



**Standard Terms and
Conditions
from
7 September 2007**

Standard Terms and Conditions for the supply of Water and Sewerage services

1 Our agreement with you

1.1 Except where provided for by a separate contract between you and Scottish Water Business Stream Limited, the following constitute the Terms and Conditions, together with our Charging Statement and Service Standards, for the supply of water and/or sewerage (i.e. waste water, surface water and, where applicable, trade effluent) services, meter services and other services which we, Scottish Water Business Stream Limited, may offer to provide to you ("the Services") to a property that is owned, leased or otherwise occupied by you ("the Property").

1.2 We can change these terms and conditions by sending you a notice advising you of the new terms, which will take effect from the date specified in the notice. You agree that your continued receipt of the Services after such date will be deemed to be acceptance of the new terms.

1.3 In addition to your obligations under these terms and conditions, you agree that you will comply with any laws, permits and consents which apply to you in relation to the Services, including but not limited to, any trade effluent consent, Scottish Water Byelaws and, in relation to any meter at the Property and to the extent that they are applicable, Scottish Water Terms and Conditions.

1.4 You accept that you have responsibility for the water and waste water pipework in, on or under the Property. Title to, and risk in (including risk of loss and risk of flooding), the water supplied to you shall pass to you at the Connection Point, but nothing in this condition 1.4 shall operate so as to transfer any risk in respect of a matter relating to any duty imposed on us or Scottish Water by any enactment.

1.5 You agree to notify us of any change to the Property, or to the use(s) of the Property, that would result in the Property no longer being an Eligible Property.

1.6 Unless we have agreed otherwise in writing, these terms and conditions do not apply in respect of more than one property, or properties supplied through multiple meters.

1.7 These terms and conditions apply from:

- (a) 7 September 2007, if you were supplied by us immediately prior to that date; or
- (b) the date on which your application for supply is accepted,

and continue in force unless our agreement with you ends in accordance with condition 7.

1.8 In providing the Services to you, we are required:

- (a) to comply with the Directions and, where relevant, the Codes;
- (b) in respect of Default Services, to comply with the Default Standards and to ensure that our charges do not exceed the Default Maximum Tariffs.

1.9 Words and phrases used in these terms and conditions and which are capitalised are defined in condition 11.

2. Our charges

2.1 Our charges, and the basis on which charges are calculated, are set out in our Charging Statement.

2.2 Our charges are reviewed periodically. Any changes to our Charging Statement will be publicised in advance and published on our website.

2.3 In addition to our charges for the Services, we may also recover our reasonable costs (subject to any applicable Default Maximum Tariffs) in relation to any failure by you to comply with your obligations under these terms and conditions. These may include, but are not limited to, costs incurred by us or on our behalf in connection with recovery of unpaid charges, attendance at the Property made necessary by your failure to comply, or failure by you to attend an agreed appointment at the Property.

2.4 All our charges are subject to any applicable UK tax or duty, including VAT at the prevailing rate.

2.5 We may offer you Services additional to those for which charges are set out in our Charging Statement. If we do so, we will explain our charges for those services to you.

3. Payment

3.1 You agree to pay us for the Services and to pay any other costs properly due in connection with these terms and conditions.

3.2 Payment can be made by a number of different methods, including direct debit, BACS, credit or debit card, cheque by post and cash or cheque at a bank or Post Office. Further details of payment methods can be found on our website.

3.3 Where the Property is metered and the meter has been activated for billing purposes, bills for water and waste water services will be based on meter readings or estimated meter readings and will normally be issued either monthly or quarterly depending on your consumption and agreement with us. Property drainage charges will generally be billed on the same frequency as metered services and will be based on the Property's rateable value. Where the Property is unmetered, or where a meter has been installed but not

activated for billing purposes, bills for water and waste water services will be based on the Property's rateable value or assessed consumption and will normally be issued annually. Property drainage charges will generally be billed on the same frequency as unmetered services and will be based on the Property's rateable value.

3.4 Unless we have agreed otherwise, payment in full is due as soon as the bill is issued by us to you.

3.5 If you do not pay your bill when we remind you, we can charge you interest at the rate of 4% per annum above the Bank of Scotland's base rate from time to time in force from 10 days after the original bill was sent to you.

