

The FIDIC Contracts



Obligations of the Parties

Andy Hewitt

WILEY Blackwell

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Hewitt Construction Consultancy

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¹ MDB – Multilateral Development Bank

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About the Author

Andy Hewitt, FICCP, FCIInstCES, FQSi, ACIOB, ACI Arb, MDBF, is the principal of Hewitt Construction Consultancy, which specialises in construction contracts, claims and dispute resolution. He is also the developer and principal of 'Claims Class', which provides education and training on the subject of construction claims by way of distance learning and 2-day intensive training programmes.

Andy comes from a background of over 40 years experience in the construction industry, gained in the United Kingdom, Africa and the Middle East. He has worked on projects in the UK, Nigeria, Bahrain, Saudi Arabia, Jordan, Oman, Sudan, Tanzania and the United Arab Emirates. He has held senior contracts, commercial and project management positions with contractors, sub-contractors and consultants, including several years operating his own practice in the UK in the 1980s and '90s, which offered quantity surveying, estimating and project management services to contractors, subcontractors, consultants and private clients. During his career, he has been involved in a wide variety of construction projects including super high-rise, large

low-rise housing development, hotels, shopping malls, airports, hospitals, heavy civil engineering, process plants, marine works, water treatment and reclamation plants, pipelines, marine works, desalination plants and royal palaces.

His project and company management skills together with experience gained in a variety of disciplines and projects within the construction industry have led him, in the latter part of his career, to specialise in the field of construction contractual issues, claims and dispute management.

Andy's first book, *Construction Claims & Responses: effective writing and presentation*, has enjoyed international success and was selected as book of the month by Construction Books Direct during its first month of publication. Details of his consultancy practice may be found at <http://www.hewittconstructionconsultancy.com>. Information on courses offering training and education in construction claims may be found at <http://constructionclaimsclass.com>.

Foreword

Andy Hewitt, having written his successful first book, *Construction Claims and Responses*, embarked upon and completed a second. His first book passed on to its readers his vast knowledge and experience of writing and responding to claims. The second book demonstrates that, as a result of working in the construction industry for all his working life, Andy has recognised that many of those engaged regularly on projects either have a reluctance to examine the fine print set out in the Conditions of Contract or, having read them experience difficulty understanding what is required to enforce the rights and obligations of the parties. This is hardly surprising: for example the Conditions of Contract for Construction for Building and Engineering Works Designed by the Employer (Red Book), which is the most widely used of the FIDIC forms, comprises 60 pages of close printed conditions and another 30 pages of guide notes and examples.

To overcome this problem Andy has produced a book which sets out the rights and obligations of the parties in a tabular format.

The first thing that strikes the reader is the manner in which the information is contained in the book, which makes it easy to follow and understand.

The book sets out separately the rights and obligations of the Employer Contractor and Engineer and covers every clause in the differing FIDIC forms including the Consultant's Model Service Agreement and the workings of the Adjudication Board.

Those who use the FIDIC forms of contract quickly discover that a failure to follow the procedures as set out in the Conditions of Contract can have serious financial consequences for the Employer, Contractor and Subcontractor. For example, if a

contractor employed using the Red Book encounters unforeseen adverse ground conditions, there is a procedure to be followed to ensure that adequate financial compensation is secured. The book provides in a succinct manner the four essential procedural steps that the Contractor must take to ensure proper financial reimbursement. The Contractor's entitlements to additional time for completion and for additional payment resulting from a significant number of events that may occur on any site are catered for in the contract. The book provides a six step guide to ensure the necessary procedures are followed. This is the format for the whole of the book.

It is clear that there is less chance of failure to observe contract compliance using this book than from reliance on reading through the appropriate clauses in the contract.

A big plus is that those using the book will find answers to queries relating to contractual issues arising from the FIDIC contracts' conditions in a fraction of the time it would take if it were necessary to study the full text.

