

TEST 2 OF 3
Applied Knowledge

Employer Representatives — those meeting directly with the Engineer and Contractor

Based on: MCA Staff Training Programme — Videos 1–10 | FIDIC 1999 with MCC Particular Conditions

Instructions: Choose the single best answer for each question.

Questions: 30 | Time Allowed: 45–60 minutes | Passing Score: 22/30 (73%)

Name: _____ Date: _____

QUESTIONS

- Under the MCC Particular Conditions, what must the Employer do if MCC suspends disbursements under the Compact?
 - Immediately suspend all Contractor payments
 - Notify the Contractor within 7 days
 - Issue a suspension instruction through the Engineer within 14 days
 - Apply to MCC for emergency funding to cover the gap
- Under Sub-Clause 2.1, if the Employer fails to provide site access on time (and the delay is not caused by the Contractor), what is the Contractor's full entitlement?
 - A time extension only — no additional costs
 - A formal claim referral to the DAB immediately
 - A time extension plus additional costs plus reasonable profit
 - The right to terminate immediately under Sub-Clause 16.2
- Under the MCC Particular Conditions, which of the following actions requires the Engineer to obtain the Employer's approval before acting?
 - Issuing a routine safety instruction under Sub-Clause 4.8
 - Reviewing the Contractor's monthly programme update
 - Granting an extension of time under Sub-Clause 8.4
 - Responding to the Contractor's request to add a subcontractor

4. At what cumulative variation threshold must MCC itself and the MCA Board also approve?
- A) When cumulative variations exceed 5% of the Accepted Contract Amount
 - B) When cumulative variations exceed 10% of the Accepted Contract Amount
 - C) When cumulative variations exceed 15% of the Accepted Contract Amount
 - D) When cumulative variations exceed 20% of the Accepted Contract Amount
5. What is the complete payment timeline from the Contractor's monthly Statement to the Employer's payment deadline?
- A) Engineer has 14 days to certify; Employer has 42 days from Statement to pay
 - B) Engineer has 28 days to certify; Employer must pay within 56 days from receipt of the Statement
 - C) Engineer has 21 days to certify; Employer has 28 days from certification to pay
 - D) Engineer has 28 days to certify; Employer has 56 days from certification to pay
6. Under Sub-Clause 20.1, what is the critical consequence of the Contractor failing to give written notice within 28 days of a claim event?
- A) The Contractor must pay a penalty equal to 2% of the claimed amount
 - B) The claim is automatically referred to the DAB
 - C) The entitlement is lost entirely — the Employer is discharged from all liability for that event
 - D) The Engineer must determine whether a time extension is still warranted
7. After giving the initial 28-day claim notice, how long does the Contractor have to submit the fully detailed claim?
- A) 21 days
 - B) 28 days
 - C) 42 days
 - D) 56 days
8. Under the MCC Particular Conditions, what happens if the Engineer does not respond to a detailed claim within 42 days?
- A) The claim is automatically approved in full
 - B) The claim is deemed permanently rejected
 - C) Either party may consider the claim rejected and refer it to the DAB under Sub-Clause 20.4
 - D) The Employer must respond directly to the Contractor
9. Under Sub-Clause 8.6, if the Contractor falls behind schedule due to their own inefficiency, who bears the cost of acceleration measures?
- A) The Employer
 - B) MCC through a supplemental Compact allocation
 - C) Both parties share the cost equally
 - D) The Contractor — it is at their own risk and expense

10. Under the MCC Particular Conditions, what financial penalty applies if the Contractor fails to submit a revised programme within 28 days of the Engineer's notice under Sub-Clause 8.3?

- A)** A deduction from the next Interim Payment Certificate
- B)** An obligation to increase the Performance Security by 2% of the Contract Price
- C)** Suspension of all work until the programme is submitted
- D)** Loss of the right to claim time extensions for that period

11. What four things does the Taking-Over Certificate trigger?

- A)** Performance Certificate, final payment, site clearance, and contract close
- B)** Transfer of care to Employer, release of first half of retention, start of DNP, and cessation of delay damages
- C)** Release of full retention, Performance Certificate, start of DNP, and arbitration rights
- D)** Release of first half of retention, start of DNP, issue of Final Payment Certificate, and site clearance

12. If the Engineer does not respond to a Taking-Over Certificate application within 28 days and the works are substantially complete, what is the contractual outcome?

- A)** The application is deemed rejected and must be resubmitted
- B)** The Contractor may re-apply after a further 14 days
- C)** The Employer must respond directly within 7 days
- D)** The Taking-Over Certificate is deemed to have been issued

13. Under Sub-Clause 8.4, which of the following is NOT a valid ground for a Contractor to claim a time extension?

- A)** A Variation instructed by the Engineer
- B)** The Contractor's own inefficiency in executing the works
- C)** Exceptionally adverse climatic conditions
- D)** Delays caused by the Employer or their other contractors on the site

14. Under what specific circumstance can the Engineer instruct an emergency variation without waiting for Employer approval?