3.6 In the event that you do not pay your bills as agreed, we will follow the procedures set out in the Disconnections Code. We can also require you to pay by another payment method.

3.7 Where you have opted to pay by direct debit, we will be entitled, at monthly or greater intervals, to alter (without notice and with immediate effect) the amount payable to reflect the value of the water and/or sewerage services actually consumed by you (where you have a metered supply) or any increase in rateable value (where you have a non-metered supply). If your bank fails to honour a payment due to insufficient funds, we may amend the payment arrangements with immediate effect. You will then be liable to pay for all water and sewerage services supplied in accordance with the new payment arrangements, together with all other costs incurred by us in connection with the new arrangements.

3.8 If we supply you with both water and sewerage services and our agreement with you ends in relation to either, you will pay the relevant price for the supply which still continues.

3.9 If we supply you with both water and sewerage services and you make a payment but do not tell us that it relates to particular charges, and that payment is not sufficient to pay in full all charges due, we will allocate the payment in the following order:

- (a) to pay water and/or sewerage charges which have been outstanding for 90 days or more (paying the oldest debt first); then
- (b) equally between water and sewerage charges until the charges for either are fully paid; then
- (c) any balance to pay the remaining outstanding charges.

4. Refundable deposit

4.1 We may at any time request you to pay a refundable deposit. If we do so, we will explain the reason we are requesting it and the purpose for which it is to be used. You must pay the refundable deposit within 14 days of our request. Failure to pay a refundable deposit when requested may result in the disconnection of your supply.

4.2 We will hold, and repay, any refundable deposit in the manner explained in our request to you. However, we can use your refundable deposit, including any interest, to pay outstanding charges under our agreement with you.

5. Meters, access and provision of information/assistance

5.1 Where the Property is metered, we may ask you to provide us with meter readings. If you agree to do so, and subsequently fail to provide a meter reading when required, you will allow us (or one of our agents) to take a meter reading.

5.2 You agree to us making any necessary arrangements on your behalf in connection with the Services, including (without limitation) the installation, maintenance, testing, repair, replacement, removal, disconnection and reconnection of meters and metering equipment. Where the authority, agreement or consent of a third party (for example, if you are a tenant under a lease, the landlord) is required by law for the carrying out of any physical works in connection with the Services, you shall seek to obtain such authority, agreement or consent (at your own cost), and shall, when requested and where it is practicable to do so, produce to us documentary evidence that it has been obtained.

5.3 Unless we agree otherwise in writing, the meter and metering equipment will be provided by and remain the property of Scottish Water. You must take reasonable care to keep the meter free from damage (including damage by frost) and interference. Unauthorised tampering with a meter is an offence under section 35 of the Water (Scotland) Act 1980 and carries a fine on summary conviction. If damage to a meter is caused by frost, or by anyone other than us, or Scottish Water, or our respective employees or agents, we may recover from you any loss of charges we incur as a result of such damage. For this purpose, the amount of charges lost during the period of damage will be assessed by reference to the most recent average daily consumption at the Supply Point prior to the meter ceasing to record accurately.

5.4 You must allow us, Scottish Water, and our respective employees and agents, safe and unobstructed access (by vehicle in appropriate cases) to the Property, the meter and metering equipment at all reasonable times:

(a) for any purpose in connection with your meter or metering equipment, including reading, inspecting, testing, repairing, exchanging, installing, disconnecting, removing or reconnecting a meter;

(b) where we have a right to disconnect your supply ;

(c) where you cease to be supplied by us and we wish to recover any meter or other equipment belonging to us or to Scottish Water;

(d) to inspect and/or test a meter or connection not owned or provided by or for us or Scottish Water;

(e) to enable compliance with the Codes and Directions;

(f) for water quality sampling; or

(g) for trade effluent monitoring;

and at any time:

(h) where danger to life, health or property may exist in connection with the supply; or

(i) for any purpose required by law.

5.5 We are not responsible for any defects in a meter or metering equipment not owned or provided by us or Scottish Water, or for any resulting damage or loss.

