**Section III Powers and Duties of *Client* and *Project Manager***

**III:1 *Project Manager*’s Powers**

| **III:1** | ***Project Manager*’s Powers** | **Guidelines** |
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| (1) | Before carrying out any of its duties or exercising any of its powers under the contract, the *Project Manager* may be required under the terms of its appointment by the *Client* or the internal rules of the *Client* to obtain confirmation that the *Client* has no objection to the *Project Manager*’s proposed course of action and, in the event of an objection, to act in accordance with the *Client*’s direction. | ETWB TC(W) No. 6/2010 Modified from GCC2 and SCC73(2) |
| (2) | (a) The *Project Manager* is required under the terms of its appointment by the *Client* or the internal rules of the *Client* to obtain confirmation of no objection from the *Client* and, in the event of an objection, to act in accordance with the *Client*’s direction before giving any instruction changing the Scope or taking any other action which may commit the *Client* to an increase or a decrease in the Prices by a sum estimated to exceed HK$1,000,000. This requirement is not applicable where the instruction changing the Scope or other action is considered by the *Project Manager* to be essential on grounds of safety or other emergency in circumstances when it is impracticable to refer the matter to the *Client* beforehand. |  |
|  | (b) Subject to any prior contrary instructions given by the *Client*, the *Project Manager* may give any instruction changing the Scope or taking any other action which may commit the *Client* to an increase or a decrease in the Prices without the need to obtain confirmation of no objection from the *Client* if the value of such instruction or commitment is estimated not to exceed HK$1,000,000. |  |
| (3) | The *Project Manager* is required under the terms of its appointment by the *Client* or the internal rules of the *Client* to obtain confirmation of no objection from the *Client* and, in the event of an objection, to act in accordance with the *Client*’s direction before 1. permitting the *Contractor* to introduce an extra tier of subcontracting in accordance with ACC Clause V:3 and NEC Clause 26,
2. accepting alternative disposal grounds proposed by the *Contractor* in accordance with [*insert reference*] of the Particular Specification and
3. issuing instruction on implementation of the Section Subject to Excision in accordance with ACC Clause III:2.
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| (4) | The *Contractor*’s rights under the contract is not prejudiced in any way by any failure on the part of the *Project Manager* to comply with the requirements set out in this clause or any other requirements of its appointment by the *Client*. |  |
| (5) | Except as expressly stated in the contract, the *Project Manager* has no power to amend the terms and conditions of the contract nor to relieve the *Contractor* of any of its obligations under the contract. |  |

**III:2 Section Subject to Excision**

| **III:2** | **Section Subject to Excision**  | **Guidelines** |
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| (1) | For the purpose of this clause, “**Section Subject to Excision**” means the part of the *works* which is identified as such in the Scope, the implementation of which has not been decided upon by the *Client* at the time the tender documents are issued and which is only implemented upon a subsequent decision of the *Client*, followed by an instruction from the *Project Manager.* | LWBTC No. 6/89 and SDEV’s memo ref. (02B2H-01-5) in DEVB(W) 510/10/01 dated 9.3.2011Modified from SCC7**Optional** for contracts with section subject to excision |
| (2) | The *Contractor* allows for the Section Subject to Excision in its programme submitted in accordance with NEC Clause 31. The *Contractor* does not incur cost or start work on the Section Subject to Excision until the *Project Manager* gives an instruction to the *Contractor* to start work on it.  |
| (3) | Within the time stated in the Contract Data, the *Project Manager* gives an instruction to the *Contractor* to 1. start work on the Section Subject to Excision, or
2. remove the Section Subject to Excision from the Scope.
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| (4) | If the *Project Manager* gives an instruction to the *Contractor* to start work on the Section Subject to Excision,1. the *Contractor* executes and completes the Section Subject to Excision on or before the completion date as stated in the Contract Data or such Completion Date as changed in accordance with the contract, and
2. the contract is thereafter construed in every way as if the Section Subject to Excision had at all times formed part of the *works*.
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| (5) | If the *Project Manager* gives an instruction to the *Contractor* to remove the Section Subject to Excision from the Scope,1. the *Contractor* is thereafter not obliged to execute and complete the Section Subject to Excision,
2. this does not constitute a compensation event and for avoidance of doubt, the *Contractor* is not entitled to any payment or other compensation or relief of or attributable to the Section Subject to Excision,
3. the Prices are reduced by the total of \*the lump sum prices for each of the activities on the Activity Schedule [for Options A and C] / \*the lump sums and the amounts obtained by multiplying the rates by the quantities for the items in the Bill of Quantities [for Options B and D] for the Section Subject to Excision,
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|  | 1. the contract is thereafter construed in every way as if the Section Subject to Excision had not at any time formed part of the contract and all references thereto have no effect,
2. the *Contractor* reviews the programme submitted in accordance with NEC Clause 31 and, where appropriate, submit a revised programme to the *Project Manager* in accordance with NEC Clause 32, and
3. the *Contractor* reviews each of the other documents submitted in accordance with the provisions of the contract and, where appropriate, submit an amended or varied version of the same to the *Project Manager*.
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