

Construction Contract General Conditions

Article 1

(General Rule)

The contract officer and the contractor shall perform the contractual contract in accordance with the principles of good faith and sincerity as prescribed in the contract document under Article 3 concerning the contract of the construction contract.

Article 3

(Contract Documents)

1. Contract documents consist of contracts, design documents, reminders, construction contract general conditions, construction contract special conditions, and calculation details, and shall be effective in complementing each other.

Article 4

(Language)

1. In principle, the language used in fulfilling the contract shall be in Korean.
3. Where foreign languages and Korean are used in parallel pursuant to paragraph (2), matters written in Korean shall take precedence when the matters written in foreign languages differ from Korean.\

Article 5

(Notification, etc.)

4. Where the contractor receives a legitimate request in writing pursuant to these conditions, relevant statutes, etc. during the execution of the contract, the contractor shall faithfully review it and reply.

Article 6

(Transfer of Bonds)

1. The contractor may transfer the bond (right to claim the construction cost) incurred under this contract to a third party (including a member of the joint beneficiary organization).

Article 7

(Contract Deposit)

1. Where the contract amount is increased under these conditions, the contractor shall pay the corresponding amount of contract deposit additionally as prescribed in Articles 50 and 52 of the Enforcement Decree, and the contract officer shall return the corresponding amount of contract deposit.

Article 8

(Processing of Contract Deposits)

1. A contract officer shall, when the contractor fails to perform his/her contractual obligations without justifiable reasons, attribute the contract deposit to the national treasury.
5. A contract officer shall promptly return the contract deposit paid by the contractor to the contractor after the contract is executed.

Article 11

(Securing Public Land)

2. The contractor shall obtain confirmation from the contract officer whether to secure the construction site or not before putting manpower, equipment or materials into the site.

Article 12

(Inspection of Construction Materials)

1. Materials to be used for construction work shall be new, and quality, specifications, etc. must be consistent with the specification. However, materials not clearly defined in the specification shall be more than standard products and shall be most suitable for achieving the purpose of the contract.
2. The contractor shall undergo an inspection by the construction supervisor before using the construction materials, and the rejected materials shall be replaced immediately and inspected again.
3. If there is an objection to the inspection under paragraph (2), the contractor may request a re-inspection of the contract officer, and if it is deemed necessary, the contract officer shall take measures to re-inspect without delay.
4. When a contract officer receives a request from the contractor to inspect the materials for use in the construction work or receives a request for re-examination under paragraph (3), he/she shall not delay the inspection without justifiable reason.
5. If the contractor does not transfer or replace rejected materials immediately, the contract officer may unilaterally remove or replace the rejected materials.
7. Workpieces buried underwater or underground and other workpieces that cannot be inspected from outside after completion shall be constructed with the participation of the construction supervisor.
8. When a contractor violates the conditions set forth in paragraphs (1) through (7), or construction works that do not comply with the design, the contract officer may order the replacement or renovation of the workpieces.
9. In the case of paragraphs (2) through (8), the contract amount shall not be increased or the contract period shall not be extended. However, that where it is found to be suitable materials in the re-inspection results pursuant to paragraph (3), the contract period may be extended for the period required for re-inspection.

Article 13

(Government-grade Materials and Rental Items)

1. The ordering institution may supply or lend specific materials, machinery, equipment, etc. necessary for the performance of the construction to the contractor.
2. Government-supplied materials, etc. shall be supplied in a timely manner in accordance with the construction schedule under Article 17 (1) 2, and the date and place of delivery shall be determined after consultation between the parties.
4. The contractor shall be responsible for the management of government-grade materials, etc. after delivery under paragraph (2), and if the contractor destroys or damages them, he/she shall reimburse the ordering agency.
5. The contractor shall not use government-grade materials, etc. for purposes other than the performance of the contract, and shall not take them out of the site without written approval from the construction supervisor.
6. When a contractor acquires government-grade materials, etc., he/she shall inspect them, and where the quality or standard is deemed inappropriate for construction, he/she shall immediately notify the contract officer and request replacement.
7. If deemed necessary, a contract officer may change the quantity, quality, specifications, timing of delivery, place of delivery, etc. of government-grade materials, etc. In such cases, Articles 20 and 23 apply.