5.6 For the purposes of enabling our compliance with the Codes and the Directions or for the performance of our obligations under these terms and conditions, our Charging Statement and Service Standards, we may require you to provide us with information or other assistance. You agree that you will use all reasonable endeavours to provide such information or assistance within the timescales we request.

6. Disconnections and reconnections

6.1 Your supply can be disconnected:

(a) for non-payment of an amount properly due for water and/or sewerage services (we must follow the procedures in the Disconnections Code, including issuing you with a Disconnection Warning Notice);

(b) if you deny access to a meter (we must follow the procedures in the Disconnections Code, including issuing you with a Disconnection Warning Notice);

(c) if you refuse to provide a refundable deposit (we must follow the procedures in the Disconnections Code, including issuing you with a Disconnection Warning Notice);

(d) for illegal use, or suspected illegal use of water and/or sewerage services (in which case our agreement with you will end at the date of disconnection, save in respect of charges and liabilities due and accrued to us at that time);

(e) for breach of Scottish Water Byelaws or a trade effluent consent;

(f) if you request us to disconnect your supply on a temporary basis, for example where the Property is being refurbished; or

- (g) if you request us to disconnect your supply on a permanent basis, for example where the Property is being demolished, in which case our agreement with you will end at the date of disconnection, save in respect of charges and liabilities due and accrued to us at that time.

6.2 Where your supply has been disconnected:

- (a) due to non-payment, denying access to a meter or failure to provide a refundable deposit, and you request us to arrange for your supply to be reconnected, we will do so providing the situation leading to disconnection has been resolved and you have paid the appropriate reconnection fee;
- (b) for illegal use of water and/or sewerage services, you must apply for a new connection to the water and/or sewerage network;
- (c) for breach of Scottish Water Byelaws or trade effluent consent, and you request us to arrange for your supply to be reconnected, we will do so providing Scottish Water is satisfied that the breach has been remedied and you have paid the appropriate reconnection fee; or
- (d) temporarily following a request by you, and you request us to arrange for your supply to be reconnected, we will do so providing you have paid the appropriate reconnection fee.

7. Ending our agreement with you or changing the property supplied

7.1 Subject to conditions 6.1(d) and (g), our agreement with you can be ended, or the Property supplied changed, in respect of the supply of water services only, or the supply of sewerage services only, or both, only in accordance with this condition 7.

7.2 If you are moving from the Property to another property, you may end our agreement with you by notifying us in writing not less than 14 days before you move. If you do not do so then our agreement will continue in force until the next meter reading or estimate is due, or we become aware that another owner or occupier has taken a supply at the Property, whichever occurs first. We may both agree to continue our agreement with respect to the property to which you move. If we do both agree, then subject to our confirmation of the applicable price and any required amendments to the terms and conditions, our agreement shall apply to the supply of Services at the property to which you move and shall take precedence over any other supply contract(s) between us relating to that property.

7.3 You may end our agreement with you by giving us 20 Business Days' notice, and the notice will take effect on the expiry of that period. The notice must specify whether you wish to end our agreement with you in respect of the supply of water services only, or the supply of sewerage services only, or both.

7.4 If you do not comply with the requirements in condition 7.2, our agreement with you will continue (and you will continue to be responsible for paying any charges) until you do comply and the agreement comes to an end.

7.5 If you do not provide us with an accurate final meter reading, you may be liable for the difference between the meter reading upon which we based the final bill or the final estimated bill and the next meter reading.

7.6 If your supply is disconnected in accordance with conditions 6.1(d) or (g), our agreement with you will end at the date of disconnection.

7.7 If our agreement with you ends for any reason, neither of us will lose any rights which have already accrued, and we shall no longer be obliged to provide the relevant services to you.

8. Our responsibility for loss or damage

8.1 We guarantee standards as set out in our Service Standards. If we fail to meet those standards we will pay you compensation in accordance with our Service Standards.

8.2 Subject to our Service Standards, we shall not be liable to you, as a result of breach of our agreement with you, in respect of:

- (a) any loss of revenue, loss of profit, loss of contract, business interruption or any consequential or indirect loss of any nature, howsoever caused, even if it was reasonably foreseeable, and irrespective of whether it is caused by our negligence; and
- (b) any other loss or damage (including in respect of lack of, or deficiency in the quality of, water) except in the case of our negligence or wilful misconduct or that of any person for whose acts we are responsible.

