

## Alliance Contract

### Y(UK) 1 – Project Bank Account

#### Defined terms

##### Y1.1

- (1) Joining Deed is an agreement in the form set out in the contract under which the Supplier joins the Trust Deed.
- (2) Named Suppliers are *named suppliers* and other Suppliers who have signed the Joining Deed.
- (3) The Payment Schedule is a list of payments to be made to the Partners and Named Suppliers from the Project Bank Account.
- (4) Project Bank Account is the account used to receive payments from the *Client* and the Partners and to make payments to the Partners and Named Suppliers.
- (5) Project Bank Account Tracker is a register of all payments made to and from the Project Bank Account and the date each payment was made and is in the form stated in the Scope.
- (6) A Supplier is a person or organisation who has a contract to
  - construct or install part of the *works*,
  - provide a service necessary to Provide the Works or
  - supply Plant and Materials for the *works*.
- (7) Trust Deed is an agreement in the form set out in the contract which contains provisions for administering the Project Bank Account.

#### Project Bank Account

- Y1.2 The *account holder* establishes the Project Bank Account with the *project bank* within eight weeks of the Contract Date.
- Y1.3 The *Client* pays any charges made and is paid any interest paid by the *project bank*. The charges and interest by the *project bank* are included in Client's Cost.

#### Named Suppliers

- Y1.4 The Partners include in their contracts with Named Suppliers the arrangements in the contract for the operation of the Project Bank Account and Trust Deed. The Partners inform the Named Suppliers of the details of the Project Bank Account and the arrangements for payment of amounts due under their contracts.
- Y1.5 A Partner submits proposals for adding a Supplier to the Named Suppliers to the Alliance Manager for acceptance. The submission includes the Suppliers as stated in the Scope and other Suppliers requested by the Partner. A reason for not accepting is that the addition of the Supplier does not comply with the Scope. The *Client*, the Partners and the Supplier sign the Joining Deed after acceptance.

#### Payments

- Y1.6 Until the Project Bank Account is established, payment is made by the *Client* to the Partners.
- Y1.7 The Alliance Manager shows in the application for payment the amounts due to Named Suppliers in accordance with their contracts.

- Y1.8 Within the time set out in the banking arrangements to allow the *project bank* to make payment to the Partners and Named Suppliers in accordance with the contract,
- the *Client* makes payment to the Project Bank Account of the amount which is due to be paid under the contract and
  - the Alliance Manager provides the information in the Payment Schedule to the *project bank*.
- Y1.9 The Partners inform the Alliance Manager if the amount due to any Named Supplier stated in the Payment Schedule is different from that in the application for payment and provides reasons for the change.
- Y1.10 The *account holder* authorises payment in accordance with the Payment Schedule no later than one day before the final date for payment.
- Y1.11 Following authorisation, the Partners and Named Suppliers receive payment from the Project Bank Account of the sums set out in the Payment Schedule as soon as practicable after the Project Bank Account receives payment.
- Y1.12 The Alliance Manager updates the Project Bank Account Tracker and within one week of any payment being made from the Project Bank Account.
- Y1.13 A payment which is due from a Partner to the *Client* is not made through the Project Bank Account.

#### Effect of Payment

- Y1.14 Payments made from the Project Bank Account are treated as payments from the *Client* to the Partners in accordance with the contract or from the Partners or Subcontractor to Named Suppliers in accordance with their contracts as applicable.

#### Trust Deed

- Y1.15 The *Client*, the Partners and *named suppliers* sign the Trust Deed within two weeks of the Contract Date.

#### Termination

- Y1.16 If the Alliance Manager issues a certificate terminating the obligations of all Partners to participate in Providing the Works, no further payment is made into the Project Bank Account.

## Trust Deed

This agreement is made between the *Client*, the Partners and the Named Suppliers.

Terms in this deed have the meanings given to them in the contract between . . . . .  
and . . . . . for . . . . . (the *works*).

### Background

The *Client* and the Partners have entered into a contract for the *works*.

The Named Suppliers have entered into contracts with a Partner or a Subcontractor in connection with the *works*.

A Project Bank Account will be established to make provision for payment to the Partners and the Named Suppliers.

### Agreement

The parties to this deed agree that

- sums due to the Partners and Named Suppliers and set out in the Payment Schedule are held in trust in the Project Bank Account for distribution to the Partners and Named Suppliers in accordance with the banking arrangements applicable to the Project Bank Account,
- further Named Suppliers may be added as parties to this deed with the agreement of the *Client* and Partners. The agreement of the *Client* and Partners is treated as agreement by the Named Suppliers who are parties to this deed,
- this deed is subject to the law of the contract for the *works*,
- the benefits under this deed may not be assigned.

**Executed as a deed on** . . . . .

by

..... (*Client*)

..... (Partners)

.....

.....

..... (Named Suppliers)

.....

## Joining Deed

This agreement is made between the *Client*, the Partners and . . . . . (the Additional Supplier).

Terms in this deed have the meanings given to them in the contract between . . . . .  
.. and . . . . . for . . . . . (the *works*).

### Background

The *Client* and the Partners have entered into a contract for the *works*.

The Named Suppliers have entered into contracts with a Partner or a Subcontractor in connection with the *works*.

A Project Bank Account **has been/will be** (delete as applicable) established to make provision for payment to the Partners and the Named Suppliers.

The *Client*, the Partners and the Named Suppliers have entered into a deed as set out in Annex 1 (the Trust Deed) and have agreed that the Additional Supplier may join that deed.

### Agreement

The parties to this deed agree that

- the Additional Supplier becomes a party to the Trust Deed from the date set out below,
- this deed is subject to the law of the contract for the *works*,
- the benefits under this deed may not be assigned.

**Executed as a deed on** . . . . .

by

. . . . . (*Client*)

. . . . . (Partners)

. . . . .

. . . . .

. . . . . (Additional Supplier)

**Contract Data**

Part one

If Option Y(UK)1 is used

The *account holder* is the **Client/Client and .....** (Delete as applicable)

The *project bank* is.....

*named suppliers* are.....