

## **Abstract**

The privity principle is one of the primary intact rules of contract among the international jurisdictions. Applying the same however on the parties having no direct binding relationship but they are connected by a contractual chain is debatable. As such, in the case what is in the construction contracts where the parties having complex relationships thru the subcontractor to the head contractor to the employer and further to the subsequent owner.

In this regard, this paper will demonstrate some circumstances thru which the privity principle is attacked under the UAE civil law and English common law. Thus it brings to the attention whether; and if so up to what extent; the matters of subcontractor's nomination by the employer, the collateral warranty, the assignment, the tortious liability and lawful liability interact with the privity principle. Further, the paper will through light on the effect of arbitration consolidation agreement in this respect.

Whatsoever the case in this context; the court will not try to break the privity principle. Rather, the court will look into this matter from another direction that whether at any circumstances at which the aside parties with no direct contract like the employer and the subcontractor somehow as mentioned above would become having direct binding relationship. Hence, this paper will endorse that despite that the privity principle is a matter of law; it is subject to exposure under some circumstances even such circumstances are stringent to establish a leapfrog from the privity principle.

Upon standing on the findings of this paper; the contractual parties are expected to put an eye on the privity principle which could be in favour and burden on either party at one time. Further, this paper enlightens to whomever a party in a contract that it can retain a contractual device in his favour to break the privity principle upon its convenient. In addition from the other side, such party is advised to fortify its position against any leapfrog to the privity principle shall such leapfrog brings unwanted liability beyond its original contract by using a limitation of liability clause.