For those using the FIDIC forms for the first time, or infrequently, this book is a must, whilst experienced users will find it a valuable memory jogger. Whichever category the reader falls into, using this book should improve performance.

The book is ideal for engineers, quantity surveyors, contract managers and any person whose job it is to understand the workings of a FIDIC contract.

Roger Knowles

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I would like to acknowledge the International Federation of Consulting Engineers who has kindly given me permission to reproduce sections from the FIDIC suite of contracts. FIDIC's contact details are as follows:

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Introduction

FIDIC

FIDIC is the International Federation of Consulting Engineers and its members are comprised of national associations of consulting engineers. Today, membership covers 94 countries of the World and since its inauguration in 1913, the FIDIC standard forms of contract have become the international standard for contracts of an international nature and are widely used in developing countries that have not produced their own standard forms of contract.

In 1999 FIDIC published a 'suite' of contracts, which became known as 'the Rainbow Suite' because of the various colours of the covers, these have been refined and developed in the intervening years and today the suite comprises the following contracts:

Conditions of Contract for Construction for Building and Engineering Works Designed by the Employer (the Red Book).

Conditions of Contract for Construction, MDB¹ Harmonised Edition for Building and Engineering Works Designed by the Employer (the Harmonised Red Book).

Conditions of Subcontract for Construction for Building and Engineering Works Designed by the Employer (the Red Book Subcontract).

Conditions of Contract for Plant and Design-Build for Electrical and Mechanical Plant, and for Building and Engineering Works, Designed by the Contractor (the Yellow Book).

Conditions of Contract for EPC² / Turnkey Projects (the Silver Book).

Conditions of Contract for Design, Build and Operate Projects (the Gold Book).

¹ MDB – Multilateral Development Bank

² EPC – Engineer, Procure and Construct

Short Form of Contract (the Green Book).

Conditions of Contract for Dredging and Reclamation Works (the Blue-Green Book).

Client/Consultant Model Services Agreement (the White Book).

The Purpose of this Book

Any document containing conditions of contract should essentially set out the rights and obligations of the parties, but if we look at a comprehensive set of conditions such as those contained in the FIDIC suite, it may be seen that it becomes necessary to set out rules, procedures and requirements and in some cases to provide additional clarification of various provisions. This is because of the complexity of the work that is the subject of the contract and this inevitably results in a lengthy and complicated document.

One of the principles of a contract is that the parties should work positively to help each other to perform the contract and this is usually set out in the conditions by describing the obligations of each party. In most cases, obligations are made specific by including the word 'shall', for example; *'The Employer shall give the Contractor right of access to, and possession of, all parts of the Site . . .'*. In other cases however, the obligations are implied, for example, a provision that states that *'The Contractor shall submit a Statement in six copies to the Engineer after the end of each month, in a form approved by the Engineer . . .'*, places an obligation on the Engineer to work positively to approve the form of the statement.

The rights of the parties do not always include obligations. For example, *'If the Tests on Completion are being unduly delayed by the Contractor, the Engineer may, by notice require the Contractor to carry out the Tests within 21 days after receiving the notice'*. This gives the Engineer the right to require the Contractor to carry out the tests, but it is not an obligation. If the Engineer does decide to exercise this right however, he is obliged to inform the contractor by way of a notice.

Inevitably, in a long and complicated document, important information can become difficult to find or not be immediately apparent. This is particularly so for persons who are not 'contractually minded' or are not familiar with the particular contract conditions being used and the consequences of a party not being aware of its own obligations could easily lead to a breach of contract with possible costly consequences. It is also important to be aware of the other party's obligations to ensure that they perform them properly and if they do not do so, be aware of any rights that may provide compensation under such circumstances.

The purpose of this book is therefore to set out the obligations of each of the parties for each of the conditions of contract contained in the FIDIC suite in a simple and easily understood manner and this has been done by listing each party's obligations separately in a table format.

