

business stream

A SCOTTISH WATER COMPANY



Standard Terms and Conditions

from

1 April 2009

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, property drainage, roads drainage and, where applicable, trade effluent) services, meter services and other services which we, Scottish Water Business Stream Limited, may 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 notifying you of the new terms, which will take effect from the date specified in the notification. 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 or metering equipment 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) 1 April 2009, 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 6.3 or 7.

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

- (a) to comply with the Directions and, where relevant, the Disconnections Document and the Codes;
- (b) subject to paragraph (a) of this condition 1.8, to offer Default Services to customers who request them;
and
- (c) 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. We reserve the right to charge you for payment made by credit card. Further details of payment methods can be found on our website.

3.3. The following provisions will apply in respect of billing:

- (a) where the Property is metered and the meter was activated for billing purposes prior to 1 April 2009, bills for water and waste water services will be based on meter readings or estimated meter readings: bills will normally be issued monthly, quarterly or annually;
- (b) where the Property is metered and the meter was activated for billing purposes on or after 1 April 2009, bills for water and waste water services will be based on a combination of meter readings or estimated meter readings and the Property's rateable value during the Phase-In Period and thereafter based on meter readings or estimated meter readings: bills will normally be issued monthly, quarterly or annually;
- (c) where, at your request and cost, a meter is installed at the property and is activated for billing purposes on or after 1 April 2009, bills for water and waste water services will be based on meter readings or estimated meter readings: bills will normally be issued monthly, quarterly or annually;
- (d) where the Property is unmetered, 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; and
- (e) property drainage and roads drainage charges will normally be billed on the same frequency as your water and waste water services and will normally 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 England 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 Document. 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 amounts billed to you under condition 3.3. 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 and you must not remove the meter or the metering equipment. You must take reasonable care to keep the meter and metering equipment free from obstruction or 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 you wish to fit any device to a meter or metering equipment, including a data logger, you must give us details and obtain our written consent before doing so.

5.4 If damage to a meter or metering equipment is caused by frost, or by any device you have fitted to the meter or metering equipment 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.

5.5 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, metering equipment and associated pipework at all reasonable times:

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

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

(c) where we have a right to disconnect the supply of another customer with whom you share that supply;

(d) 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;

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

(f) to enable compliance with the Disconnections Document, the Codes and the Directions;

(g) for water quality sampling; or

(h) for trade effluent monitoring;

and at any time:

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

(j) for any purpose required by law.

5.6 We are not responsible for:

(a) any defects in a meter or metering equipment not owned or provided by us or Scottish Water, or for any resulting loss, cost, damage or injury;

(b) any defects in a meter or metering equipment resulting from your fitting any device to or tampering with, or from any obstruction to, that meter or metering equipment;

- (c) any loss, cost, damage or injury resulting from your fitting any device to or tampering with, or from any obstruction to, a meter or metering equipment; or
- (d) any loss, cost, damage or injury resulting from the installation of a meter or metering equipment, except where that meter or metering equipment is installed by us or our employees or agents.

5.7 For the purposes of enabling our compliance with the Disconnections Document, 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 of water services can be disconnected on a temporary basis, only in accordance with the Disconnections Document:

- (a) for non-payment of an amount properly due for water services (we must issue you with a Disconnection Warning Notice);
- (b) if you deny access to a water meter (we must issue you with a Disconnection Warning Notice);
- (c) if you refuse to provide a refundable deposit (we must issue you with a Disconnection Warning Notice);
- (d) for breach of Scottish Water Byelaws; or
- (e) if you request us to disconnect your supply on a temporary basis, for example where the Property is being refurbished.

6.2 Your supply of trade effluent services, where applicable, can be disconnected on a temporary basis, only in accordance with the Disconnections Document:

- (a) for non-payment of an amount properly due for sewerage services (we must issue you with a Disconnection Warning Notice);
- (b) if you refuse to provide a refundable deposit (we must issue you with a Disconnection Warning Notice);
- (c) for breach of a trade effluent consent; or
- (d) if you request us to disconnect your supply on a temporary basis, for example where the Property is being refurbished.

