

Agreement & Schedule of Conditions of

# BUILDING CONTRACT

for use in the Hong Kong Special Administrative Region

Standard Form of Building Contract  
Private Edition - Without Quantities



2006 EDITION

# Contents

	<i>PAGE</i>		<i>PAGE</i>
<b>Articles of Agreement</b>	5	5.5	Nominated Supply Contract documents
<b>Attestation</b>	8	5.6	Further drawings, details, descriptive schedules and similar documents
<b>The General Conditions</b>		5.7	Documents to be provided to Contractor on time
<b>1 Interpretation and definitions</b>	9	5.8	Electronic copies of drawings
1.1		5.9	Documents on Site
1.2		5.10	Return of drawings
1.3		5.11	Submission of manuals and assignment of warranties
1.4		5.12	Submission of as-built drawings
1.5		5.13	Limits to use of documents
1.6		5.14	Issue of Architect's certificates
1.7		5.15	Copy of notice to be given to Employer
1.8			
1.9		<b>6</b>	<b>Statutory obligations</b>
1.10			
1.11		6.1	Statutory Requirements
1.12		6.2	Compliance with the Statutory Requirements
		6.3	Fees or charges
<b>2 Contractor's obligations</b>	16	6.4	Statutory undertakers and utility companies
2.1			
2.2		<b>7</b>	<b>Setting out the Works</b>
2.3			
2.4			Setting out and levels
		<b>8</b>	<b>Materials, goods, workmanship and work</b>
<b>3 Master programme</b>	18		
3.1		8.1	Types, standards and quality
3.2		8.2	Inspection and tests
3.3		8.3	Materials, goods, workmanship or work not in accordance with Contract
		8.4	Rectifying defects
<b>4 Architect's instructions</b>	19	8.5	Dismissal from the Works
4.1			
4.2		<b>9</b>	<b>Intellectual property rights</b>
4.3			
4.4		9.1	Intellectual property in design of the Works
		9.2	Intellectual property in materials and goods
<b>5 Documents forming the Contract and other documents</b>	20	9.3	Intellectual property in plant and equipment
5.1		9.4	Payment of royalties included in Valuation
5.2			
5.3		<b>10</b>	<b>Contractor's site management team</b>
5.4			
		10.1	Contractor's site management team
		10.2	Construction manager
		<b>11</b>	<b>Access for the Architect to the Works</b>
			Contractor to give access

