

NZIA Standard Conditions of Contract SCC SF:2011



NEW ZEALAND INSTITUTE OF
ARCHITECTS
I N C O R P O R A T E D



Between: Arvida Group Limited (rep. Jonathan Ash)
(the Principal)

and: ~
(the Contractor)

for: Waikanae Country Lodge Remedial Works
(the Project)

at: 394 Te Moan Road, Waikanae
(Project Location)

Architect: John Tocker / JTB Architects
Postal: PO Box 25596, Wellington, 6011
Street: Level 1, 28 Cuba Street, Wellington, 6011
Telephone: 04 473 9803
Email: john@jtbarchitects.co.nz

About this Contract

Further information about this contract document

This NZIA Standard Conditions of Contract document (NZIA SCC SF 2011) is published by the New Zealand Institute of Architects Incorporated. You can obtain further information from:

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Involvement of the New Zealand Registered Master Builders Federation

This NZIA Standard Conditions of Contract document has been negotiated with and is endorsed by the New Zealand Registered Master Builders Federation of NZ Inc.

Acknowledgements

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This Agreement is for

Contract: Waikanae Country Lodge – Roofing Remedial Works
Contract

Location: 394 Te Moana Road, Waikanae
Physical address of Site of the Contract Works

This Agreement is between

the Contractor: **TBA**
Contractor

and

the Principal: Arvida Group Limited (rep. Jonathan Ash)
Principal

for

Contract Price: **\$TBA**
Contract Price (excluding Goods and Services Tax)

TBA
Contract Price in words (excluding Goods and Services Tax)

It is agreed as follows:

- 1) The Contractor will carry out the obligations imposed on the Contractor by the Contract Documents.
- 2) The Principal will pay the Contractor the Contract Price or such greater or lesser sum as will become payable under the Contract Documents together with Goods and Services Tax at the times and in the manner provided in the Contract Documents.
- 3) Each party will carry out and fulfil all other obligations imposed on that party by the Contract Documents.

Contract Documents:

The Contract Documents are this Schedule A1 *Contract Agreement* and the following which form part of this Contract:

Principal's letter of acceptance

~ dated ~**TBA**

Post Tender correspondence:

~**TBA**

The Tender

Contractor's Tender Submission dated ~ as attached
Contractor's Tender Summary dated ~ as attached

Notices to Tenderers

Notice to tenderer 01 ~ dated ~

The following schedules:

Schedule A1 Contract Agreement
Schedule B1 Specific Conditions of Contract

Schedule **A1** **Contract Agreement**

Schedule B2	Special Conditions of Contract
Schedule E1	Contractor's advice of achieving Practical Completion
Schedule E2	Producer Statement - Construction
Schedule E3	Practical Completion Certificate
Schedule E4	Defects Liability Certificate
Schedule F1	Specific Conditions of Insurance
Schedule F2	Confirmation of Insurance - Contract Works
Schedule F3	Confirmation of insurance - General (Public) Liability
Schedule F4	Confirmation of Insurance Motor Vehicle Third Party Liability
Schedule G1	Warranty Agreement
Schedule G2	Security for off Site goods / materials

The following additional documents:

~

NZIA Standard Conditions of Contract SCC:2011

Specifications issued prior to the date of acceptance of Tender

Drawings issued prior to the date of acceptance of Tender

This Contract Agreement is signed by the Contractor

Signed by/date: _____ *Date*

Name: _____
Print name of person authorised to sign

This Contract Agreement is signed by the Principal

Signed by/date: _____ *Date*

Name: _____
Print name of person authorised to sign

Principal's representative

Person: Jonathan Ash for Arvida Group Limited
Postal Address: PO Box 90217, Victoria Street, West Auckland
E-mail: jonathan.ash@arvida.co.nz
Telephone: 09 972 1186

Principal's address for submission of Payment Claims

Street Address: ~
Postal Address: ~
E-mail: ~
Facsimile: ~

Contractor

Contractor: ~
Street Address: ~
Postal Address: ~
E-mail: ~
Telephone: ~
Mobile: ~
Facsimile: ~

Architect

Practice: Jerram Tocker Barron Architects
Postal Address: PO Box 24496, Wellington, 6011
Street Address: Level 1, 28 Cuba Street, Wellington, 6011
E-mail: john@jtbarchitects.co.nz
Telephone: 04 473 9803

Architect's Representative

Person: John Tocker
E-mail: john@jtbarchitects.co.nz
Telephone: 04 473 9803

Type of Contract

This is a: Lump Sum Contract
Lump Sum Contract with monetary allowances
Other

Rule 2.1 Contract Documents

The Architect must provide to the Contractor the following copies of the Contract Documents

Drawings

Full size: ~ copies
Electronic: ~ copies

Other documents

Specifications: ~ copies
Other documents: ~

Cost of additional copies of the Contract Documents

~

Rule 4.10 Warranties and other information

Warranties and other information required from the Contractor which are essential for the Principal's use of the Contract Works.