The conditions often require the parties to perform their obligations within specific times and the tables therefore also include details of any time frames that are included within the conditions.

Finally, any specific consequences of non-performance of the obligations are listed. In this regard, it should be noted that only the consequences contained in the conditions are included. If none are listed, this does not mean that there are no consequences and in fact any failure to perform an obligation would be a breach of contract. The fact that no specific remedy is listed just means that the law rather than the contract conditions would determine the remedy for any breach.

Chapter 1

The Red Book

Conditions of Contract for Construction, for
Building and Engineering Works Designed by
the Employer, First Edition 1999

THE OBLIGATIONS OF THE EMPLOYER

CLAUSE	OBLIGATIONS	TIME FRAME	SPECIFIC CONSEQUENCES OF NON-COMPLIANCE
GENERAL CONDITIONS			
1 General Provisions			
1.6 Contract Agreement	Enter into a Contract Agreement with the Contractor.	Within 28 days after the Contractor receives the Letter of Acceptance, unless agreed otherwise.	None.
1.8 Care and Supply of Documents	a) Keep the Specification and Drawings in custody and care. b) Supply two copies of the Contract and of each subsequent Drawing to the Contractor. c) Give notice of errors or defects in any document prepared by the Contractor for use in executing the Works.	a) None. b) None. c) Promptly.	None.
1.13 Compliance with Laws	Obtain the planning, zoning or similar permission for the Permanent Works, and any other permissions described in the Specification as having been (or being) obtained by the Employer.	None.	None.
2 The Employer			
2.1 Right of Access to the Site	a) Give the Contractor right of access to, and possession of, all parts of the Site. b) Give the Contractor possession of any foundation, structure, plant or means of access if required.	a) Within the time (or times) stated in the Appendix to Tender, or if not stated, to enable the Contractor to proceed in accordance with the programme submitted under Sub-Clause 8.3 [Programme]. b) In the time and manner stated in the Specification.	Contractor shall be entitled to an extension of time and payment of Cost plus reasonable profit.

THE OBLIGATIONS OF THE EMPLOYER *(continued)*

CLAUSE	OBLIGATIONS	TIME FRAME	SPECIFIC CONSEQUENCES OF NON-COMPLIANCE
2.2 Permits, Licences or Approvals	Provide reasonable assistance to the Contractor at the request of the Contractor: a) By obtaining copies of the Laws of the Country which are relevant but not readily available, and b) For the Contractor's applications for any permits, licences or approvals required by the Laws of the Country.	None.	None.
2.3 Employer's Personnel	Ensure that Employer's personnel and Employer's other contractors cooperate with the Contractor and take actions similar to those which the Contractor is required to take under Sub-Clause 4.8 <i>[Safety Procedures]</i> and under Sub-Clause 4.18 <i>[Protection of the Environment]</i> .	None.	None.
2.4 Employer's Financial Arrangements	Submit reasonable evidence that financial arrangements have been made and are being maintained which will enable the Employer to pay the Contract Price.	Within 28 days after receiving any request from the Contractor.	Contractor entitled to suspend work, reduce the rate of work and to an extension of time and additional payment as a result of such actions (Sub-Clause 16.1).
2.5 Employer's Claims	Give notice and particulars to the Contractor if the Employer considers himself to be entitled to any payment under any Clause of the Conditions or otherwise in connection with the Contract and/or to any extension of the Defects Notification Period (this obligation may be carried out by the Engineer).	As soon as practicable after becoming aware of the event or circumstances giving rise to the claim.	None.