6.3 Your supply can be disconnected on a permanent basis, only in accordance with the Disconnections Document:

- (a) for illegal use of water and/or sewerage services, in which case where the illegal use is of water services, your supply of water services will be disconnected and where the illegal use is of sewerage services, your trade effluent services, where applicable, will be disconnected;
- (b) if you request us to disconnect on a permanent basis your supply of water services or, where applicable, your supply of trade effluent services, or both, for example where the Property is being demolished; or
- (c) if a disconnection on a temporary basis (whether of water or, where applicable, trade effluent services) continues for a period of more than three months, in which case the disconnection automatically becomes permanent.

In any case of permanent disconnection, 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.

6.4 Where your supply of water services or, where applicable, of trade effluent services has been disconnected:

- (a) on a temporary basis due to non-payment, denying access to a water 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) on a temporary basis for breach of Scottish Water Byelaws or of a 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;
- (c) on a temporary basis 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; or
- (d) on a permanent basis, you must apply for a new connection to the water and/or sewerage network.

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

7.1 Subject to condition 6.3, 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 charges 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 7.3, 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 on a permanent basis in accordance with condition 6.3, our agreement with you will end at the date of disconnection.

7.7 If an administrator, administrative receiver, nominee, supervisor of a voluntary arrangement, liquidator, provisional liquidator, trustee in bankruptcy, judicial factor or other similar office-holder is appointed to you or over all or any of your assets, our agreement with you will end on the date of any such appointment, and a new agreement, on the same terms as the previous agreement, will commence on that date.

7.8 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 This condition 9 applies to information which is "personal data" within the meaning of the Data Protection Act 1998. Please note that the terms of this condition 9 apply in addition to any other consents you may have given us in relation to the use of your information eg via the privacy policy on our website - www.business-stream.co.uk.

9.2 Information you provide or we hold about you (whether or not under our agreement with you) may be used by us and those to whom we disclose your information (in terms of condition 9.3) to:

- (a) identify you when you contact us;
- (b) contact you (unless you have notified us that you do not wish to be contacted) and provide you with information or promotional and other offers from us or selected third parties whose products or services we believe may be of interest to you. For these purposes, we may use 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. We may contact you by mail, e-mail, phone, visit, text or multimedia messages;
- (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;
- (f) make any disclosures required by law, regulation or court order;
- (g) make disclosures to any regulatory body (such as the Water Industry Commission for Scotland) or anyone engaged on behalf of such a body;
- (h) establish, defend or exercise legal rights or for or in connection with legal proceedings; and
- (i) protect the health and safety of the public in an emergency or in the interests of national security.

9.3 We may disclose your information to other people and organisations, including (but not limited) to:

- (a) any of our group companies from time to time;
- (b) any contractor duly appointed by us to process that information on our behalf, including (but not limited to) any such contractor to which we have outsourced the operation of any part of our business or of any part of our systems or which we have appointed to provide services to support our systems or any other part of our business;
- (c) credit reference and fraud prevention agencies (see condition 9.5);
- (d) any prospective and/or actual buyer of our business and/or assets or shares;
- (e) regulatory bodies (such as the Water Industry Commission for Scotland) or anyone engaged on behalf of such a body, the courts and emergency services; and/or
- (f) our professional advisers.

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 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, 55 Buckstone Terrace, Edinburgh EH10 6XH or at such other address as we may notify to you.

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 9, and that they have agreed to their personal information being used in the way described in this condition 9. 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, or by fax to your last known fax number or by email to your last known email address. 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, 55 Buckstone Terrace, Edinburgh EH10 6XH or at such other address as we may notify to you.

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 (Our Charges) in force from time to time and setting out our charges and the basis on which they are calculated.

"Codes" means 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 water and sewerage service providers in respect of 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 Document" means the document, 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), and which contains (a) the code made by the Water Industry Commission for Scotland pursuant to section 19 of the Water Services etc. (Scotland) Act 2005 and (b) other material relating to disconnections, as in force 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), as in force from time to time.

“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), as in force from time to time.

“Phase-In Period” means the period from 1 April 2009 to 31 March 2011 or such revised period as may be designated by the Water Industry Commission for Scotland.

“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.