	<i>PAGE</i>		<i>PAGE</i>
<b>12 Architect's representative</b>	29	19.1 Assignment	
12.1 Architect's representative		19.2 Sub-letting	
12.2 Delegation of duties and powers		<b>20 Injury to persons and property and indemnity to Employer</b>	38
12.3 Instruction to bind parties		Contractor to indemnify Employer	
<b>13 Variations, Provisional Quantities Provisional Items and Provisional Sums</b>	29	<b>21 Insurance against injury to persons or property</b>	38
13.1 Architect's authority to issue instructions requiring a Variation		21.1 Employees' Compensation Insurance	
13.2 Instructions for Provisional Quantities Provisional Items and Provisional Sums		21.2 Third party liability insurance	
13.3 Valuation of Contractor's work		21.3 Insurers and terms to be approved	
13.4 Valuation rules		21.4 Policies to be produced	
13.5 Adjustment of Contract Sum		21.5 Event of failure to insure	
13.6 Contractor's right to be present during measurement on Site		21.6 No prejudice to Contractor's indemnity	
13.7 Variation necessitated by fault of Contractor		<b>22 Insurance of the Works</b>	40
13.8 Valuation of Nominated Sub-Contractor's work or Nominated Supplier's materials and goods		22.1 Alternative clauses for Contractors' All Risks Insurance of the Works	
<b>14 [Not used]</b>	33	22.2 Basic requirements for Contractors' All Risks Insurance of the Works	
<b>15 Contract Sum</b>	33	22.3 Specific requirements for Contractors' All Risks Insurance of the Works	
Adjustment of Contract Sum		22.4 Insurance of the Works to be in joint names and period of insurances	
<b>16 Materials and goods on or off-site</b>	34	22.5 Parties' obligations if loss or damage occurs	
Property in materials and goods		22.6 Contractor's payment not more than insurance proceeds	
<b>17 Substantial Completion and defects liability</b>	34	22.7 Insurance without prejudice to Contractor's obligations	
17.1 Substantial Completion Certificate for the Works		<b>22A Insurance of the Works by the Contractor</b>	43
17.2 Separate Defects Liability Period for each Section and Relevant Part		22A.1 Contractor to effect Contractors' All Risks Insurance of the Works	
17.3 Rectifying defects		22A.2 Insurer to be approved and remedy if Contractor fails to insure	
17.4 Defects Rectification Certificate for the Works		22A.3 Use of annual policy maintained by Contractor	
17.5 Separate certificate for each Section or Relevant Part		<b>22B Insurance of the Works by the Employer</b>	43
17.6 Damage by a Specified Peril		22B.1 Employer to effect Contractors' All Risks Insurance of the Works	
17.7 Other rights and remedies		22B.2 Remedy if Employer fails to insure	
<b>18 Partial possession by Employer</b>	36	<b>22C Insurance of existing building and insurance of the Works by the Employer</b>	44
18.1 Partial possession		22C.1 Employer to effect insurance against Specified Perils to the existing building	
18.2 Substantial Completion		22C.2 Employer to effect Contractors' All Risks Insurance of the Works	
18.3 Completion of rectifying defects			
18.4 Liquidated and ascertained damages			
18.5 Damage by a Specified Peril			
<b>19 Assignment and sub-letting</b>	37		

	<i>PAGE</i>		<i>PAGE</i>
22C.3 Remedy if Employer fails to insure		29.1 Nomination of a sub-contractor or a supplier	
<b>23 Possession, commencement and completion</b>	44	29.2 Contractor's right of reasonable objection	
23.1 Possession of Site		29.3 Sub-contractor and supplier warranty to Employer	
23.2 Commencement and completion		29.4 Contractor's tender for work provided for by a Prime Cost Sum	
23.3 Postponement or suspension		29.5 Nomination using the standard conditions	
<b>24 Damages for non-completion</b>	45	29.6 Contractor's responsibility for Nominated Sub-Contractors and Nominated Suppliers	
24.1 Architect to certify Contractor's failure to complete on time		29.7 Quantity Surveyor's notification of interim payments	
24.2 Liquidated and ascertained damages		29.8 Direct payment of Nominated Sub-Contractors and Nominated Suppliers	
24.3 Refund if Completion Date revised		29.9 Extension of time for completion of Nominated Sub-Contract works or delivery of Nominated Supply Contract goods	
<b>25 Extension of time</b>	46	29.10 Substantial completion of Nominated Sub-Contract works	
25.1 Contractor's first notice of delay		29.11 Architect to certify Nominated Sub-Contractor's failure to complete on time	
25.2 Contractor's second notice		29.12 Early final payment to Nominated Sub-Contractor or Nominated Supplier	
25.3 Fixing new Completion Date		29.13 Re-nomination	
25.4 Contractor's default involved in the delay		29.14 Architect's consent	
25.5 Rate of progress		29.15 Employer not liable to a Nominated Sub-Contractor or Nominated Supplier	
25.6 Nominated Sub-Contractors and Suppliers to be kept informed		<b>30 Persons engaged by Employer</b>	63
<b>26 Delay recovery measures</b>	51	30.1 Persons for whom the Employer is responsible	
26.1 Delay recovery measures		30.2 Access to the Site and permission to carry out work	
26.2 Delay recovery proposals		30.3 Contractor to fulfil his obligations to persons engaged by the Employer	
26.3 Contractor to carry out delay recovery measures		<b>31 Facilities for statutory undertakers and utility companies</b>	64
26.4 Extension of time to cover shortfall in recovering delay		<b>32 Certificates and payments</b>	64
26.5 Contractor to be reimbursed for the cost of preparing the proposal if delay recovery not instructed		32.1 Interim Certificates and interim valuations	
<b>27 Direct loss and/or expense</b>	53	32.2 Estimate of amount due in Interim Certificate	
27.1 Contractor's notice of claim for additional payment		32.3 Off-site materials or goods	
27.2 Quantity Surveyor's ascertainment of Contractor's claim		32.4 Calculation of Retention	
27.3 Contractor's default involved in the delay or disruption		32.5 Retention Rules	
27.4 Nominated Sub-Contractor's claim for additional payment		32.6 Quantity Surveyor to prepare final account	
<b>28 Notice of claims for additional payment</b>	55	32.7 Adjustment of the Contract Sum	
28.1 Contractor to give notice of claim		32.8 Issue of Final Certificate	
28.2 Contractor to submit particulars		32.9 Effect of Final Certificate	
28.3 Condition precedent to Contractor's entitlement to additional payment		32.10 Proceedings commenced before Final Certificate	
<b>29 Nominated Sub-Contractors and Nominated Suppliers</b>	57		