CLAUSE	OBLIGATIONS	TIME FRAME	SPECIFIC CONSEQUENCES OF NON-COMPLIANCE
3 The Engineer			
3.1 Engineer's Duties and Authority	a) Appoint the Engineer to carry out the duties assigned to him in the Contract. b) Not to impose further constraints on the Engineer's authority, except as agreed with the Contractor.	None.	None.
3.4 Replacement of the Engineer	a) Give notice to the Contractor of the name, address and relevant experience of the intended replacement Engineer. b) Not to replace the Engineer with a person against whom the Contractor raises reasonable objection by notice to the Employer with supporting particulars.	a) Not less than 42 days before the intended date of replacement. b) None.	None.
4 The Contractor			
4.2 Performance Security	a) Cooperate with the Contractor to agree the entity, country (or other jurisdiction) for the issue of the Performance Security. b) Cooperate with the Contractor to agree the form of Performance Security if not in the form annexed to the Particular Conditions. c) Not to make a claim under the Performance Security, except for amounts to which the Employer is entitled under the Contract (as listed). d) Return the Performance Security to the Contractor.	a) None. b) None. c) None. d) Within 21 days after receiving a copy of the Performance Certificate.	None.
4.10 Site Data	a) Make available to the Contractor all relevant data in the Employer's possession on sub-surface and hydrological conditions at the Site, including environmental aspects. b) Make available to the Contractor all such data which come into the Employer's possession after the Base Date.	a) Prior to the Base Date. b) None.	None.

THE OBLIGATIONS OF THE EMPLOYER *(continued)*

CLAUSE	OBLIGATIONS	TIME FRAME	SPECIFIC CONSEQUENCES OF NON-COMPLIANCE
4.20 Employer's Equipment and Free-Issue Material	a) Make the Employer's Equipment (if any) available for the use of the Contractor in the execution of the Works in accordance with the details, arrangements and prices stated in the Specification. b) Supply, free of charge, the "free-issue materials" (if any) in accordance with the details stated in the Specification. c) Rectify the notified shortage, defect or default in the free-issue materials.	a) As specified in the Contract. b) As specified in the Contract. c) Immediately.	None.
4.24 Fossils	Take possession and care of fossils, coins, articles of value or antiquity and structures and other remains, or items of geological or archaeological interest found on the Site.	None.	None.
10 Employer's Taking Over			
10.1 Taking Over of the Works and Sections	Take over the Works.	When completed in accordance with the Contract.	None.
10.2 Taking Over of Parts of the Works	Not to use any part of the Works (other than as a temporary measure which is either specified in the Contract or agreed by both Parties) unless and until the Engineer has issued a Taking-Over Certificate for this part.	None.	If the Contractor incurs Cost as a result of the Employer taking over and/or using a part of the Works, the Contractor shall be entitled to payment of any such Cost plus reasonable profit.

CLAUSE	OBLIGATIONS	TIME FRAME	SPECIFIC CONSEQUENCES OF NON-COMPLIANCE
11 Defects Liability			
11.2 Cost of Remedying Defects	Notify the Contractor (or ensure that notice is given by others) of any work to be remedied if due to any cause outside the provisions of the Contract.	Promptly.	None.
11.4 Failure to Remedy Defects	In the case of failure by the Contractor to remedy any defect or damage, notify the Contractor (or ensure that notice is given by others) of the date by which the defect or damage is to be remedied.	Within reasonable time.	None.
14 Contract Price and Payment			
14.2 Advance Payment	a) Make the advance payment, as an interest-free loan for mobilisation. b) Cooperate with the Contractor to approve the form of the advance payment guarantee.	a) As stated in the Appendix to Tender and when the Contractor submits a guarantee in accordance with this Sub-Clause. b) None.	a) Contractor entitled to suspend work, reduce the rate of work and to an extension of time and additional payment as a result of such actions (Sub-Clause 16.1) and payment of financing charges to the Contractor (Sub-Clause 14.8). b) None.
14.5 Plant and Material intended for the Works	Cooperate with the Contractor to approve the form of a bank guarantee for shipped Plant and Materials.	None.	None.