Article 14

(Construction Site Representative)

1. Contractor refers to a person who meets the criteria for the placement of technicians under construction-related statutes, such as Article 35 of the Enforcement Decree of the Framework Act on Construction Industry. The following) shall be designated and notified to the contract officer.
2. The representative of the construction site shall reside at the construction site and handle all matters concerning the management and construction of the construction site in accordance with the contract documents and instructions of the construction supervisor. However, that this shall not apply where the construction has been suspended for a certain period and the approval of the ordering agency has been obtained.

Article 15

(Construction Worker)

1. The contractor shall employ workers with the skills and experience necessary for the construction or management of the relevant contract and shall be responsible for the actions of the workers. However, that this shall not apply where the contractor has paid considerable attention and obligations to the management and supervision of workers.
2. If the contractor officer requests a replacement of a contract because he/she deems that the contractor is not suitable for construction or management of the contract, he/she shall immediately replace the contractor and shall not re-hire the replaced worker for construction or management of the contract.

Article 16

(Construction Supervisor)

1. The construction supervisor shall perform the duties prescribed by Article 39 (6) of the Construction Technology Promotion Act, Article 59 of the Enforcement Decree of the Act, Article 12 of the Electric Power Technology Management Act, and other construction project management engineers or supervisors.
2. The construction supervisor shall not exempt or increase or decrease the obligations and responsibilities of the contractor without the approval of the contract officer.
3. If the contractor's order or decision violates the matters prescribed by the construction supervisor or is deemed inappropriate for the performance of the contract, the counterpart shall immediately request the contract officer to correct it.
4. The contract officer shall take necessary measures within seven days from the date of receipt of the request for correction under paragraph (3).
5. The contracting partner shall submit a copy of all documents submitted to the ordering agency to the construction supervisor.
6. When the contractor receives a notification under Article 43-2 (1), the construction supervisor shall verify the payment details and evidence by receiving the payment from the sub-contractor, and the construction machinery loaner (hereinafter referred to as "subcontractor, material and equipment contractor").

Article 17

(Construction Commencement and Process Report)

1. The contractor shall commence construction of the construction work as prescribed in the contract document, and at the time of construction, he/she shall submit a report of construction including the following documents to the ordering agency:
 - 1.1. A certificate of on-site technical self-knowledge under relevant statutes, such as the Construction Technology Promotion Act;
 - 1.2. Construction schedule
 - 1.3. Safety, environment and quality control plan
 - 1.4. Manpower and equipment input plan by process
 - 1.5. Field photo before construction
 - 1.6. Other matters designated by public officials in charge of contracts

2. A contract officer shall determine the date of construction in consideration of the size, difficulty, and character of the construction work, but shall not be determined as the date before the date prescribed in the following sub-paragraphs: However, in the case of an annual contract after the first contract of a long-term continuing construction and a construction contract that needs to be urgently started, such as disaster recovery, the construction date may be decided at the time before the date prescribed in the following sub-paragraphs.
 - 2.2. If the estimated price is more than 1 billion won: 20 days from the date of signing the contract
3. If the contractor needs to change the documents submitted under paragraph (1) due to design changes or other changes in contract details during the performance of the contract, he/she shall submit the relevant documents by changing them.
4. If the contract officer deems it necessary to adjust the details of documents submitted pursuant to paragraphs (1) and (3), he/she may request the contractor to adjust them.
5. When a contract officer submits a construction report pursuant to paragraph (1), the contractor may submit the following matters to the ordering agency (including submission under subparagraph 4 of Article 2 or Article 14 of the Act on the Use and Promotion of Electronic Procurement) by 14 of the following month.
 1. Monthly progress rate and performance construction amount
 2. Current status of manpower, equipment and materials
 3. Details of modification of contract details and adjustment of contract amount
 4. Field photographs indicating the process conditions
6. If a contract officer deems that the construction cannot be completed within a fixed period due to delay in the process, he/she may instruct the contractor to take measures necessary for the promotion of the construction, such as submission of the weekly process status.