	<i>PAGE</i>		<i>PAGE</i>
32.11 Proceedings commenced after Final Certificate		<b>38 Fluctuations</b>	84
32.12 Effect of Architect's certificates		38.1 Fluctuation provisions only applicable if expressly stated to be	
32.13 Late payment		38.2 Adjustment for fluctuations occurring after the Completion Date	
<b>33 Surety bond</b>	72	<b>39 Notices, certificates and other communications</b>	85
33.1 Contractor to obtain guarantee from insurance company or bank		Submission of notices, certificates and other communications	
33.2 Release of insurance company or bank		<b>40 Recovery of money due to the Employer</b>	85
33.3 Employer's remedy if Contractor fails to deliver bond		Employer's power to recover damages etc.	
<b>34 Antiquities</b>	73	<b>41 Settlement of disputes</b>	85
34.1 Effect of finding antiquities		41.1 Procedures and Designated Representatives	
34.2 Architect's instruction concerning a fossil, antiquity or object		41.2 Reference to Designated Representatives	
<b>35 Determination by Employer</b>	73	41.3 Reference to mediation	
35.1 Default by Contractor		41.4 Reference to arbitration	
35.2 Insolvency of Contractor		41.5 Timing of arbitration	
35.3 Employer's rights upon notice of default or determination		41.6 Arbitrator's powers	
35.4 Consequences of determination		41.7 The place of arbitration	
35.5 Quantity Surveyor to prepare final account		41.8 Contractor to continue to proceed diligently	
35.6 The final settlement		<b>Appendix</b>	89
35.7 Delayed commencement of completion works		<b>Schedule 1</b>	90
35.8 Other rights and remedies		Form of Surety Bond to be given by the Contractor to the Employer	
<b>36 Determination by Contractor</b>	78	<b>Schedule 2</b>	94
36.1 Default by Employer		Form of Warranty to be given by the Nominated Sub-Contractor to the Employer in consideration of Nomination	
36.2 Insolvency of Employer		<b>Schedule 3</b>	97
36.3 Consequences of determination		Form of Warranty to be given by the Nominated Supplier to the Employer in consideration of Nomination	
36.4 Contractor to submit final account		<b>Index to The General Conditions</b>	
36.5 Quantity Surveyor to check final account			
36.6 The final settlement			
36.7 Architect to notify sub-contractors and suppliers			
36.8 Other rights and remedies			
<b>37 Determination by Employer or Contractor</b>	82		
37.1 Grounds for determination			
37.2 Site security			
37.3 Consequences of determination			
37.4 Quantity Surveyor to prepare final account			
37.5 The final settlement			
37.6 Architect to notify sub-contractors and suppliers			