THE OBLIGATIONS OF THE EMPLOYER *(continued)*

CLAUSE	OBLIGATIONS	TIME FRAME	SPECIFIC CONSEQUENCES OF NON-COMPLIANCE
14.7 Payment	a) Pay the first instalment of the advance payment. b) Pay the amount certified in each Interim Payment Certificate. c) Pay the amount certified in the Final Payment Certificate.	a) Within 42 days after issuing the Letter of Acceptance or within 21 days after receiving the documents in accordance with Sub-Clause 4.2 [Performance Security] and Sub-Clause 14.2 [Advance Payment], whichever is later. b) Within 56 days after the Engineer receives the Statement and supporting documents. c) Within 56 days after the Employer receives the Final Payment Certificate.	Contractor entitled to suspend work, reduce the rate of work and to an extension of time and additional payment as a result of such actions (Sub-Clause 16.1) and payment of financing charges to the Contractor (Sub-Clause 14.8).
14.9 Payment of Retention Money	a) Pay the Contractor the first half of the Retention Money. b) Pay the Contractor the outstanding balance of the Retention Money.	a) When a Taking-Over Certificate has been issued and when the Engineer has certified payment. b) Promptly after the latest of the expiry of the Defects Notification Periods and when the Engineer has certified payment.	The Contractor is entitled to receive financing charges (Sub-Clause 14.7).
14.15 Currencies of Payment	Pay the Contractor in the currency or currencies named in the Appendix to Tender.	None.	None.
15 Termination by Employer			
15.2 Termination by Employer	a) Give notice of intention to terminate the Contract. b) Give notice of release of the Contractor's Equipment and Temporary Works.	a) 14 days prior to the termination date, or immediately in the case of the Contractor becoming bankrupt or gives or offers bribes or gratuities (or similar as defined in the clause). b) On completion of the Works.	None.

CLAUSE	OBLIGATIONS	TIME FRAME	SPECIFIC CONSEQUENCES OF NON-COMPLIANCE
15.4 Payment after Termination	Pay the balance due to the Contractor after recovering any losses, damages and extra costs.	None.	None.
15.5 Employer's Entitlement to Termination	a) Give notice of intention to terminate the Contract. b) Return the Performance Security. c) Not to terminate the Contract in order to execute the Works himself or to arrange for the Works to be executed by another contractor.	a) 28 days prior to the termination date. b) None. c) None.	None.
16 Suspension and Termination by Contractor			
16.4 Payment on Termination	a) Return the Performance Security to the Contractor. b) Pay the Contractor in accordance with Sub-Clause 19.6 [Optional Termination, Payment and Release]. c) Pay to the Contractor the amount of any loss of profit or other loss or damage sustained by the Contractor as a result of this termination.	Promptly.	None.
17 Risk and Responsibility			
17.1 Indemnities	Indemnify and hold harmless the Contractor, the Contractor's Personnel and their respective agents, against and from all claims, damages, losses and expenses in respect of bodily injury, disease or death which is attributable to any negligence, wilful act or breach of the Contract by the Employer, the Employer's Personnel or agents.	None.	None.

THE OBLIGATIONS OF THE EMPLOYER *(continued)*

CLAUSE	OBLIGATIONS	TIME FRAME	SPECIFIC CONSEQUENCES OF NON-COMPLIANCE
17.5 Intellectual and Industrial Property Rights	a) Give notice of any claim under this clause. b) Indemnify and hold the Contractor harmless against and from any claim, which is or was an unavoidable result of the Contractor's compliance with the Contract or as a result of any Works being used by the Employer. c) If requested by the Contractor, assist in contesting the claim. d) Not to make any admission, which might be prejudicial to the Contractor.	a) Within 28 days of receiving a claim. b) None. c) None. d) None.	a) Waiver of right to indemnity. b) None. c) None. d) None.
18 Insurance			
18.1 General Requirements for Insurances	a) Cooperate with the Contractor to approve the terms of insurances. b) Effect and maintain the insurances in terms consistent with the details annexed to the Particular Conditions, wherever the Employer is the insuring Party. c) Submit evidence that the insurance has been effected, provide copies of the policies and submit evidence of payment. d) Inform the insurers of any relevant changes to the execution of the Works and ensure that insurance is maintained. e) Not to make any material alteration to the terms of any insurance without approval of the Contractor.	a) None. b) None. c) Within the time frames stipulated in the Contract Data. d) As appropriate. e) None.	a) None. b) None. c) The Contractor may effect the insurance and the Contract Price shall be adjusted. d) None. e) None.

