



The South African Institution of Civil Engineering

**GENERAL CONDITIONS OF SUBCONTRACT FOR
CONSTRUCTION WORKS FIRST EDITION (2018)
(GCSC 2018)**

1st PRINT

CORRECTIONS Version 5.0 – May 2020

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CORRECTIONS TO THE GENERAL CONDITIONS OF SUBCONTRACT FOR CONSTRUCTION WORKS FIRST EDITION (2018) (GCSC 2018), 1st PRINT

The headings shown below coincide with those in the publication.

Tips

ON PAGE iii, IN THE TOPMOST LINE, REMOVE THE COMMA AT THE END OF THE LINE.

ON PAGE iii, IN THE PARAGRAPH UNDER THE HEADING “CPD Training Courses”, REPLACE “https://store.www.saice.org.za/courses” WITH “www.saice.org.za”.

ON PAGE iii, IN THE PARAGRAPH UNDER THE HEADING “Corrections”, ADD

“Unless expressly specified differently for a particular subcontract, the particular print version of the GCSC 2018 and corrections thereto as current twenty-eight days before the Subcontract Commencement Date, are recommended to apply.”

Contents

ON PAGE ix, ADD A PERIOD AT THE END OF CLAUSE NUMBER 6.10.8.SC TO READ “6.10.8.SC.”

GENERAL CONDITIONS OF SUBCONTRACT FOR CONSTRUCTION WORKS FIRST EDITION (2018)

Clause 1.1.1.33

ON PAGE 5, IN CLAUSE 1.1.1.33,

INSERT

“Subcontract”

BEFORE

“Permanent Works”

TO READ

“Subcontract Permanent Works”.

Clause 1.2.1.3

ON PAGE 6, IN CLAUSE 1.2.1,

DELETE

“or

- 1.2.1.3. An electronic recognition such as a read receipt is returned by the recipient to the sender and who prints it,”.

New Clause 1.2.6

ON PAGE 6, AFTER THE END OF CLAUSE 1.2.5, ADD THE FOLLOWING NEW CLAUSE:

“1.2.6 APPLICABLE PRINT VERSION AND CORRECTIONS TO THE PUBLISHED GENERAL CONDITIONS OF SUBCONTRACT FOR CONSTRUCTION WORKS FIRST EDITION (2018)

The applicable Print Version and Correction Set for these General Conditions of Subcontract for Construction Works First Edition (2018) shall be as shown in the Subcontract Data.

Where a particular print version and/or any associated correction set for these General Conditions of Subcontract for Construction Works First Edition (2018) is not expressly specified in the Subcontract Data or is not otherwise indicated in this Subcontract or its Main Contract, then the print version as commercially available twenty-eight days before the Subcontract Commencement Date, together with the applicable latest corrections thereto, current twenty-eight days before the Subcontract Commencement Date, unless not available from the South African Institution of Civil Engineering, and where a latest earlier version is available, also twenty-eight days before the Subcontract Commencement Date (together with the Contract Data and any other agreed amendments) are recommended to apply to this subcontract for corrective purposes for any dispute resolution process in connection with this Subcontract and its Main Contract.”

Clause 1.3.5

ON PAGE 7, IN CLAUSE 1.3.5,

REPLACE

“accorded by law or provided”

WITH

“stated”.

Clause 1.3.6

ON PAGE 7, IN CLAUSE 1.3.6,

DELETE

“accorded by law or”

Clause 3.2.2

ON PAGE 11,

REPLACE THE ENTIRE CLAUSE 3.2.2

WITH

“3.2.2 Whenever the Employer’s Agent intends, in terms of the Main Contract, to exercise any discretion or make or issue any ruling, contract interpretation or price determination, the Employer’s Agent shall first consult with the Contractor and the Employer in an attempt to reach agreement. Failing agreement, the Employer’s Agent shall act impartially and make a decision in accordance with the Main Contract, taking into account all relevant facts and circumstances. In the event that the exercising of any discretion, making or issuing of any ruling, contract interpretation or price determination arose from a matter or a claim by the Subcontractor, then the Subcontractor may be afforded the opportunity, upon the sole discretion of the Contractor, to make representations at such consultation meeting.”.

