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## American Subcontractors Association, Inc. Subcontractor's Negotiating Tip Sheet One-Way Conduit Clause

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### Sample Language

#### ASA Recommends:

"Subcontractor shall have the benefit with respect to Customer of all the same rights, remedies and redress that the Customer has pursuant to its contract with its own customer."

#### What You May See in the Wild:

"The Subcontractor agrees to be bound to the Contractor by all terms of the General Contract with respect to the work to be performed by the Subcontractor and to assume toward the Contractor all of the duties, obligations and responsibilities that the Contractor, by those Contract Documents, assumes toward the Owner with the same force and effect as though every such duty, obligation or responsibility were set forth herein in full."

#### Additional Resources:

*ASA Subcontract Addendum (2011)*, ¶ 3. Available to ASA members at [www.ASAonline.com](http://www.ASAonline.com).

*What Is "In" the Contract: Flow-Down Clauses (2009)*. Available to ASA members at [www.ASAonline.com](http://www.ASAonline.com).

*ConsensusDocs Form 750, Standard Agreement Between Constructor and Subcontractor (2012)*, ¶ 3.1. Available at [www.ConsensusDocs.org](http://www.ConsensusDocs.org); ASA members can get a 20 percent discount by entering ASA100.

*American Institute of Architects Form A401, Standard Form of Agreement Between Contractor and Subcontractor (2007)*, ¶ 2. Available at [www.aia.org/contractdocs/](http://www.aia.org/contractdocs/).

### Impact on the Subcontractor

- The subcontractor may absorb all of responsibilities, even those of which it is not even aware, but none of the benefits.

### ➤ Negotiating Tips

**When the GC Says:** "I've negotiated provisions with the owner that simply don't apply to you. Our roles are different."

**The Sub Should Say:** "We see the general contract as a two-way street. We've agreed to take on the obligations for our portion of the work. In return, we have to count on the rights and benefits in the general contract flowing to us."

**When the GC Says:** "This kind of clause is standard practice in the construction industry. I can't make exceptions for you."

**The Sub Should Say:** "A two-way conduit is standard practice in our construction industry. In fact, both the ConsensusDocs and the AIA standard subcontracts include a two-way clause."