CLAUSE	OBLIGATIONS	TIME FRAME	SPECIFIC CONSEQUENCES OF NON-COMPLIANCE
19 Force Majeure			
19.2 Notice of Force Majeure	Give notice to the Contractor in the case that the Employer is, or will be prevented from performing the Employer's obligations by Force Majeure.	Within 14 days of becoming aware of the event.	None.
19.3 Duty to Minimise Delay	a) Use all reasonable endeavours to minimise any delay in the performance of the Contract as a result of Force Majeure. b) Give notice when the effects of the Force Majeure cease.	None.	None.
20 Claims, Disputes and Arbitration			
20.2 Appointment of the Dispute Adjudication Board	a) Jointly appoint the Dispute Adjudication Board (DAB). b) Not to consult the DAB without the agreement of the Contractor. c) Not to act alone in the termination of any member of the DAB.	a) By the date stated in the Appendix to Tender. b) None. c) None.	a) The appointing entity or official named in the Appendix to Tender shall appoint (Sub-Clause 20.3). b) None. c) None.
20.4 Obtaining Dispute Adjudication Board's Decision	a) Make available to the DAB additional information, access to the Site, and appropriate facilities as the DAB may require. b) Give effect to a DAB decision unless and until it is revised in an amicable settlement or an arbitral award.	a) Promptly. b) None.	a) None. b) The matter may be referred to arbitration (Sub-Clause 20.7).
20.5 Amicable Settlement	In the case of a notice of dissatisfaction being issued, attempt to settle the dispute amicably.	Within 56 days of the notice.	Arbitration may be commenced.

THE OBLIGATIONS OF THE EMPLOYER (*continued*)

CLAUSE	OBLIGATIONS	TIME FRAME	SPECIFIC CONSEQUENCES OF NON-COMPLIANCE
GENERAL CONDITIONS OF DISPUTE ADJUDICATION AGREEMENT			
2 General Provisions	Give notice to the Dispute Adjudication Board Member that the Dispute Adjudication Agreement has taken effect.	On the Commencement Date, or upon all parties signing the Dispute Adjudication Agreement whichever is the later.	None.
5 General Obligations of the Employer and the Contractor	a) Not to request advice from, or consultation with a DAB Member regarding the Contract otherwise than in the normal course of the DAB's activities. b) In the case of the DAB Member being required to make a site visit or attend a hearing, provide appropriate security for a sum equivalent to the reasonable expenses to be incurred by the Member (this may be undertaken by the Contractor).	None.	None.
6 Payment	a) Pay one half of the DAB fees to the Contractor. b) In the Case of the Contractor failing to pay the DAB Member, pay the due fees.	a) Within the monthly payments to the Contractor. b) None.	The DAB Member may suspend services or resign the appointment.
Annex – Procedural Rules			
2.	Jointly agree the timing of and agenda for each site visit by the DAB.	None.	Timing and agenda shall be decided by the DAB.

<i>CLAUSE</i>	<i>OBLIGATIONS</i>	<i>TIME FRAME</i>	<i>SPECIFIC CONSEQUENCES OF NON-COMPLIANCE</i>
3.	a) Attend site visits by the DAB. b) Co-ordinate site visits by the DAB in co-operation with the Contractor. c) Ensure the provision of appropriate conference facilities and secretarial and copying services to the DAB.	None.	None.
4.	a) Furnish to the DAB one copy of all documents, which the DAB may request. b) Copy the Contractor on all communications between the DAB and the Employer.	None.	None.

