

AGREEMENTS AND DISAGREEMENTS UNDER A GENERAL CONTRACTOR CONTRACT: WHAT SHOULD BE TAKEN INTO ACCOUNT AND HOW TO SELECT PROPERLY A GENERAL CONTRACTOR ON A TENDER BASIS?

VEGAS LEX, with participation of the development company GVA Sawyer and with support of the Russian Managers and Developers Guild, in Moscow, held a seminar that is dedicated to selection of a general contractor and structuring of relations with it for the purpose of minimization of risks and losses when implementing development projects.

On 14 December 2017, VEGAS LEX seminar on the topic: *“Developer vs. general contractor: what should be taken into account when selecting a general contractor and structuring relations between the parties?”*, involving GVA Sawyer, was held for the Russian and foreign development and investment companies, construction holdings and other business representatives.

[Igor Chumachenko](#), VEGAS LEX Partner and Head of Real Estate, Land & Construction practice, within the scope of his speech concerning the disputes under a general contractor contract and the matters of structuring of relations between developer and general contractor, told about responsibilities of the parties, distribution of risks, provisions regarding the volumes and results of works, specifics of determination of time limits, contract price and settlement procedure. The speaker discussed with the seminar participants the case studies of disputes over the legal treatment of relations between the parties (i.e. structure, legal treatment and schemes of contractual relations), disputes over the existence of a contractor contract, the price of contractor contract and procedure of payment for works (when there is no contract for performance of works or there is no government contract; recovery of advance and regular payments; retention, etc.), disputes over the failure to comply with the time limits for performance of works and quality of works. In conclusion, he also addressed the issues of a bank guarantee and obligations of the parties to a contractor contract in case of early termination of the contract, and emphasized the details that need to be included in general contractor contracts, based on analysis of judicial practice.

Vera Setskaya, Partner and President of GVA Sawyer, FRICS, CCIM, has become a special guest of the seminar, who told about how to select properly a general contractor on a tender basis. Ms Setskaya explained to the seminar participants the basic principles of preparing and holding of a tender, in particular, the objectives, stages and time limits of holding of a tender, the types of tenders by complexity of preparing and holding, the criteria for preparation and content of a tender package, the Russian and western tender procedures for a general contractor contract.

For more information on VEGAS LEX's services in the area of construction contracts, please click [here](#).

For more detailed information on VEGAS LEX's litigation support services, please click [here](#).