

NEC3: THE CONSTRUCTION CONTRACT OF THE FUTURE by Mr Nicholas Gould

Thursday 8th February, 2007

The Talk:-

The New Engineering Contract is now in its third edition. The NEC has become widely used and was the basis of the construction contract for Terminal 5 at London's Heathrow Airport.

The NEC is a major attempt to draft a simple and direct standard form contract from first principles without attempting to build upon the standards forms that already exist. The authors of the NEC gathered under the auspices of the ICE. The specification prepared in 1987 set out the aims of those drafting the NEC, namely to:

- 1. Achieve a higher degree of clarity when compared to other existing contracts;
- 2. Use simple commonly occurring language and avoid legal jargon;
- 3. Repeat identical phrases if possible;
- 4. Produce core conditions and exclude contracts specific data to avoid the need to change the core terms;
- 5. Precisely and clearly set out key duties and responsibilities;
- 6. Aim for clarity above fairness; and
- 7. Avoid including details which can be more adequately covered in a technical specification.

In summary, three core principles might be said to be flexibility, simplicity and clarity, and a stimulus for good management. On the basis of these principles the authors drafted core claims that apply to all NEC contracts. The core clauses were then used as the basis for 6 main options (each with varying risk allocation and reflecting modern procurement practice).

One of the most noticeable features of NEC has been its short direct clauses. The simplicity of language is apparently to reduce the instance of disputes. A review by the drafting panel led to the launch, in June 2005, of NEC3.

The speaker will explain the core principles of the NEC and review the core clauses. Consideration is given to the use of NEC in practice.

The Speaker:-

Mr. Nicholas Gould. BSc(Hons) LLM FRICS MCIOB MCIArb

Nicholas Gould is the Chairman of the Society of Construction Law (UK) and a Partner in the specialist construction solicitors Fenwick Elliott LLP. He is a solicitor, chartered surveyor and CEDR Solve lead mediator, predominately advising organisations that own, finance, invest, build and facilitate development opportunities and construction projects in many parts of the world. Dispute resolution experience spans litigation, arbitration (domestic and international), adjudication, mediation, DRB/DABs, early neutral evaluation and expert determination. He regularly acts as lead mediator in multi-party construction, property, professional negligence and insurance related disputes.

Venue: The FTSE Room, Level 9, Capital Tower, 168 Robinson Road

Date/Time: 8 February, 2007. 6:15pm (registrations start at 6.00pm & the talk is estimated to last 1 hour

followed by a Q&A session)

	FEES (includes refreshments & materials, if any)
SCL Members	FREE
Guests of SCL members, Law Society members, NUS students	S\$40.00
Others	S\$60.00

Please return the registration application slip below, together with your cheque, if applicable, made payable to "Society of Construction Law (Singapore)", c/o 11 Collyer Quay, The Arcade #06-02, Singapore 049317 or Fax to 65572751.

For further enquiries, please contact SCL SECRETARIAT

Tel: (65) 6226 1060 Fax: (65) 6557 2751 E-mail: <u>secretariat@scl.org.sg</u> Website: <u>www.scl.org.sg</u>

Registration is required by 1 February 2007

REGISTRATION FOR SCL MEMBERS & THEIR GUESTS

Please use 1 form per SCL Member

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I enclose a cheque for SGD _____ made payable to "Society of Construction Law (Singapore)".

REGISTRATION, REFUND & CANCELLATION POLICY

- 1. Places are limited and can only be allocated in order of priority upon receipt of registration and any payment due.
- 2. We regret that we are unable to issue an invoice and cannot accept payment at the event.
- 3. Refunds for cancellation are not possible after the registration closing date (1st February 2007).
- 4. Members registering to attend 'free of charge' are required to give 7 days notice of cancellation or an administration charge of \$30 will be levied.
- 5. We reserve the right to refuse to register or admit any participant, and to cancel or postpone the course.