Clause 3.3.1

ON PAGE 11, IN CLAUSE 3.3.1,

DELETE

“legally deemed to be ”.

Clause 3.3.2

ON PAGE 11, IN CLAUSE 3.3.2,

DELETE

“legally deemed to be ”.

Clause 4.4.5

ON PAGE 13, IN CLAUSE 4.4.5,

REPLACE

“Clause 4.4.3”

WITH

“Clause 4.4.4”.

Clause 4.5.2

ON PAGE 14, IN CLAUSE 4.5.2,

REPLACE

“Temporary Works”

WITH

“Temporary Works which is specified or designed by the Employer or the Employer’s Agent”.

Clause 5.5.1

ON PAGE 20, IN CLAUSE 5.5. 1,

REPLACE

“within the Subcontract Due Completion Date”

WITH

“by the Subcontract Due Completion Date”.

Clause 5.8.2

ON PAGE 24,

REPLACE THE MARGINAL NOTE

“Notice for working during non-working times”

WITH

“Notice to work during non-working times”.

Clause 5.14.5.1

ON PAGE 30, IN CLAUSE 5.14.5.1,

REPLACE

“Subcontractor”

WITH

“Guarantor”.

Clause 6.9.2

ON PAGE 40, IN CLAUSE 6.9.2,

DELETE

“plant, ”.

Clause 6.10.1.8

ON PAGE 41, IN CLAUSE 6.10.1.8,

REPLACE

“Employer”

WITH

“Contractor”.

Clause 6.10.2

ON PAGE 42, IN CLAUSE 6.10.2, IN THE FIRST PARAGRAPH,

REPLACE

“Employer”

WITH

“Contractor”.

AND REPLACE

“Contractor”

WITH

“Subcontractor”.

AND IN THE SECOND PARAGRAPH,

REPLACE

“prices set out in the Subcontract Pricing Data or on current market prices.”

WITH

“prices consistent with the rates and/or prices set out in the Subcontract Pricing Data or on current market prices.”.

Clause 6.10.4

ON PAGE 42, IN CLAUSE 6.10.4, AFTER THE FIRST SENTENCE, WHICH ENDS WITH

“(which shall include the amounts certified in respect of the Subcontractor’s statement).”

INSERT

“The Contractor shall deliver to the Subcontractor, the Employer’s Agent’s payment certificate, within 7 days of receiving it.”.

Clause 7.2.1

ON PAGE 47, IN CLAUSE 7.2.1,

REPLACE

“All Plant to be supplied, all workmanship to be carried out and all materials to be manufactured, shall be of the respective kinds specified in the Subcontract and shall comply with the requirements set in the Subcontract Scope of Work and in the Contractor’s instructions.”

WITH

“All Plant to be manufactured and supplied, all workmanship to be carried out and all materials to be manufactured and supplied, shall be of the respective kinds specified in the Subcontract and shall comply with the requirements set in the Subcontract Scope of Work and in the Contractor’s instructions.”.

Clause 7.4.3

ON PAGE 48, IN CLAUSE 7.4.3,

REPLACE THE LAST WORD OF THE FIRST PARAGRAPH

“Works”
WITH
“Work”.

Clause 7.6.2.2

ON PAGE 50,
REPLACE THE ENTIRE CLAUSE 7.6.2.2 WITH

“7.6.2.2. Subject to the Employer's written consent, accept such Plant subject to a reduction in the Subcontract Price as provided for in the Subcontract or as may be agreed by the Employer, the Contractor and the Subcontractor; or”.