Article 19

(Design Change, etc.)

1. Design changes shall be made in any of the following cases:
 - 1.1. If the contents of the design are unclear, or if there is an omission, error, or inconsistency,
 - 1.2. If the conditions of the construction site, such as geology and water, are different from the specifications,
 - 1.3. If the effect of reducing construction costs and shortening construction period is noticeable through the use of new technology and construction methods;
 - 1.4. If other ordering agencies acknowledge that they need to change the design documents, etc.
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3. The design change referred to in paragraph (1) shall be completed before the construction of the part requiring the design change. However, if the contract officer urgently needs to carry out construction due to the delay in performing the process, he/she may consult with the contractor to clearly determine the timing of the design change, etc.

Article 19-2

(Design Change due to Unclear, Omission, Error, and Mutual Contradiction between the Design Documents)

1. When a contractor finds that the details of the design are unclear or that there is a mutual contradiction between the design documents, errors, or design documents, he/she shall prepare documents that clarify the relevant matters before implementing the design change.
2. Upon receipt of the notification under paragraph (1), a contract officer shall take necessary measures, such as design modification, in any of the following ways, so that the construction can be properly implemented:
 - 2.1. If the details of the specification are unclear (if the specification cannot be determined by the design alone), the unit price calculation or quantity calculation sheet prepared by the designer, and the construction method or quantity calculation sheet.
 - 2.2. If there is an omission or error in the design, the design document can be supplemented to verify

the fact and secure the function and safety of the contract object.

- 2.3. Design drawings and construction specifications are identical, but if the quantity is different from the quantity specifications, the volume specifications are identical to the design drawings and construction specifications.
- 2.4. If the design drawings and construction specifications are different from the design drawings or different from the construction specifications, the details must be prioritized for the best construction of the design drawings or construction specifications.
3. Paragraphs (2) 3 and 4 shall not apply to construction works prescribed in subparagraph 4 of Article 2. However, in the case of construction work prescribed in subparagraph 4 of Article 2, where the design drawings and construction specifications contradict each other, the priority shall be determined in accordance with the relevant statutes, documents, etc.

Article 19-3

(Design Change due to Site Conditions and Design Differences)

1. When a contractor discovers that the conditions of the construction site, such as geology, water, and underground facilities, are different from the designated site, he/she shall immediately prepare a document stating the conditions.
2. Upon receipt of the notification under paragraph (1), the contract officer shall check the site and change the design according to the status of the site.

Article 19-7

(Additional Measures for Design Change, etc.)

1. When the contract officer changes the design pursuant to Article 19 (1), he/she shall listen to the original designer's opinion in order to clarify the limit of liability in case of a defect, if the change is related to safety.
2. When the contract officer makes a design change pursuant to Articles 192, 19-3 and 19-5, he/she may require the contractor to submit the following matters simultaneously to the contract officer and the contractor shall comply:
 - 2.1. Schedule of modification process for the engineering plant
 - 2.2. Modification drawing and detailed drawing of the relevant engineering plant
 - 2.3. Contract amount and period for which adjustment is required
 - 2.4. Impact on other processes
3. When a contractor submits the original design drawings and construction details pursuant to paragraph (2) 2, he/she shall pay the expenses incurred in modifying them to the contractor pursuant to Article 23.

Article 20

(Adjustment of Contract Amount due to Design Change)

1. The unit price of the increased and decreased construction volume shall be the contract unit price. However, if the unit price of the contract is higher than the scheduled price, and the volume increases, the applicable unit price for the increased volume shall be the scheduled price.
2. The unit price of an item or item not included in the calculation details(This includes cases where performance, specifications, etc. are different, etc. This is referred to as the "New Item.") shall be the unit price calculated as of the time of design change(This means when a change in a design drawing is confirmed by the issuing authority, where a change in the design drawing is not required, when a design change is agreed upon by the contracting parties, or if the design change is preferentially constructed pursuant to Article 19 (3). be as follows) multiplied by the winning bid rate(The ratio of the winning bid or contract amount to the scheduled price. be as follows).

Article 21

(Limitation of Contract Amount Adjustment due to Design Change, etc.)