8.3 If you suffer loss or damage in accordance with condition 8.2(b) as a result of our negligence or wilful misconduct or that of any person for whose acts we are responsible, or if condition 8.2 does not apply, our liability to you will be limited to £50,000 per incident or series of related incidents.

8.4 Subject to our Service Standards, if any act or omission of Scottish Water causes any loss or damage to you, our liability to you (if any) shall be limited to the amount (if any) that we are entitled to recover from Scottish Water.

8.5 Nothing in our agreement with you shall exclude or limit our liability for death or personal injury resulting from our negligence or that of any of our officers, employees or agents.

8.6 If our agreement with you ends then the provisions of this condition 8 shall survive and continue to have effect.

9. Personal Information

9.1 Except in relation to condition 9.5, this condition applies to personal information held about individuals, sole traders and partnerships. It does not apply to information we hold about corporate bodies and other organisations.

9.2 Information you provide or we hold about you (whether or not under our agreement with you) may be used by us or our agents to:

- (a) identify you when you contact us;
- (b) help identify accounts, services and products which you could have from us from time to time (we may do this using an automatic scoring system which uses the information provided by you, any information we hold about you and information from other agencies, including credit-reference agencies);
- (c) help run any accounts, services and products we provided before, now or in the future;
- (d) carry out marketing analysis and customer profiling and create statistical and testing information;
- (e) help to prevent and detect fraud or loss; and
- (f) contact you in any way (including mail, e-mail, phone, visit, text or multimedia messages) about products and services offered by us (but we will not contact you in this way if you notify us that you do not wish to be contacted).

9.3 We may allow other people and organisations to use information we hold about you:

- (a) to provide services you have asked for;
- (b) as part of the process of selling one or more of our businesses;
- (c) to provide information for legal or regulatory purposes; or
- (d) as part of current or future legal proceedings.

From time to time, these other people and organisations may be outside the European Economic Area in countries that do not have the same standards of protection for personal data as the UK.

9.4 We may monitor and record communications with you (including phone conversations and e-mails) for quality assurance and compliance.

9.5 This condition 9.5 applies to personal information held about individuals (including, if you are a corporate body, any key individuals involved in that body), sole traders and partnerships. We may check your details with one or more licensed credit-reference and fraud-prevention agencies. We and they may keep a record

of this search and the payment details from your account, and share it with other organisations. If a person provides false or inaccurate information and we suspect fraud, this is also recorded. This information may be used by us, and other organisations may search these records to:

- (a) trace debtors, recover debt, prevent fraud, and manage your accounts or insurance policies;
- (b) check your identity to prevent money laundering, unless you give us other satisfactory proof of your identity; and
- (c) carry out statistical analysis about credit, insurance and fraud.

We, and other credit and insurance organisations, may also use technology to detect and prevent fraud. If you need details of those credit agencies and fraud-prevention agencies from which we get, and with which we record, information about you, please write to our Data Protection Manager at Scottish Water Business Stream Limited, PO Box 420, Edinburgh EH10 6XH.

9.6 If you give us information on behalf of someone else, you confirm that you have given them the information set out in this condition, and that they have not objected to their personal information being used in the way described in this condition. If you give us sensitive information about yourself or others (such as special needs details for bills), you agree (and confirm that the relevant subject of the information has agreed) to us processing this information in the way set out in this condition.

9.7 If you are making a joint application or you have told us about some other financial association with someone else, a 'financial association' between you and that other person (or people) will be made at credit-reference agencies. This will link your financial records with that other person (or people) so that both (or all) of your records will be taken into account in all future applications by either or both (or all) of you. This will continue until one of you successfully files a notice with the credit-reference agencies asking for the financial association with that person to be removed.

10. General

10.1 You may not assign or otherwise transfer any of your rights or obligations under our agreement with you to another person without our prior written consent. We may transfer any of our rights or obligations to another supplier.

10.2 If, at any time, we do not require you to comply with any part of our agreement with you, this will not prevent us from doing so in the future.