Clause 7.9.1

ON PAGE 53, IN CLAUSE 7.9.1, IN THE FIRST PARAGRAPH
REPLACE

“during the execution of”
WITH
“while carrying out”.

Clause 8.3.1.7

ON PAGE 56, IN CLAUSE 8.3.1.7,
REPLACE

“Epidemic famine or plague,”
WITH
“Epidemic, pandemic, famine or plague,”.

Clause 8.6.7

ON PAGE 61, IN CLAUSE 8.6.7, IN TWO INSTANCES
DELETE

“or the Employer”.

Clause 9.1.1

ON PAGE 62, IN CLAUSE 9.1.1,
IN THE FIRST PARAGRAPH,
REPLACE

“Works”

WITH
“world”

AND

DELETE
“execution of the”

AND

REPLACE THE SECOND PARAGRAPH WITH

“Provided that the Employer shall be entitled, at any time after such event, to terminate the Main Contract by giving written notice to the Contractor and, upon such notice being given, the Main Contract and the Subcontract shall (save as to the rights of the parties under this Clause) terminate forthwith but without prejudice to the rights of either party in respect of any antecedent breach thereof.”

Clause 9.1.5

ON PAGE 63, IN CLAUSE 9.1.5,

REPLACE

“for all measured work executed prior to the date of termination”

WITH

“for all measured work carried out prior to the date of termination”.

Clause 9.1.5.1

ON PAGE 63, IN CLAUSE 9.1.5.1,

REPLACE

“certified”

WITH

“agreed”

AND

REPLACE

“Employer’s Agent”

WITH

“Contractor”.

Clause 9.1.5.3

ON PAGE 64, IN CLAUSE 9.1.5.3,

REPLACE

“to be certified”

WITH

“as agreed”

AND

REPLACE

“Employer’s Agent”

WITH

“Contractor”.

Clause 9.2.1.3

ON PAGE 64, IN CLAUSE 9.2.1.3,

INSERT

“to the Subcontractor, ”

AFTER

“After giving effect to Clause 3.2.2, the Contractor certifies, in writing, ”.

Clauses 9.2.1.3.1, 9.2.1.3.3, 9.2.1.3.4, 9.2.1.3.5 and 9.2.1.3.6

ON PAGE 65, AT THE END OF EACH OF CLAUSES 9.2.1.3.1, 9.2.1.3.3, 9.2.1.3.4, 9.2.1.3.5 AND 9.2.1.3.6,

INSERT

“ or”

AFTER

“;”.

Clause 9.2.1.3.7

ON PAGE 65, IN CLAUSE 9.2.1.3.7,

DELETE THE FIRST WORD

“Or”

AND

REPLACE

“anyone”

WITH

“Anyone”.

Clause 9.2.1.3 (continuation)

ON PAGE 66, IN THE CONTINUATION OF CLAUSE 9.2.1.3 (CLAUSE 9.2.1.3.8 CONSISTS OF ONLY THREE LINES),
IN THE 9TH LINE,

REPLACE

“conferred on the Employer or the Employer’s Agent by the Main Contract”

WITH

“conferred on the Contractor by the Subcontract”.

Clause 9.3.1.3

ON PAGE 67,

INSERT “; or” AT THE END OF EACH OF CLASUSES 9.3.1.1 AND 9.3.1.2

AND

IN CLAUSE 9.3.1.3,

REPLACE

“, for 14 days after receipt of written notice from the Subcontractor (with specific reference to this Clause) to remedy the default,”

WITH

“; or”.

Clause 9.4.1

ON PAGE 68,

REPLACE THE ENTIRE CLAUSE 9.4.1 WITH

“9.4.1.SC. The Employer is empowered to terminate the Main Contract, which can include the Subcontract, in terms of Clause 9.2 of the Main Contract General Conditions. This shall be referred by the Contractor to the Subcontractor when it happens.”.

