

Australian Standard™

Subcontract conditions



This Australian Standard was prepared by Committee OB-003, General Conditions of Contract. It was approved on behalf of the Council of Standards Australia on 17 July 1998. This Standard was published on 5 September 1998.

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Australasian Railways Association
Australian Chamber of Commerce and Industry
Australian Procurement and Construction Council
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This Standard was issued in draft form for comment as DR 97529.

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Originated as AS 2545—1982.
Previous edition AS 2545—1993.
Revised and redesignated AS 4901—1998.
Reissued incorporating Amendment No. 1 (October 2000)
and Amendment No. 2 (March 2005).

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Published by Standards Australia, GPO Box 5420, Sydney, NSW 2001, Australia

ISBN 0 7337 2150 8

PREFACE

This Standard was prepared by the Joint Standards Australia/Standards New Zealand Committee OB/3, General Conditions of Contract.

This Standard incorporates Amendment No. 1 (October 2000) and Amendment No. 2 (March 2005). The changes required by the Amendment are indicated in the text by a marginal bar and amendment number against the clause, note, table, figure, or part thereof affected.

This document is the result of a consensus among Australian and New Zealand representatives on the Joint Committee to produce it as an Australian Standard.

This Standard is intended to be used as Subcontract Conditions where AS 4000—1997, General Conditions of Contract is the main contract.

Subclauses 8.6, 29.2 and 34.7A (prefixed by *) and *Item* 27(b) (prefixed by ‡) are optional, and may be omitted in the Subcontract, where necessary, without making consequential amendments but such omission should be clearly shown on the face of the document by striking out these subclauses or that *Item* or indicating clearly in clause 1 of Annexure Part B or elsewhere that they are *not to apply*. See paragraph (i) of clause 1 for the effect of stating deletions of Annexure Part B.

WARNING

Users of this Australian Standard are warned that clause 15 (Damage to persons and property other than work under the Subcontract ('WUS')) does not limit the liability of parties for special, indirect or consequential losses.

This unlimited liability applies notwithstanding any limitations or exclusions permitted under insurance clauses 16 (Insurance of the Subcontract Works) and 17 (Public liability insurance).

Parties wishing to limit their liability should seek insurance and legal advice before entering a subcontract under this Standard.

Subcontractors should ensure that they satisfy the requirements of payment for unfixed plant and materials.

Legislation has come into force in some jurisdictions dealing with security of payments. Parties intending to use this Standard should seek expert advice as to their rights and obligations under such legislation.

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STANDARDS AUSTRALIA

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1 Interpretation and construction of Subcontract

In the *Subcontract*, except where the context otherwise requires:

- Item*** means an *Item* in Annexure Part A;
- bill of quantities*** means a document named therein as a bill of quantities issued to tenderers by or on behalf of the *Main Contractor*, stating estimated quantities of *work* to be carried out;
- certificate of practical completion*** has the meaning in subclause 34.6;
- compensable cause*** means:
- (a) any act, default or omission of the *Subcontract Superintendent*, the *Main Contractor* or its consultants, agents or other contractors (not being employed by the *Subcontractor*);
 - (b) any act, default or omission of the *Superintendent*, the *Principal* or its consultants, agents or other contractors (not being employed by the *Subcontractor*); or
 - (c) those listed in *Item* 29;
- construction plant*** means appliances and things used in the carrying out of *WUS* but not forming part of the *Subcontract Works*;
- construction program*** has the meaning in clause 32;
- date for practical completion*** means:
- (a) where *Item* 11(a) provides a date for *practical completion*, the date;
 - (b) where *Item* 11(b) provides a period of time for *practical completion*, the last day of the period,
- but if any *EOT* for *practical completion* is directed by the *Subcontract Superintendent* or allowed in any arbitration or litigation, it means the date resulting therefrom;
- date of acceptance of tender*** means the date which appears on the written notice of acceptance of the tender;
- date of practical completion*** means:
- (a) the date evidenced in a *certificate of practical completion* as the date upon which *practical completion* was reached; or
 - (b) where another date is determined in any arbitration or litigation as the date upon which *practical completion* was reached, that other date;

<i>deed of guarantee, undertaking and substitution</i>	has the meaning in subclause 5.6;
<i>defects</i>	has the meaning in clause 35 and includes omissions;
<i>defects liability period</i>	has the meaning in clause 35;
<i>direction</i>	includes agreement, approval, assessment, authorisation, certificate, decision, demand, determination, explanation, instruction, notice, order, permission, rejection, request or requirement;
<i>dispute</i>	has the meaning in clause 42;
<i>EOT (from 'extension of time')</i>	has the meaning in subclause 34.3;
<i>excepted risk</i>	has the meaning in subclause 14.3;
<i>final certificate</i>	has the meaning in subclause 37.4;
<i>final payment</i>	has the meaning in clause 37;
<i>final payment claim</i>	means the final payment claim referred to in subclause 37.4;
<i>intellectual property right</i>	means any patent, registered design, trademark or name, copyright or other protected right;
<i>latent condition</i>	has the meaning in subclause 25.1;
<i>legislative requirement</i>	includes: <ul style="list-style-type: none"> (a) Acts, Ordinances, regulations, by-laws, orders, awards and proclamations of the jurisdiction where <i>WUS</i> or the particular part thereof is being carried out; (b) certificates, licences, consents, permits, approvals and requirements of organisations having jurisdiction in connection with the carrying out of <i>WUS</i>; and (c) fees and charges payable in connection with the foregoing;
<i>main contract</i>	means the agreement between the <i>Principal</i> and the <i>Main Contractor</i> ;
<i>main contract arbitrator</i>	has the meaning in clause 42;
<i>main contract dispute</i>	means a claim or dispute the subject of clauses 41 and 42 of the <i>main contract</i> ;
<i>main contract works</i>	means the whole of the <i>work</i> to be carried out and completed in accordance with the <i>main contract</i> , including variations provided for by the <i>main contract</i> , which by the <i>main contract</i> is to be handed over to the <i>Principal</i> ;
<i>Main Contractor</i>	means the Main Contractor stated in <i>Item 1</i> ;