10.3 If any provision of these terms and conditions is disallowed or held to be ineffective or otherwise unenforceable by any Court or other competent body, the remaining provisions will continue to have effect.

10.4 We may serve any notice in connection with our agreement with you by leaving it at the Property or at your last known address or place of business (in the case of a company, at its registered office) addressed to you, or by post addressed to you at the Property. You may serve any notice in connection with our agreement with you by leaving it at, or posting it to Scottish Water Business Stream Limited, PO Box 420, Edinburgh EH10 6XH.

10.5 The law of Scotland will apply to our agreement with you and any disputes will be subject to the exclusive jurisdiction of the Scottish Courts.

11. Words and phrases used in these terms and conditions

"Business Day" means any day other than a Saturday or Sunday or a bank holiday in Scotland under the Banking and Financial Dealings Act 1971.

"Charging Statement" means our statement of charges in force from time to time and setting out our charges and the basis on which they are calculated.

"Codes" means the Disconnections Code, the Market Code and the Operational Code.

"Connection Point" means, in relation to any Supply Point, the point at which the private pipework supplying water for the Supply Point connects to the public water supply system.

"Default Maximum Tariffs" means the maximum tariffs that may be charged by water and sewerage service providers in respect of Default Services.

"Default Services" means the services which are described as default services in the Directions.

"Default Standards" means the standards which must be met by providers of water and sewerage services when providing Default Services.

"Directions" means the Default Services, Standards and Maximum Tariffs Directions 2007 (or any other direction which amends, replaces or supplements, or is made in respect of substantially the same subject matter as that direction).

"Disconnections Code" means the code made by the Water Industry Commission for Scotland pursuant to section 19 of the Water Services etc. (Scotland) Act 2005, as in force from time to time and supplemented by any disconnections guidance published by the Water Industry Commission for Scotland from time to time.

"Disconnections Warning Notice" means the notice that we are required in certain circumstances to send to customers prior to disconnecting a supply, the form and content of which is prescribed by the Scottish Ministers under section 18(3) of the Water Services etc (Scotland) Act 2005.

"Eligible Property" means

- (a) in relation to the supply of water, premises which are (or are to be) connected to the public water supply system; and
- (b) in relation to the provision of sewerage or the disposal of sewage, premises which are (or are to be) connected to the public sewerage system,

being premises which are not dwellings within the meaning of Part II of the Local Government Finance Act 1992 except the residential part of part residential subjects within the meaning of that Part of that Act. In effect, this means that the Property must be a non-household property.

“Market Code” means the code designated as such by or under the Water Services (Codes and Services) Directions 2007 (or any other direction which amends, replaces or supplements, or is made in respect of substantially the same subject matter as that direction).

“Notice of Breach” means the notice issued by Scottish Water to a customer who is breaching a water byelaw or trade effluent consent. The notice should include the reason for issuing the notice and a timeframe within which the breach must be rectified.

“Operational Code” means the code designated as such by or under the Water Services (Codes and Services) Directions 2007 (or any other direction which amends, replaces or supplements, or is made in respect of substantially the same subject matter as that direction).

“Scottish Water Byelaws” means the byelaws in force from time to time and made by Scottish Water under section 70 of the Water (Scotland) Act 1980 for preventing waste, undue consumption, misuse or contamination of water.

“Scottish Water Terms and Conditions” means the schedule of terms and conditions in force from time to time and made by Scottish Water under section 55 of the Water (Scotland) Act 1980, on which Scottish Water is prepared in general to give a supply of water by meter or otherwise.

“Service Standards” means the document issued by us from time to time providing information about our service standards.

“Supply Point” means, in relation to water services and/or sewerage services, a supply point in respect of the Property which is registered to us in relation to arrangements for the provision of water services and/or sewerage services.

“Water Industry Commission for Scotland” means the statutory body established by section 1 of the Water Industry (Scotland) Act 2002, whose general function is to promote the interests of persons (taken as

a whole) whose premises are connected to the public water supply system or the public sewerage system, or both, or might reasonably become connected to either or both of these systems, relating to the provision to them of water and sewerage services.