AND AMEND THE TABLE OF CONTENTS ON PAGE xi ACCORDINGLY WITH THE AMENDED CLAUSE NUMBER

Clause 10.1.1.1

ON PAGE 69, OUTDENT THE NUMBER OF CLAUSE 10.1.1.1 TO FOLLOW CONSISTENT FORMATTING OF NUMBERING.

Clause 10.1.1.1.1

ON PAGE 69, INSERT “; and” AT THE END OF THE CLAUSE.

Clauses 10.1.1.1.2 and 10.1.1.1.3

ON PAGE 70,

DELETE CLAUSE 10.1.1.1.2

AND

RENUMBER CLAUSE 10.1.1.1.3 AS 10.1.1.1.2 AND INSERT “; and” AT THE END OF THE CLAUSE

AND

INSERT THE FOLLOWING NEW CLAUSE 10.1.1.1.3:

“10.1.1.1.3 The length of the extension of time, if any, claimed and the basis of calculation thereof; and”.

Clause 10.1.1.1.5

ON PAGE 70,

REPLACE THE ENTIRE CLAUSE 10.1.1.1.5 WITH

“10.1.1.1.5.SC. Particulars of any portion of the claim which is not an internal matter between the Contractor and Subcontractor.

Unless otherwise agreed, such a claim shall be incorporated by the Contractor in a claim to the Employer’s Agent under the Main Contract.”.

Clause 10.1.1.3

ON PAGE 70, IN CLAUSE 10.1.1.3,

INSERT

“ and the Contractor”

AFTER

“Third Party”.

Clause 10.1.2

ON PAGE 71, IN CLAUSE 10.1.2,

REPLACE

“deemed to be”

WITH

“regarded as”

AND AT THE END OF THE CLAUSE

REPLACE

“5.5.1”

WITH

“1.1.1.14”

Clause 10.1.3.1

ON PAGE 71, IN CLAUSE 10.1.3.1,

REPLACE

“records in a form approved by the Contractor, of all the facts and circumstances which the Third Party considers relevant”

WITH

“records in a form agreed with the Contractor, of all the facts and circumstances which the Subcontractor considers relevant”

Clause 10.1.5

ON PAGE 72,

REPLACE THE ENTIRE FIRST PARAGRAPH OF CLAUSE 10.1.5 WITH

“10.1.5 Unless otherwise provided in the Subcontract, the Third Party shall, within 21 days after the Subcontractor has delivered his claim in terms of Clause 10.1.1 as read with Clause 10.1.2, consult with the Subcontractor and Contractor in an effort to reach agreement, and failing this, shall consider the matter impartially in terms of the Subcontract and deliver to the Subcontractor and the Contractor, within a period of 7 days, his written and adequately reasoned ruling on the claim (referring specifically to this Clause). The amount thereof, if any, allowed by the Third Party shall be paid by the Contractor to the Subcontractor within 7 days of the date of the ruling, provided that:”

Clause 10.1.5.2

ON PAGE 72,

REPLACE THE ENTIRE FIRST PARAGRAPH OF CLAUSE 10.1.5.2 WITH

“10.1.5.2 Any amount that has been established to the satisfaction of the Third Party, before his ruling on the whole claim, shall be paid by the Contractor to the Subcontractor within 7 days of the date of the ruling.”.

Clause 10.1.6

ON PAGE 72,

ADD THE FOLLOWING NEW CLAUSE 10.1.6

“10.1.6.SC. For a claim by the Subcontractor, submitted by the Contractor to the Employer’s Agent in terms of the Main Contract, the amount allowed by the Employer’s Agent shall be paid in accordance with Clause 6.10.4.SC.”.

AND ADD THE MARGINAL NOTE “Payment of claim submitted in terms of Main Contract”

AND AMEND THE TABLE OF CONTENTS ON PAGE xii ACCORDINGLY WITH THE NEW CLAUSE

AND AMEND THE ALPHABETICAL SUBJECT INDEX ON PAGE 113 ACCORDINGLY WITH THE NEW CLAUSE.

