

Performance & Warranty Risk

The problem

A cold store or refrigeration plant that reaches capacity but not efficiency, pull-down time or uptime is a defective asset commercially even if it 'works'. Warranties that only cover parts are effectively worthless.

Mitigations checklist

- Specify guaranteed performance figures: temperature envelope, pull-down time, kWh/m³·yr or SEPR, availability %.
- Tie SAT and takeover to a documented 72-hour or 7-day performance test with owner witness.
- Require a 24-month defects liability period from takeover, extended for replaced components.
- Require an on-demand performance bond of 5–10% of contract value valid through DLP + 6 months.

Contract clauses to insist on

- Performance Guarantees with liquidated performance damages (LPDs) if figures are missed.
- Parts + labour + refrigerant charge covered under warranty — not parts-only.
- Response-time SLA for warranty callouts (e.g., 24h remote, 72h on-site).
- Escrow of controls source code and PLC programs against supplier insolvency.

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