## **PUBLICATION**

## **Don't Just Kick A Contractor Off The Project**

Authors: Cameron Strawbridge Hill, Sr.

May 7, 2007

Have you ever had a personality clash with a subcontractor and wanted to get a different subcontractor on the project? Have you ever thought that the general contractor was making your job unnecessarily difficult for no good reason, just to run you off the site? Let's take a look at some things that will help you decide whether terminating the contract makes sense.

**Always double-check your reason for terminating a contract.** As with most of the decisions you make on your project, not only what you do but also how you do it can have costly repercussions. Terminating a contract is one occasion when it pays to do it right. Don't be the contractor who gave a reason for ending the subcontractor's contract that was not supported by what happened during the project or the language of his contract. When this happens, you might have wrongfully terminated the contract and have to pay damages.

In one example, a general contractor said he terminated his subcontractor because the subcontractor failed to complete the contract on time. However, the parties' contract did not have any specific time requirements or work schedules, and the replacement subcontractor's contract also did not have any time requirements or schedules. In addition, when the original subcontractor's pace of work was compared to the replacement contractor's schedule, the replacement subcontractor worked at the same speed as the original subcontractor.