Clause 10.2.1

ON PAGE 72, IN CLAUSE 10.2.1,

REPLACE

“the Third Party”

WITH

“the Third Party and the other party”.

Clause 10.2.3

ON PAGE 73, IN CLAUSE 10.2.3,

REPLACE

“included to the credit of the Subcontractor or, if applicable, the Contractor or the Employer in the next payment certificate”

WITH

“paid by the defaulting party to the successful party within 7 days of the ruling”.

Clause 10.2.4.SC

ON PAGE 72,

ADD THE FOLLOWING NEW CLAUSE 10.2.4.SC

“10.2.4.SC. For a dissatisfaction claim, submitted by the Contractor to the Employer’s Agent in terms of the Main Contract, the amount allowed by the Employer’s Agent shall be paid in accordance with Clause 6.10.4.SC as adjusted as necessary if the Subcontractor is the defaulting party.”.

AND ADD THE MARGINAL NOTE “Payment of dissatisfaction claim submitted in terms of Main Contract”

AND AMEND THE TABLE OF CONTENTS ON PAGE xii ACCORDINGLY WITH THE NEW CLAUSE

AND AMEND THE ALPHABETICAL SUBJECT INDEX ON PAGE 113 ACCORDINGLY WITH THE NEW CLAUSE.

Clause 10.5.2

ON PAGE 75, IN CLAUSE 10.5.2,

REPLACE

“Subcontract”

WITH

“Main Contract”.

Clause 10.7.1

ON PAGE 76, IN CLAUSE 10.7.1,

REPLACE

“Subcontract”

WITH

“Subcontract Data”

AND

REPLACE

“deemed”

WITH

“required”.

Clause 10.8.1

ON PAGE 77, IN CLAUSE 10.8.1,

REPLACE

“Subcontract”

WITH

“Subcontract Data”.

Clause 10.9.1

ON PAGE 77, IN CLAUSE 10.9.1,

REPLACE

“Adjudicator or Arbitrator”

WITH

“dispute resolving person”.

Clause 10.10.1

ON PAGE 77, IN CLAUSE 10.10.1,

REPLACE

“the amount of a payment certificate on its due date, or to pay any amount of retention money on its due date for payment.”

WITH

“the amount due in accordance with Clause 6.10.4.SC.”.

SUBCONTRACT PRICE ADJUSTMENT SCHEDULE

ON PAGES 79 TO 81, REPLACE THE ENTIRE SUBCONTRACT PRICE ADJUSTMENT SCHEDULE WITH

“SUBCONTRACT PRICE ADJUSTMENT SCHEDULE

1. The value of each monthly statement submitted by the Subcontractor for payment, shall be submitted to the Employer's Agent by the Contractor and shall be increased or decreased by the amount obtained by multiplying " A_c " (defined in Clause 2 of this Subcontract Price Adjustment Schedule) by the Subcontract Price Adjustment Factor, rounded off to the fourth decimal place, determined according to the formula:

$$(1-x) \left[\frac{aL_t}{L_0} + \frac{bP_t}{P_0} + \frac{cM_t}{M_0} + \frac{dF_t}{F_0} - 1 \right]$$

in which the symbols have the following meaning:

"x" is the proportion of "A_c" which is not subject to adjustment. Unless otherwise stated in the Subcontract Data, this proportion shall be 0,10.

"a", "b", "c" and "d" are the coefficients contained in the Subcontract Data, which are deemed, irrespective of the actual constituents of the work, to represent the proportionate value of labour, contractors' equipment, material (other than "special materials" specified in the Subcontract Data) and fuel respectively. The arithmetical sum of "a", "b", "c" and "d" shall be unity.

"L" is the "Labour Index", "P" is the "Contractor's Equipment Index", "M" is the "Materials Index" and "F" is the "Fuel Index", all as defined in the Subcontract Data.

The suffix "0" denotes the base indices applicable to the base month as stated in the Subcontract Data.

