

22nd April 2009

For the Attention of Mr A Another

Dear Sir,

Re: Proposed Sub-Contract Agreement

We are in receipt and have reviewed the proposed sub-contract agreement for the Civil Justice centre between

Upon reviewing the contract, we have noted some clauses that we would like amended. These clauses are as follows:

Appendix 1

Part 1

Clause 3

The contract sum is now £1,421,218.93 (discount added back in), as agreed.

Clause 4b)

Change wording to “Applicable until practical completion of the sub-contract works and change wording “Applicable until issue of the certificate of completion of making good defects (or its equivalent) under the sub-contract or agreement of the sub-contract final account whichever may last happen”.

Clause 6e)

LAD’s restricted to a maximum liability of 10% of the lump sum agreement or £138,568.84.

Clause 12

The performance bond is now not required.

Clause 16.3

Delete “non”.

Part 2

Clause 6 – Third Party Agreements

Delete text after “and the manner of their execution”.

Clause 9 – Bond

The performance bond is not required.

Sub-Contract Agreement

Clause 1

Line 21 - delete “fair and reasonable”.

Clause 3.1

Line 4 - after extension of time add “(which may include prolongation costs)”.

Clause 3.4

Line 4 - delete “reasonable”.

Clause 4.1

Line 3 and 4 - delete “(or such other period as the Main Contractor shall reasonably specify).”

Line 8 & 9 - delete “including discounts”.

Clause 4.2

Line 1 and 2 - delete “on a fair and reasonable basis”.

Clause 4.5, 4.6 & 4.7

For clarity delete these clauses in their entirety.

Clause 6.5

Line 6 - delete main contract and add “sub-contract”.

Clause 6.6

After text add “notwithstanding the above, should any loss or damage be attributed to the main contractor or his agents, then the sub-contractor may levy cost's against the main contractor for replacing and re-fixing materials”.

Clause 7.1

Line 2 & 3 - delete “or such other sum as shall be valued by the main contractor in accordance with this sub-contract”.

Clause 7.4

Line 9 - delete “reasonable”.

Clause 7.8

Delete this clause in its entirety.

Clause 7.16

Line 11 and 12 - delete “following receipt of the equivalent sums due, from the employer”.

Clause 7.17

Line 6 - delete 2% and add “8%”, all as per the Late Payment of Commercial Debts Act 1998.

Clause 12.1

- a) Line 1 - delete three and add “fourteen”.
- b) Line 1 - delete 3 and add “14”.
- g) Line 1 - delete 3 and add “14”.

Clause 12.2

At end of text add “unless the determination of the sub-contract by the main contractor is without reasonable cause”.

Clause 12.3

Lines 1, 2, 3 and 4 from the bottom - delete “If the operation of this sub-clause brings out a sum to be paid by the sub-contractor to the main contractor, the sub-contractor will so pay that sum by the final date for payment”.

Clause 12.4

Line 3 - delete “free”.

Line 4 - delete “without” and add “but have a”.

Line 5 – After thereof add “subject to payment to the sub-contractor”.

Line 5 – delete “fair”.

Clause 14

Line 6 and 7 – delete “on a fair and reasonable basis”.

Clause 17.1

For clarity delete in its entirety.

Clause 17.4

For clarity delete in its entirety.

Clause 17.5

For clarity delete in its entirety.

Clause 17.8

Line 5 – delete “as built drawings”.

Clause 17.15

For clarity delete in its entirety.

Numbered Document C1

Whilst it is agreed that all the listed documents were received at tender by, ????? have only priced items as described in their lump sum Bill of Quantity’s.

Numbered Document C2

????? has attached a list of drawings that were not received at tender stage and therefore have not allowed for these drawings within their lump sum agreement. ????? would request that the drawing numbers listed are removed from C2 or added as a numbered document under C12.

????? would also add that fire stopping to partitions is only allowed as per the Bill of Quantity’s description (pattress fire seal). No allowance has been made for rockwool slab or fire barriers to ceilings or flooring.

Numbered Document C3

As noted previously the contract sum is £1,421,218.93. As agreed the discount is now N/A.

????? has attached a broken down description of their Bill of Quantity's and they would ask that this document is added as a numbered document under C12 to assist with pro-rata variation orders.

Numbered Document C11

Change to N/A.

Numbered Document C12

As mentioned previously add in attached documents:

- Broken down Bill of Quantity's (attached)
- List of drawings not received at tender (attached)
- Programme number C7167/TP/01 – revision number C – Issue Date 11/02/2009 (attached)
- This letter dated 22nd April 2009.

We look forward to your comments/agreements.

We would request that this document and its contents (once agreed) is added in as a numbered document under C12.

Please be assured of our best intentions at all times.

Yours faithfully