

Avoid Disputes by proper Breakdown of Contract Price CP

A _ PLAN	We look for a long-lasting, trustworthy relationship with our Sub-Contractors.							
Sub-Contractor offer								
Pile production		100 days	1000 lin meter	Production rate = 10 meters only/day				
Initially agreed Contract price	100.000 Euro							
Production time 20 working days per month								
Type of Cost		Allocation	End M1	End M2	End M3	End M4	End M5	Check
Site Establishment	9%	9.000	9.000	-	-	-	-	9.000
Running cost per month	10%	10.000	2.000	2.000	2.000	2.000	2.000	10.000
Other costs / risk coverage	3%	3.000	600	600	600	600	600	3.000
Site Demobilization, Cleaning	3%	3.000	-	-	-	-	3.000	3.000
Indirect costs IDC without Profit	25%	25.000	11.600	2.600	2.600	2.600	5.600	25.000
5% default profit	5%	5.000	1000	1000	1000	1000	1000	5.000
Direct cost for permanent works	70%	70.000	14000	14000	14000	14000	14000	70.000
Turnover / Earning per month	100%	100.000	26.600	17.600	17.600	17.600	20.600	100.000

B _ S/C Claim for de-scoping of 25.000 Euro > Turnover 75.000 Euro only.							
Execution time = fixed / unchanged		Plan	descope / absorbed		not absorbed		
Turnover decrease due to omission of works		100.000	75.000		25.000		
absorbed IDC with the initial Contract Price / not absorbed due to decrease Contract price (de-scoped)		25.000	18.750		6.250		
5% Profit Loss (deficit), if he has not other chance to recover by other work load		5.000	3.750		1.250	!!!	
Other preparatory works not included in permanent works (Design Costs, on store, - residual value)						not known for now	
Claim amount by Sub-Contractor				30%	7.500	plus increase	

Refer Red FIDIC Book / MDB2010 > to SC12.4 Omission

[04.4+Subcontractor-Omission+ContractPriceIncrease.pdf](#)

M/C - Owner's Claim for INCREASE of Contract Price by 25.000 Euro							
Execution time = fixed / unchanged		Plan	increase of / overpaid IDC		overpaid		
Turnover increase (direct + indirect cost + profit)		100.000	125.000		-25.000	to cover unjust E.	
absorbed IDC with the initial Contract Price / overpaid IDC due to increased Contract price		25.000	31.250		-6.250		
5% Profit for "additional works" cannot be bereaved		5.000	6.250		xxx	physical works done	
Other preparatory works not included in permanent works (Design Costs, on store, - residual value)						not known for now	
Owner's Claim amount due to Contract Price increase				25%	-6.250	plus increase 	

AGREEMENT >>>

www.ppe61.de/03.5+NoticeofDetermination-ByAGREEMENTofParties.pdf

ASCERTAINMENT >>>

www.ppe61.de/03.5+NoticeofDetermination-ByASCERTAINMENTofEngineer.pdf

All data : >>>

www.ppe61.de/03.5+NoticeofDetermination-All.pdf

Exploitation of **untalented professionals vs. unjust enrichment:**

www.ppe61.de/S+UnjustEnrichment.pdf

File Name of this document

www.ppe61.de/04.4+Subcontractor-Omission+ContractPriceIncrease.pdf