The suffix "t" denotes the current indices applicable to the month in which the last day of the period falls to which the relevant monthly statement relates.

If an index relevant to any particular monthly statement is unknown at the time when the monthly statement is prepared, the Contractor shall estimate the value of such index. Any correction required, when the correct indices become known, shall be made by the Contractor in subsequent monthly statements.

If the organisation publishing the indices, changes any of the indices set out in the Subcontract Data, the Contractor shall use a correlation factor, which integrates the old and the new indices, for adjustment of subsequent payment certificates.

2. For the purposes of calculating the adjustment to the value of the relevant monthly statement, the amount "A_c" shall be determined by the formula:

$$A_c = T - S - D - E - G - A_p$$

In which formula the symbols shall have the following meaning:

"T" is the summation of the total value of

- (i) General Items
- (ii) work done and the
- (iii) materials on Site

as certified in the monthly statement under consideration without any deduction whatsoever and before any adjustment made in terms of this Schedule.

"S" is the aggregate of (i), (ii), (iii) and (iv) referred to below and included in "T".

- (i) the amounts actually expended and substituted for any Prime Cost Sums;
- (ii) the value of any work done by Sub-subcontractors;
- (iii) the value of any work done against Provisional Sums;
- (iv) the value of any extra or additional work;

where special arrangements for price adjustments in respect of those amounts were made and recorded at the time the work was ordered.

"D" is the value of work included in "T" and done at new fixed rate, where those rates were not based on labour, contractors' equipment or materials costs in force at the time of tendering. Generally new rates may be based on current costs and de-escalated to the base month of the indices, in which case work done at these rates shall not be included in the value of "D".

"E" is the amount included in "T" and paid for any daywork carried out at cost plus percentage allowances as set out in General Conditions of Subcontract Clause 6.5.1.2.3.

"G" is the amount included in "T" for materials classified and dealt with as "special materials".

" A_p " is the summation of all " A_c " amounts determined in terms of Clause 2 of this Subcontract Price Adjustment Schedule for all monthly statements preceding in time the monthly statement under consideration.

3. Save only for additional work, or variations ordered to be carried out after the Subcontract Due Completion Date, the increase or decrease applied to monthly statements in terms of this Subcontract Price Adjustment Schedule, relating to work done, Plant and/or materials supplied after the Subcontract Due Completion Date, shall be half the factor calculated by inserting the formula referred to in Clause 1 hereof, with the indices L_t , P_t , M_t and F_t applicable at the Subcontract Due Completion Date.
- 4.1 The price of each "special material" specified in the Subcontract Data shall be increased or decreased by the net amount of any variation incurred after the date of tender on the basis set out in the Subcontract Data, provided that any claim for adjustment in terms hereof shall be substantiated by the submission of acceptable invoices and any other supporting documents that the Contractor considers necessary for the purpose, and provided also that no further adjustment be permitted to the price of any "special material" after the Subcontract Due Completion Date unless such material forms part of any additional work or variation ordered to be carried out after that date.
- 4.2 For the purposes of Clause 4.1 hereof, "the net amount of any variations" in respect of a particular "special material" shall be calculated by multiplying the difference between the rate or price entered in the Subcontract Data by the Subcontractor for that material and the equivalent rate or price actually paid by the Subcontractor for the material by the quantity of the material in question.
5. If more than one month intervenes between the month applicable to any monthly statement and the month applicable to the immediately succeeding monthly statement, then the indices L_t , P_t , M_t and F_t applicable to such succeeding monthly statement shall each be the arithmetic mean, rounded off to the second decimal place, of the relevant indices applicable to the month of measurement and to such intervening months."

ADJUDICATION BOARD RULES

Clause 4.3

ON PAGE 84,

INSERT THE FOLLOWING NEW CLAUSE 4.3

“4.3 Remuneration of Ad-hoc Adjudication Board Members

4.3.1 The Parties shall pay the Ad-hoc Adjudication Board Members’ fees and expenses, including those of any legal or technical advisors approved under Rule 6.4.5, equally, unless the decision, stating the reasons, provides for a different apportionment.

