

Overview of Conditions Requiring Attention In Tender & Contract Documents:

1. When you have revisions to your work you should include the additional cost of insurance coverages.
2. Make sure your subcontract, including all supplementary conditions, is the same subcontract that was in your tender package – if not, do not sign it!
3. “Pay if Paid” and “Pay When Paid” clauses are to avoided as much as possible.
4. Ensure payment is due to be paid to you no later than the last day of the month following billing. Ensure that consultant and not the prime contractor is your payment certifier.
5. Ensure that holdback does not exceed 10% and is payable no later than 51 days after substantial completion.
6. Interest for late payment is often inserted at Prime rate or less. This boils down to cheap financing. Try for at least Prime plus 4% and always state interest in a per annum rate.
7. Be wary of no compensations for major delays or acceleration caused by others.
8. Be wary of performance responsibility when you have not done the design.
9. Be wary of clauses that give the prime contractor the right to require you to do or supply anything he deems necessary. Nor any condition that is at the sole discretion of the Prime Contractor or owner. Always insert the words “reasonable” or “for reasonable cause”.
10. Do not assume cost of defending the prime contractor and owner (often called indemnities) on any allegations; only those where you are proven to be exclusively at fault.
11. Ensure a construction schedule is included. The right to make changes to the construction schedule should always read “in agreement with this sub-contractor”.

12. Ensure there is a reasonable time (like 5 working days) for you to correct deficiencies or other complaints from the owner or prime contractor before breach of contract occurs.

13. The prime contractor or owner should be shouldered with the responsibility of protecting the work when no one is on site.

14. Be wary of owner right to take early possession of any areas before your work is complete. You may be required to work over the owner's equipment, benches, shelves, desks etc. If this is required retain right for extra payment for restricted access.

15. Allow for mediation or arbitration in the event of a dispute.

16. Warranty should not exceed a year.

17. Check safety clauses for unusual requirements!

18. Make sure that you are only responsible to clean up your own debris and that there are centralized bins, and provisions for the prime contractor to remove debris from site.

19. Note Bonding requirements.

20. Do not agree to waiver of lien rights. Probably not enforceable but could act as waivers in other regards.

21. Carefully analyze the labour affiliation clause.

22. Note carefully who is responsible to insure project. Unusual or high limit insurance clauses should be approved by Insurer.

23. Ensure you know what puts you into breach of contract and make sure everyone involved in the project knows!