1. In the case of a construction contract concluded in any of the following ways, the amount of the contract shall not be increased except for reasons responsible to the school or reasons for force majeure, such as natural disasters:
 - 1.1. Where it is necessary to change the implementation design in connection with civil petitions, environmental and traffic impact assessments, or conditions for licensing under relevant laws and regulations;

Article 25

(Delay Compensation)

1. If the contractor fails to complete the construction within the completion period(The date of submission of the completion report in the contract, be as follows) prescribed in the contract, the contractor shall pay the amount(hereinafter referred to as "Delay Compensation") calculated by multiplying the delay compensation ratio by the contract amount(Annual contract amount in case of long-term continuous construction contract) every number of days. However, that where the amount to be paid exceeds 30/100 of the contract amount(Where an established part or part of payment is acquired after inspection pursuant to paragraph (2), the amount equivalent to that part is deducted from the contract amount.), it shall be 30/100.
3. If the contract officer deems that the construction has been delayed due to falling under any of the following, the relevant number of days shall not be counted into the number of delayed days referred to in paragraph (1):
 - 3.2. If the supply of important government-grade materials, etc. that cannot be used alternatively by the contractor, is delayed and the construction cannot be carried out;
 - 3.3. If construction is delayed or construction is suspended due to the responsibility of the ordering agency;
 - 3.6. Where a contract cannot be executed within the completion deadline due to design change under Article 19; Only if the cause is irresponsible of the contractor.

Article 27

(Inspection)

1. When the contractor completes the construction, he/she shall notify the contract officer in writing, such as a written declaration of completion, and undergo necessary inspections.
2. The contract officer shall conduct an inspection within 14 days from the date of receipt of the notification under paragraph (1) to verify the performance in the presence of the contractor in accordance with the contract, design, completion report, and other relevant documents. However, if the inspection is not completed due to force majeure, such as a natural disaster, it may be extended by three days from the period of existence of the relevant reason and the date of its expiration.

Article 32

(Force Majeure)

1. Force Majeure means a case in which a person directly influenced the execution of construction work due to typhoon, flood, war or accident, earthquake, fire, epidemic, riot, etc. (hereinafter referred to as "reason for force majeure") and does not fall under anyone's responsibility.
2. The ordering agency shall bear the following damages caused by the reason of force majeure:
 - 2.1. Off-the-shelf parts that have been inspected pursuant to Article 27
 - 2.2. Among the parts that have not been inspected, the parts that have already been verified to have been carried out through objective data (supervision log, photos, videos, etc.)
 - 2.3. Damages under the proviso to Article 31 (1) and Article 3 of the same Article
3. When a damage under paragraph (2) occurs during the contract execution period, the contracting partner shall notify the contract officer without delay, and when the contracting officer receives the notification,

he/she shall immediately investigate the fact and confirm the status of the damage. In such cases, the opinions of the construction supervisor may be considered.

Article 33

(Defect Repair)

1. The contractor shall be responsible for repairing defects(Only for defects caused by constructional errors of contract partners) in construction objects during the period prescribed by the contract pursuant to Article 60 of the Enforcement Decree (hereinafter referred to as the "defective security period") from the date of acquisition or completion of the completion inspection (from the date of arrival first, if management and use is carried out due to the partial completion of the construction contract, it means the date of acquisition of the partial object and the date of commencement of management and use according to the announcement.).

Article 34

(Defect Repair Deposit)

1. The contractor shall pay the amount(hereinafter referred to as "defective repair deposit") calculated by multiplying the contract amount by the defect repair deposit rate prescribed in the contract(If the original contract amount is adjusted, it means the adjusted contract amount.) to guarantee the repair of defects in the construction work as prescribed in Article 62 of the Enforcement Decree and Article 72 of the Enforcement Rule.
2. If a contract partner receives a request for repair of defects from the contract officer during the period of defect security liability under Article 33 (1), the contract officer shall attribute the defect repair deposit under paragraph (1) to the national treasury.