THE OBLIGATIONS OF THE CONTRACTOR

CLAUSE	OBLIGATIONS	TIME FRAME	SPECIFIC CONSEQUENCES OF NON-COMPLIANCE
GENERAL CONDITIONS			
1 Definitions			
1.6 Contract Agreement	Enter into a Contract Agreement.	Within 28 days after the Contractor receives the Letter of Acceptance, unless agreed otherwise.	None.
1.8 Care and Supply of Documents	a) Supply to the Engineer six copies of each of the Contractor's Documents. b) Keep, on the Site, a copy of the Contract, publications named in the Specification, the Contractor's Documents (if any), the Drawings and Variations and other communications given under the Contract. c) In the case of an error in a document, give notice to the Employer.	a) None. b) None. c) Promptly.	None.
1.9 Delayed Drawings or Instructions	a) Give notice to the Engineer whenever the Works are likely to be delayed or disrupted, if any necessary drawing or instruction is not issued to the Contractor within a particular time. b) Give a further notice to the Engineer if the Contractor suffers delay and/or incurs Cost.	a) Within a reasonable time. b) As soon as practicable and not later than 28 days after the Contractor became aware, or should have become aware of the event or circumstance (Sub-Clause 20.1).	a) None. b) Loss of entitlement to an extension to the Time for Completion and additional payment (Sub-Clause 20.1).
1.12 Confidential Details	Disclose all such confidential and other information as the Engineer may reasonably require in order to verify the Contractor's compliance with the Contract.	None.	None.

CLAUSE	OBLIGATIONS	TIME FRAME	SPECIFIC CONSEQUENCES OF NON-COMPLIANCE
1.13 Compliance with Laws	a) Comply with applicable Laws. b) Give all notices, pay all taxes, duties and fees, and obtain all permits, licences and approvals, as required by the Laws.	None.	None.
1.14 Joint and Several Liability	a) In the case of a joint venture, consortium or other unincorporated grouping of two or more persons, notify the Employer of the leader. b) Not to alter the composition or legal status of the joint venture without the prior consent of the Employer.	None.	None.
2 The Employer			
2.1 Right of Access to the Site	Give notice to the Engineer if the Contractor suffers delay and/or incurs Cost as a result of failure to give right of access to, and possession of the Site.	As soon as practicable and not later than 28 days after the Contractor became aware, or should have become aware of the event or circumstance (Sub-Clause 20.1).	Loss of entitlement to an extension to the Time for Completion and additional payment (Sub-Clause 20.1).
3 The Engineer			
3.3 Instructions of the Engineer	a) Only take instructions from the Engineer, or from an assistant to whom the appropriate authority has been delegated. b) Comply with the instructions given by the Engineer or delegated assistant on any matter related to the Contract.	None.	None.

THE OBLIGATIONS OF THE CONTRACTOR *(continued)*

CLAUSE	OBLIGATIONS	TIME FRAME	SPECIFIC CONSEQUENCES OF NON-COMPLIANCE
4 The Contractor			
4.1 Contractor's General Obligations	<ul style="list-style-type: none">a) Design (to the extent specified in the Contract), execute and complete the Works in accordance with the Contract and with the Engineer's instructions and remedy any defects in the Works.b) Provide the required Plant and Contractor's Documents specified in the Contract and all Contractor's Personnel, Goods, consumables and other things and services, whether of a temporary or permanent nature.c) Be responsible for the adequacy, stability and safety of all Site operations and of all methods of construction.d) Be responsible for all Contractor's Documents, Temporary Works, and such design of each item of Plant and Materials as is required for the item to be in accordance with the Contract.e) Submit details of the arrangements and methods proposed for the execution of the Works.f) Design any part of the Permanent Works if specified in the Contract.g) Submit to the Engineer the "as-built" documents and operation and maintenance manuals prior to the Tests on Completion.	None.	None.