PRO FORMAS

ON PAGE 87, INSERT THE WORDS

“Pro Forma”

AFTER THE COLON IN EACH ITEM ON THE LIST OF THE FIVE APPENDICES, SO THAT THE LIST READS

“Appendix 1: Pro Forma Subcontract Form of Offer and Acceptance

Appendix 2: Pro Forma Subcontract Data

Appendix 3: Pro Forma Subcontract Performance Guarantee

Appendix 4: Pro Forma Disclosure Statement

Appendix 5: Pro Forma Adjudication Board Member Agreement”.

Appendix 1 PRO FORMA SUBCONTRACT FORM OF OFFER AND ACCEPTANCE

ON PAGE 88, CORRECT THE SPELLING ERROR OF THE WORD “SUBCONTRACT” IN THE HEADING, FROM

“SUBCONTRACT FORM OF OFFER AND ACCEPTANCE”

TO

“SUBCONTRACT FORM OF OFFER AND ACCEPTANCE”.

Appendix 2 PRO FORMA SUBCONTRACT DATA

ON PAGE 94, BEFORE "Clause 5.3.1", INSERT

"Clause 1.2.6:

The applicable Print and Correction Set Version for the General Conditions of Subcontract for Construction Works First Edition (2018) are:

Print: ... *Insert Print No – see last line of 1st page after GCSC 2018 cover page*

ON PAGE 96,

REPLACE

"Clause 8.6.1.1.2

The value of Plant and materials supplied by the Subcontractor to be included in the Subcontract insurance sum is ... *Monetary value (state "Not required" if no plant and materials are supplied by the Subcontractor.)*"

WITH

"Clause 8.6.1.1.2

The value of Plant and materials supplied by the Contractor or the Employer to be included in the Subcontract insurance sum is ... *Monetary value (state "not required" if no plant and materials are supplied by the Contractor or the Employer.)*"

ON PAGE 96, DELETE FROM THE FIFTH-LAST LINE, STARTING WITH "Clause 3.2.3:" TO THE END OF THE FIFTH LINE OF PAGE 97 ENDING WITH "cost of the Subcontract Works".

ON PAGE 97, IN THE PARAGRAPH AFTER THE PARAGRAPH WHICH READS "Please note that the total of all the coefficients must equal 1.0.",

REPLACE

"The indices for L, E, M and F are the following as published by Statistics South Africa"

WITH

"The indices for L, P, M and F are the following as published by Statistics South Africa: (If the indices are published by a different organisation, for example SEIFSA, then delete "Statistics South Africa" and replace by the applicable publishing organisation)

L: Labour:...

P: Equipment:...

M: Material:...

F: Fuel:...

The parameters for the indices for Labour (L), Contractor's Equipment (P), Material (M) and Fuel (F) are the following:"

Appendix 3 PRO FORMA SUBCONTRACT PERFORMANCE GUARANTEE

Clause 4

ON PAGE 102, IN CLAUSE 4,

DELETE THE LAST SENTENCE

“The Contractor shall advise the Guarantor, in writing, of the date on which the Certificate of Completion of the Subcontract Works has been issued.”.

Clause 7.2

ON PAGE 103, IN CLAUSE 7.2,

REPLACE

“the sum certified”

WITH

“the sum demanded”.

ALPHABETICAL SUBJECT INDEX

ON PAGE 113,

REPLACE THE TEXT OF THE ENTRY

“Notice for working during non-working times”

WITH

“Notice to work during non-working times”.

ON PAGE 115,

ABOVE THE ENTRY

“Termination of Subcontract by Subcontractor 67”

ADD THE FOLLOWING TEXT

“Termination of Subcontract by Contractor 64”.