~TBA

Rule 7.1 Site possession date

Time after notification of acceptance of Tender/date for Principal to give possession of the Site to the Contractor.

Time/date: ~ TBA

Rule 8.1 Principal supply items

The Principal is not supplying any items for inclusion in the Contract Works.

Rule 8.3 Nominated subcontractors

The Principal is not nominating any subcontractor to carry out any work or to provide goods or services.

The Principal is nominating the following subcontractors to carry out the following work on the Site or to provide the following goods or services.

~TBA

Rule 8.4 Separate contractors

The Principal is not engaging any other people to carry out any work.

The Principal is engaging the following separate contractors to carry out the following work on the Site.

~TBA

Rule 10.1 Prime Cost Sums

There are no Prime Cost Sums included in this Contract.

There are Prime Cost Sums included in this Contract. They are listed in the Tender Summary.

Rule 10.1 Provisional Sums

There are no Provisional Sums included in this Contract.

There are Provisional Sums included in this Contract. They are listed in the Tender Summary.

Rule 11.2 Practical Completion

Time from date Contractor is given possession of the Site for Contractor to achieve Practical Completion of the Contract Works:

Time/date: ~TBA

Rule 12.1 Contractor's advice of achieving Practical Completion

A Contractor's Advice of Achieving Practical Completion is required. The form for this is Schedule E1. *Contractor's advice of achieving Practical Completion.*

A Contractor's Advice of Achieving Practical Completion is not required.

Rule 13.1 Defects Liability Period

3 Months

Rule 14.1.2 Off Site Payments

Offsite payments are not allowed.

Rule 14.2.3 Retentions

10% of the first \$200,000.00; plus
5% in excess of \$200,000.00.

Maximum: \$60,000.00

Release of retentions

40% of the retentions are payable when Practical Completion has been achieved.

Rule 15.1.1 Final Payment Claim

Time after Practical Completion for the Contractor to submit the final Payment Claim.

Time: Three months from the date of achieving Practical Completion.

There are no Special Conditions of Contract

The following Special Conditions of Contract modify the standard conditions:

Rule ~

~

Delete rule ~ and replace with the following

Add the following to rule ~

~

Contract: Waikanae Country Lodge Roofing Remedial Works
Location: 394 Te Moana Road, Waikanae
Principal: Arvida Group Limited

Practical Completion

Practical Completion means that the Contract Works or a Separate Section of them attain Practical Completion when:

- (a) they are able to be used for their intended purpose without material inconvenience;
- (b) they have generally been built in accordance with the Contract documents;
- (c) they are complete except for:-
 - (i) minor defects and minor omissions for completion during the Defects Liability Period;
 - (ii) omissions and defects which the Architect becomes aware of during the Defects Liability Period;
 - (iii) any undiscovered, latent or other defect or omission which the Architect could not have reasonably discovered;
 - (iv) work which the Architect and the Contractor have agreed to defer for completion during the Defects Liability Period, or such later date as agreed between the parties.
- (d) Information and warranties listed in the Specific Conditions have been provided.

This Certificate

This is to certify that in accordance with rule 12.1, the Contract Works have been inspected and qualified for Practical Completion on ~.

The Defects Liability Period as detailed in rule 13.1 commenced on this date and continue for a period of ~.

The Architect has used all reasonable care and skill in the preparation of this Certificate

It is provided in accordance with and subject to rule 1.3 Architect's role, subrule (c).

This certificate is provided to the Principal and Contractor only, and for the purposes set out in this Contract. It is not to be used by the Principal, the Contractor, or any other person, for any other purpose. No waiver of this clause by the Architect shall be effective unless it is in writing.