Article 35

(Defect Inspection)

1. The contract officer shall regularly inspect the occurrence of defects at least twice a year during the period of defect collateral liability under Article 33 (1).
2. The contract officer shall conduct a final inspection 14 days before the expiration of the liability period for defect collateral, and upon completion of the final inspection, a written confirmation of defect repair shall be issued to the contractor. In such cases, the contractor shall repair defects found in the final inspection at his/her own expense until a written confirmation of the completion of the defect repair is issued.

Article 39

(Payment of Ready-made Prices)

1. The contractor may simultaneously submit a written request for payment of the established part[(The payment plan for the subcontractor and the material and equipment contractor shall be attached and the payment plan for the material and equipment contractor(hereinafter referred to as "materials and equipment contractors of the subcontractor") directly signed with the subcontractor)] to the contract officer and the construction supervisor by the date of completion of the inspection under Article 27(8) at least every 30 days.
6. The base price of the Ready-made prices shall be calculated and paid according to the unit price of the contract.

Article 40

(Construction Completion Payment)

1. The contractor may request payment in accordance with specific procedures under Article 27 after completion the construction such as payment claim invoice submission (should be attached the file of payment claim plan to subcontractor, material&equipment contractor)

Article 42

(Subcontracts Approval. etc.)

1. The contractor shall comply with the Framework Act on Construction Industry or the Acts and subordinate statutes related to Singapore of he intends to subcontract part of the contracted construction work to a third party.
2. The civil servant in charge of a contract is notified of a subcontract by the contractor pursuant to paragraph (1), he shall examine the adequacy of the subcontract amount as prescribed by the Construction Subcontracting Standards notified by the Minister of Land, Infrastructure and Transport.

Article 44

(Contract Termination/Cancellation for the reason of responsible contractor)

1. The civil servant in charge of a contract revoke or terminate all or part of the relevant contract if the contractor has done any issues as below;
 - 1.1. The case of that construction is not started even after the contracted construction date has expired without reasonable reason
 - 1.2. The case that deemed the construction cannot be completed or is unlikely to be completed by the completion deadline due to the reasons responsible reasons from the contractor
 - 1.5. The case there is any illegal or illegal act that interferes with bribery/corruption against general contract management during the contract period.
 - 1.6. The case when the construction plan under Article 47(3) is not submitted or supplemented, or the plan is not implemented without any resonable reasons
 - 1.7. The case that a contract is concluded related to bidding in a false or false waty.
 - 1.8. The case that deemed that the purpose of the contract cannot be achieved due to the violation of other terms and conditions of the contract.
2. The civil servant in charge of a contract shall notify the contractor in the case of cancellation or termination of the contract under paragraph (1) and subcontractor based on Article 42.

Article 47

(Construction temporary suspension)

1. The construction supervisor may suspend the implementation of all or part of the construction in the following cases: In such cases, the contractor shall not neglect the duty of all responsible tasks during the suspension period.
 - 1.1. The case that construction jobs are inconsistent with the details of the contract
 - 1.2. The case that is likely to be suspend the construction for the safety of all or some part of the construction
 - 1.4. The case that contract civil servant instructs the contractor to do so in accordance with the needs of ordering agencies
2. The civil servant in charge of a contract shall notify suspension reason and period for the contractor in the case of temporary suspension of the contract under paragraph(1)

Article 47.3

(Process Suspension Management)

1. The contractor shall immediately submit a construction plan to resolve below cases due to own responsibility:
 - 1.1. The case of that the execution process rate is delayed by more than 10% compared to the planned process rate.
 - 1.2. The case that main construction work, such as the framework construction, is suspended for more than one month
2. The ordering agency and the contractor may adjust the details of each subparagraph of paragraph (1) or add new contents according to the size, type, characteristics, etc. of the construction work in mutual consultation.
3. The civil servant in charge of a contract may review the plan submitted by the other party of the contract pursuant to paragraph (1) and request supplementation, if necessary.

Article 51

(Dispute Resolution)

1. Disputes arising between the parties to the contract during the performance of the contract shall be resolved through mutual consultation.

Article 52

(Construction-related Data Submission)

The civil servant in charge of a contract may, if deemed necessary, request the contractor to submit itemized unit cost table or a unit price statement underlying the calculation details, and in such cases, the contractor shall comply.