the same is not satisfied or discharged by the Contractor within thirty (30) days of such distress or execution proceedings,

then the Contractor shall have the right to forthwith terminate this Sub-Contract by giving notice to that effect.

### **22.4 Consequences of termination**

In the event of the employment of the Nominated Supplier under this Sub-Contract under clause 22(1) or 22(2) above, the Contractor may, without prejudice to any other rights or remedies he possess, obtain such Articles described in **Schedule II** hereof including any Articles ordered prior to the termination of the employment of the Nominated Supplier but not