<i>CLAUSE</i>	<i>OBLIGATIONS</i>	<i>TIME FRAME</i>	<i>SPECIFIC CONSEQUENCES OF NON-COMPLIANCE</i>
4.2 Performance Security	<ul style="list-style-type: none"> a) Obtain a Performance Security for proper performance and deliver to the Employer. b) Ensure that the Performance Security is valid and enforceable until the Contractor has executed and completed the Works and remedied any defects. c) Extend the validity of the Performance Security until the Works have been completed and any defects have been remedied. 	<ul style="list-style-type: none"> a) Within 28 days after receiving the Letter of Acceptance. b) None. c) As required. 	<ul style="list-style-type: none"> a) None. b) None. c) Employer may claim the full amount of the Performance Security.
4.3 Contractor's Representative	<ul style="list-style-type: none"> a) Appoint the Contractor's Representative and give him all authority necessary to act on the Contractor's behalf under the Contract. b) Submit to the Engineer for consent, the name and particulars of the person the Contractor proposes to appoint. c) If consent is withheld or subsequently revoked, or if the appointed person fails to act, submit the name and particulars of another suitable person for such appointment. d) Not, without the prior consent of the Engineer, revoke the appointment of the Contractor's Representative or appoint a replacement. e) If the Contractor's Representative is to be temporarily absent from the Site, appoint a suitable replacement and notify the Engineer. 	<ul style="list-style-type: none"> a) None. b) Prior to the Commencement Date. c) None. d) None. e) None. 	None.
4.4 Subcontractors	<ul style="list-style-type: none"> a) Not to subcontract the whole of the Works. b) Be responsible for the acts or defaults of any Subcontractor, his agents or employees. c) Obtain prior consent of the Engineer to proposed Subcontractors, not named in the Contract. d) Give the Engineer notice of the intended date of the commencement of each Subcontractor's work, and of the commencement of such work on the Site. 	<ul style="list-style-type: none"> a) None. b) None. c) None. d) Not less than 28 days. 	None.

THE OBLIGATIONS OF THE CONTRACTOR *(continued)*

CLAUSE	OBLIGATIONS	TIME FRAME	SPECIFIC CONSEQUENCES OF NON-COMPLIANCE
4.5 Assignment of Benefit of Subcontract	If instructed, assign the benefit of subcontract obligations which extend beyond the Defects Notification Period to the Employer.	None.	None.
4.6 Co-operation	<ul style="list-style-type: none"> a) Allow appropriate opportunities for carrying out work to the Employer's Personnel, any other contractors employed by the Employer and the personnel of any legally constituted public authorities. b) Submit such documents which require the Employer to give to the Contractor possession of any foundation, structure, plant or means of access. 	<ul style="list-style-type: none"> a) None. b) In the time and manner stated in the Specification. 	None.
4.7 Setting Out	<ul style="list-style-type: none"> a) Set out the Works in relation to original points, lines and levels of reference specified in the Contract or notified by the Engineer. b) Give notice to the Engineer if the Contractor suffers delay and/or incurs Cost as a result of error in the items of reference. 	<ul style="list-style-type: none"> a) None. b) As soon as practicable and not later than 28 days after the Contractor became aware, or should have become aware of the event or circumstance. 	<ul style="list-style-type: none"> a) None. b) Loss of entitlement to an extension to the Time for Completion and additional payment (Sub-Clause 20.1).
4.8 Safety Procedures	<ul style="list-style-type: none"> a) Comply with all applicable safety regulations. b) Take care for the safety of all persons entitled to be on the Site. c) Use reasonable efforts to keep the Site and Works clear of unnecessary obstruction. d) Provide fencing, lighting, guarding and watching of the Works. e) Provide any Temporary Works, which may be necessary for the use and protection of the public and of owners and occupiers of adjacent land. 	None.	None.