- A)** Whenever the variation is below the threshold percentage in the Appendix to Offer
- B)** When an emergency affects the safety of life, the works, or neighbouring property
- C)** Whenever the Engineer personally deems it necessary for programme
- D)** The Engineer can never instruct any variation without Employer approval under MCC contracts

15. What happens if a party misses the 28-day window to give a notice of dissatisfaction after a DAB decision?

- A)** They have an additional 14 days to submit an amended notice
- B)** The matter is automatically referred to amicable settlement
- C)** The Engineer must issue a new determination
- D)** The DAB decision becomes final and binding and can never be challenged in arbitration

- 16.** Under the MCC Particular Conditions, the CESMP must be submitted within how many days of the commencement notice, and what must happen before work begins?
- A)** 14 days; work can begin once submitted
 - B)** 21 days; the Engineer must approve it within a further 14 days
 - C)** 28 days; the Engineer must approve it before work starts
 - D)** 42 days; work can begin but must comply with the plan once approved
- 17.** Under Sub-Clause 6.14 of the MCC Particular Conditions, what is the absolute prohibition regarding age?
- A)** No worker under 16 may be employed on site
 - B)** No worker under 18 may perform hazardous work under any circumstance
 - C)** No worker under 18 may be employed in any capacity
 - D)** Minimum age requirements apply only to the Contractor, not subcontractors
- 18.** The Contractor's Representative is required under Sub-Clause 4.3. What is their primary function?
- A)** To attend MCC stakeholder meetings on the Contractor's behalf
 - B)** To be the Contractor's main point of contact — authorised to receive instructions from the Engineer and act on the Contractor's behalf
 - C)** To certify all Contractor's payments and submissions
 - D)** To manage the Contractor's subcontractors independently of the Engineer
- 19.** Under the FIDIC dispute resolution ladder, what is the correct sequence of steps?
- A)** DAB → Engineer's determination → Amicable settlement → Arbitration
 - B)** Engineer's determination → Amicable settlement → DAB → Arbitration
 - C)** Engineer's determination → DAB → Amicable settlement → Arbitration
 - D)** Amicable settlement → Engineer's determination → DAB → Arbitration
- 20.** Under Sub-Clause 16.1, what must the Contractor do before they are entitled to suspend work?
- A)** Refer the payment dispute to the DAB first
 - B)** Give 21 days' written notice to the Engineer if the Engineer fails to certify or the Employer fails to pay
 - C)** Obtain MCC's approval to suspend
 - D)** Give 28 days' written notice of intent to suspend
- 21.** Under Sub-Clause 11.3, as amended by the MCC Particular Conditions, when can the Defects Notification Period be extended?
- A)** Any time the Engineer identifies a defect during the DNP
 - B)** Only for defects that are attributable to the Contractor — not for defects caused by Employer misuse
 - C)** At the Employer's discretion, with the Engineer's written consent
 - D)** Only if both parties agree in writing and MCC is notified
- 22.** Under Sub-Clause 15.2, for which of the following grounds can the Employer terminate without giving the standard 14-day notice?

- A) The Contractor fails to submit a revised programme on time
- B) The Contractor's progress falls significantly behind the programme
- C) The Contractor becomes bankrupt or offers a bribe or inducement
- D) The Contractor fails to comply with a notice to correct under Sub-Clause 15.1

23. What three additional termination grounds do the MCC Particular Conditions add that are not in standard FIDIC?

- A) Poor weather, design errors by the Contractor, and late programme submissions
- B) Late payment by the Employer, Engineer resignation, and force majeure lasting 42 days
- C) Failure to maintain eligibility, failure to perform Annex A obligations, and Compact expiry or suspension
- D) Failure to maintain a site office, submit monthly reports, and keep insurance current

24. After a notice of dissatisfaction, on what date can arbitration proceedings first commence?

- A) Immediately upon issuing the notice of dissatisfaction
- B) After 28 days from the notice
- C) On or after the 56th day after the notice of dissatisfaction
- D) Only after amicable settlement is formally declared exhausted

25. Under Sub-Clause 8.3, if the Engineer notifies the Contractor that a revised programme does not comply, and the Contractor fails to submit a further revised programme within 14 days, what happens under the MCC Particular Conditions?

- A) The Engineer may immediately terminate the Engineer's review obligations
- B) The Employer may withhold the next Interim Payment Certificate
- C) The Contractor must increase the Performance Security by 2% of the Contract Price
- D) The Contractor loses their right to claim extensions during that period

26. Under Sub-Clause 8.8, if a suspension continues for more than 84 days and the Engineer does not give permission to resume within 28 days of the Contractor's request, what can the Contractor do?

- A) Immediately claim full contract value as compensation
- B) Refer the matter to the DAB as a dispute
- C) Treat the affected work as an omission (or terminate if the whole works are affected)
- D) Suspend the Engineer's authority until the issue is resolved

27. Under the MCC Particular Conditions, what does Sub-Clause 20.7 enable when a party refuses to comply with a DAB decision?

- A) The non-complying party is automatically in default under the contract
- B) The aggrieved party may refer the failure directly to arbitration for summary or expedited relief, bypassing Sub-Clauses 20.4 and 20.5
- C) The Engineer must issue a notice to correct before any enforcement step
- D) MCC may intervene directly and enforce the DAB decision

28. After the Contractor terminates the contract due to Employer default under Sub-Clause 16.2, what financial entitlements does the Contractor have?

- A) Payment for work done only — no profit on work not yet carried out
- B) Payment for work done, materials ordered, demobilisation costs, and profit on remaining work
- C) Payment for demobilisation costs only; the Performance Security is forfeited
- D) The Contractor receives no payment; the matter goes directly to arbitration

29. Under Sub-Clause 3.5, the Engineer must make a fair determination on a disputed matter. What does this require the Engineer to do?

- A) Always decide in the Employer's favour, since the Employer appoints and pays the Engineer
- B) Consult with both parties and make a decision that takes account of all relevant circumstances
- C) Refer the matter to the DAB for independent guidance before making any determination
- D) Ask MCC for guidance before issuing the determination

30. Under Sub-Clause 6.19 of the MCC Particular Conditions, what must the Contractor establish for all personnel, including subcontractor staff?

- A) A minimum wage guarantee equal to the local labour market average
- B) A grievance mechanism that is accessible, transparent, and allows anonymous complaints
- C) A joint labour committee with Employer representation
- D) An HIV-AIDS treatment programme covering all workers and their families