



**European Federation of Foundation Contractors**

**Principle Principals of Subcontracts**

## **Article 1. Contractual relations , obligations and documents**

The contractual relations between the main contractor and the specialist subcontractor shall be governed by the terms laid down in the subcontract agreement.

## **Article 2. Facilities**

The main contractor shall ensure generally appropriate and suitable worksites for the specialist activity to be carried out.

## **Article 3. Management of the works**

The main contractor and the subcontractor shall nominate their representatives in the subcontract documents.

The powers and duties of each representative must be defined before the commencement of the subcontract works.

## **Article 4. Commencement of the work**

The main contractor must ensure that the subcontractor can take possession of the site and commence his operations on the day stated in the subcontract.

## **Article 5. Alterations and additions (variations)**

Alterations and additions ordered by the client under the main contract, and being of similar character to the subcontract works, are to be treated as alterations and additions to the subcontract works.

Alterations and additions should be settled at rates or prices to be agreed between the main contractor and the subcontractor as soon as possible and within 30 days.

## **Article 6. Instructions to be in writing**

All instructions relating to the subcontract works shall be in writing.

## **Article 7. Delays**

The subcontractor shall be entitled to extension of time, and compensation of extra expenses incurred, if and when such delays are caused by reasons outside the control of the subcontractor.

Where the subcontractor considers he is entitled to an extension of time due to the causes above, he must inform the main contractor thereof in writing without delay and substantiate in detail the causes of the delay.

### **Article 8. Acceptance (Hand-over)**

The main contractor is responsible for the acceptance of the subcontract works upon completion either in total or in substantial individual parts.

The subcontractor must announce the completion of the subcontract works or parts thereof and is then entitled to ask for formal acceptance of the whole of the works or parts thereof.

If only minor defects are stated which do not hinder the use of the works by the main contractor or client, the works are considered as approved and accepted.

### **Article 9. Warranties**

If the main contract requires a warranty, then the subcontract warranty shall cover only defects and repairs for which the subcontractor is responsible.

### **Article 10. Extraordinary circumstances**

The subcontractor is entitled to additional compensation if extraordinary circumstances, either unforeseeable or excluded by the contracting parties according to their expectations, hinder or impede completion of the works.

### **Article 11. Payment**

The main contractor is fully responsible for payment for subcontract works, irrespective of payments received by him from the client.

### **Article 13. Delayed payments**

In the event of late payment by the main contractor, the subcontractor shall be entitled to be paid interest on any overdue payment for work valued correctly ..... at a rate of 10% above bank rate.

Without prejudice to other rights and remedies the subcontractor may suspend the execution of the subcontract works until such payment has been made.

In the event that the main contractor fails to make such payment the subcontractor is entitled to remove his plant and labour from the site after a further period of 21 days.

### **Article 15. Final account**

The final payment shall be due not later than 30 days after the date when the final account has been submitted.

### **Article 17. Notices and claims**

The parties undertake to immediately inform the other party in writing of any circumstance arising during the execution of the works which might affect the quality of the works

### **Article 18. Procedure of claims**

Notwithstanding any other provision of the subcontract, if the subcontractor intends to claim any additional payment pursuant to any article of these conditions or otherwise, he shall give notice of his intention to the main contractor within 28 days after the event giving rise to the claim has first arisen.

### **Article 20. Disputes**

Any dispute which may arise and which cannot be settled in applying the conditions of the subcontract agreement will be adjudicated/ arbitrated or submitted to judicial courts.

Any settlement between the main contractor and the subcontractor is independent of any settlement between the main contractor and the client.

### **Article 22. Insurance**

Unless otherwise agreed the main contractor shall take out insurance policies in which the subcontractor is included as co-insured in so far as such insurances are appropriate to the nature and volume of the works and/or are required by law or by national regulations.