

ECS

Y(UK) 1 – Project Bank Account

Definitions

Y1.1

- (1) Joining Deed is an agreement under which the Supplier joins the Trust Deed and is in the document which the Subcontract Data states it is in.
- (2) Named Suppliers are *named suppliers* and other Suppliers who have signed the Joining Deed.
- (3) Project Bank Account is the account used to receive payments from the *Client* and the *Contractor* and to make payments to the *Contractor*, the *Subcontractor* and Named Suppliers.
- (4) A Supplier is a person or organisation who has a contract to
 - construct or install part of the subcontract *works*,
 - provide a service necessary to Provide the Subcontract Works or
 - supply Plant and Materials for the subcontract *works*.
- (5) Trust Deed is an agreement which contains provisions for administering the Project Bank Account and is in the document which the Subcontract Data states it is in.

Named Suppliers

- Y1.2 The *Subcontractor* includes in its contracts with Named Suppliers the arrangements in the contract for the operation of the Project Bank Account and Trust Deed. The *Subcontractor* informs Named Suppliers it appoints, the details of the Project Bank Account and the arrangements for payment of amounts due under their contracts.
- Y1.3 The *Subcontractor* submits proposals for adding a Supplier to the Named Suppliers to the *Contractor* for acceptance. A submission includes the Suppliers as stated in the Subcontract Scope and other Suppliers requested by the *Subcontractor*. A reason for not accepting a submission is that the addition of a Supplier does not comply with the Subcontract Scope. The *Client*, the *Contractor*, the *Subcontractor* and the Supplier sign the Joining Deed after acceptance.

Payments

- Y1.4 Until the Project Bank Account is established, payment is made by the *Contractor* to the *Subcontractor*.
- Y1.5 The *Subcontractor* shows in the application for payment the amounts due to Named Suppliers in accordance with their contracts. The *Subcontractor* notifies the *Contractor* if the amount due to any Named Supplier changes from that in the payment application and provides reasons for the change.
- Y1.6 The *Contractor* notifies the *Subcontractor* of the amounts to be paid from the Project Bank Account to the *Subcontractor* and Named Suppliers.
- Y1.7 The *Subcontractor* and Named Suppliers receive payment from the Project Bank Account of the amounts notified by the *Contractor*.
- Y1.8 A payment which is due from the *Subcontractor* to the *Contractor* is not made through the Project Bank Account.

Effect of Payment

Y1.9 Payments made from the Project Bank Account are treated as payments from the *Contractor* to the *Subcontractor* in accordance with the contract or from the *Subcontractor* to Named Suppliers in accordance with their contracts as applicable. A delay in payment due to a failure of the *Subcontractor* to comply with the requirements of this clause is not treated as late payment under the contract.

Trust Deed

Y1.10 If the *Subcontractor* is identified as a Named Supplier in the Contract Data in the main contract, the *Client*, the *Contractor*, the *Subcontractor* and *named suppliers* sign the Trust Deed within two weeks of the Contract Date stated in the main contract.

Joining Deed

Y1.11 If the *Subcontractor* is added as a Named Supplier in the main contract after the Contract Date stated in the main contract, the *Client*, the *Contractor*, the *Subcontractor* and the *named suppliers* sign the Joining Deed before the first assessment date.

Termination

Y1.12 If the *Contractor* issues a termination certificate, no further payment is made into the Project Bank Account for work done by the *Subcontractor* or Named Suppliers.

Contract Data

Part one

The Trust Deed is in

The Joining Deed is in

Part two

named suppliers are.....