

**JOINT PRACTICE COMMITTEE**

**(WESTERN CAPE)**

CONSTITUENTS:  
CAPE INSTITUTE OF ARCHITECTURE  
SOUTH AFRICAN PROPERTY OWNERS' ASSOCIATION  
ASSOCIATION OF SOUTH AFRICAN QUANTITY SURVEYORS  
SOUTH AFRICAN ASSOCIATION OF CONSULTING ENGINEERS  
MASTER BUILDERS & ALLIED TRADES ASSOCIATION, W.CAPE

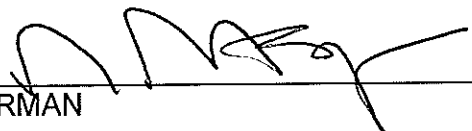
**Practice Note 08/2009**

**DISCOUNT ON EARLY SETTLEMENT**

Despite the clear intent of the payment provisions contained within the JBCC Principal Agreement, it often happens that Contractors, and therefore Sub-Contractors, are forced to wait an inordinate length of time for payment of monies properly due under the agreement. This is more the rule than the exception.

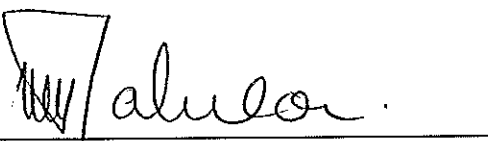
It is often the case that Sub-Contractors, not having the necessary financial support to cope with these circumstances, approach the Contractor to obtain early settlement of their accounts, offering a small discount in compensation therefore.

It is therefore inequitable in the extreme that special clauses, entitling the Employer to the benefit of such settlement discounts are included in the Agreement, and should be avoided.

  
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CHAIRMAN

18 June 2009

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DATE

  
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SECRETARY