

Underground Contractors Association
Building the Foundation for a Stronger Illinois



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WHAT A DIFFERENCE A WORD MAKES.

WHAT YOUR CONTRACTS REALLY MEAN.

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This article is intended for general discussion of the subject, and should not be mistaken for legal advice. Readers are cautioned to consult appropriate advisors for advice applicable to their individual circumstances.



SITE CONDITIONS

By executing this Agreement, the Subcontractor **certifies** that it is **fully** aware of all the terms of the Contract Documents, the **site conditions** of the Project, and the **climatic** and **physical conditions** under which the Subcontractor's Work is to be performed, and enters into this Agreement based upon its investigation of all such matters and is **not relying** on any opinions or representations of the Contractor.

SCOPE DRAWINGS

It is understood that the **drawings** and **specifications** are documents which **indicate** the **general scope of the project** and as such, the drawings and specifications **do not necessarily indicate or describe all work required** for the full performance and completion of the work.

Subcontractor is to **furnish and install all items** required for the full performance and completion of its Work **without cost adjustments** to the Subcontract Costs and/or Subcontractor's proposed bid price.

SCOPE CHANGES

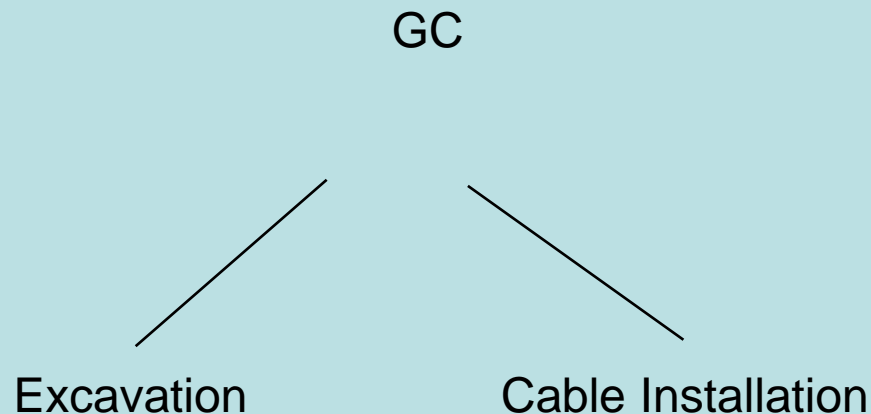
General Contractor **will furnish** to the Subcontractor such **additional information** and plans as may be **prepared by the Architect** to **further describe the work to be performed** by the Subcontractor and the Subcontractor shall **conform to and abide by same** insofar as they are **consistent with the purpose and intent of the plans and specifications.**

DESIGN DISCLAIMER

The **designed dewatering system may not eliminate all groundwater from the tunnel excavation.** The contractor shall be prepared to support the tunnel face and to handle and convey groundwater from the tunnel to appropriate discharge locations. **Additional dewatering wells may be required.**

PROJECT COORDINATION

The **Subcontractor shall coordinate its work with that of other Subcontractors**, provide scheduling input and comply with the General Contractor's scheduling requirements, as they may be revised and issued from time to time.



Contract Scope Provisions

SUBCONTRACTOR shall complete excavation work in full compliance with all plans and specifications for this project as set forth in the prime contract **all in accordance with applicable codes.**

WORK SCHEDULE

The Contractor, may retain an **additional** ten percent (10%) of each invoice for failure by the Subcontractor, to meet mandated schedule requirements. Upon restoration of the production to the schedule requirements, the retained amount will be released **less the costs incurred by the Contractor** and any other affected Subcontractors.

BOND CLAIM

If the Contractor has provided a payment and performance bond for the project, the Subcontractor shall make **no claim on this Bond** for payment due to the Subcontractor for which the Owner has not paid the Contractor and the Contractor's surety(ies) is an express **third-party beneficiary** of this promise whether in regards to Progress Payments, Final Payments, Claims, or Owner Related Disputes.

RIGHT OF SET OFF

Contractor may withhold amounts otherwise due under this Subcontract **or any other agreement between the parties** to recover Contractor's reasonable estimate of any **costs or liability** Contractor has incurred or may incur for which Subcontractor **may be responsible** under this Agreement.

INSURANCE (1)

The Additional Insured Endorsement to the Commercial General Liability Policy shall be ISO Form CG 20 10 11 85.

INSURANCE (2)

The amount of insurance coverage required in this Agreement shall **not** be construed to be a **limitation of the liability** on the part of the Subcontractor.

WAIVER OF SUBROGATION

The Subcontractor waives all rights against the Contractor for damages caused by fire or other causes of loss.

CURE

If the Subcontractor defaults or neglects to carry out the Work in accordance with the Contract Documents and fails within a period of **three (3) days** after notice from the Contractor to commence and continue correction of such default or neglect with diligence and promptness, the Contractor may after such **three (3) day period**, without prejudice to other remedies the Contractor may have, correct such deficiencies.

CLAIMS

Claims by a Subcontractor must be initiated within **ten (10) days after occurrence of the event giving rise to such claim.**

TERMINATION FOR CONVENIENCE

The Contractor, may, at any time, terminate the Subcontract for the Contractor's convenience and **without cause**. In case of such termination for the Contractor's convenience, the Subcontractor shall be entitled to **receive payment for Work executed**, and **costs incurred** by reason of such termination.

DISPUTE RESOLUTION

Subcontractor agrees to **toll its rights** under the Contractor's bond and this Agreement until such time as the Contractor has exhausted its Owner Related Dispute Provisions.

THANK YOU



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Deutsch, Levy & Engel
CHARTERED