Issued by:

.....
(Architect)

Signed by/date:

.....
Date

Copy to Contractor~

Schedule **E4** **Defects Liability Certificate**

Contract: Waikanae Country Lodge Roofing Remedial Works
Location: 394 Te Moana Road, Waikanae
Principal: Arvida Group Limited

End of Defects Liability period

The Architect is required to issue a Defects Liability Certificate. The NZIA Standard Conditions of Contract rule 13.1 states that:

The Architect must certify to the Principal when in relation to the Contract Works or a Separate Section of them:

- (a) the Defects Liability Period has ended; and
- (b) the Contractor has completed all minor omissions and corrected all minor defects referred to in rule 12.1; and
- (c) the Contractor has completed agreed deferred work.

At the same time the Architect must give a copy of the certificate to the Contractor.

This Certificate

This is to certify that in accordance with rule 13.1, the above named Contract Works the Defects Liability Period has ended, all deferred work has been completed and all defects have been corrected

The issuing of this certificate does not affect the Contractor's liability to fulfil any obligation in the Contract which remains unperformed or not properly performed.

The Architect has used all reasonable care and skill in the preparation of this Certificate

It is provided in accordance with and subject to rule 1.3 Architect's role, subrule (c).

This certificate is provided to the Principal and Contractor only, and for the purposes set out in this Contract. It is not to be used by the Principal, the Contractor, or any other person, for any other purpose. No waiver of this clause by the Architect shall be effective unless it is in writing.

Issued by: _____
(Architect)

Signed by/date: _____
Date

Copy to Contractor~

Contract: Waikanae Country Lodge Roofing Remedial Works
 Location: 394 Te Moana Road, Waikanae
 Principal: Arvida Group Limited

Minimum insurance requirements

These are minimum requirements and the Principal and/or Contractor are free to arrange whatever additional insurance protection they may require. These insurance arrangements do not limit or alter any indemnities as contained in the Standard Conditions of Contract.

1. Contract Works Insurance

The Contractor shall effect insurance in the names of the Principal and the Contractor.

The Principal shall effect insurance in the joint names of the Principal, the Contractor and subcontractors.

(Delete provision which does not apply)

(To be completed irrespective of whether the Principal or the Contractor is insuring)

1.1 The amount insured must be at least as much as the original Contract Price including Temporary Works, plus each of the following amounts. Where there is no agreed Contract Price, the amount must be at least as much as the estimated cost of the Contract Works, plus each of the following amounts

	Contract Price Amount \$
(a) An amount for items, to be included in the Contract Works which are not included in the Contract Price	Amount \$
(b) An amount for Variations that the Architect may direct during the Contract period	Amount \$
5% of the Contract Price as described above	\$
~% of the Contract Price as described above	\$
(c) When provided for in the contract an amount for increased construction costs due to fluctuations during the Contract period	Amount \$
2.5% of the Contract Price as described above	\$
~% of the Contract Price as described above	\$
(d) An amount for professional fees and similar costs, including as appropriate, architects, engineers, clerks of works and inspectors	Amount \$
5% of the Contract Price as described above	\$
~% of the Contract Price as described above	\$
(e) An amount for the Cost of demolition, disposal and preparation for replacement work	Amount \$
10% of the Contract Price as described above	\$
~% of the Contract Price as described above	\$
(f) An amount for increased construction costs incurred as a result of loss or damage.	

	Amount \$
2.5% of the Contract Price as described above	\$
~% of the Contract Price as described above	\$

(Delete provisions which do not apply)

(Amounts are plus Goods and Services Tax)

The insurance shall make provision for automatic change of cover for items (a) to (f) above, to provide insurance for any additions to or deductions from the Contract Price which occurs after acceptance of the tender or other offer.

Where appropriate, the insurance shall include cover for

- (i) Testing and commissioning
- (ii) Earthquake to the full Sum Insured
- (iii) Partial handover/occupation by the Principal, where required by the contract
- (iv) Flow on damage as a result of faulty materials, workmanship or error and omissions in design

Deductible in insurance arranged by the Principal \$

1.2 Existing Structures

The Principal shall arrange insurance for loss or damage to the Principal's existing structures and contents arising out of the performance of the Contract Works.

The existing structures are: -

~

2. General (Public) Liability Insurance

2.1 The Contractor shall effect insurance in the name of the Principal and the Contractor

The insurance shall be effected for an amount not less than: \$5,000,000.00

Where appropriate, the insurance may be required to confirm to include cover for

- (i) Vibration, removal of support – Minimum* \$250,000.00
- (ii) Forest & Rural Fires Act – Minimum* \$250,000.00
- (iii) Fire fighting costs – Minimum* \$250,000.00
- (iv) Punitive & exemplary damage
- (v) Use of mobile plant
- (vi) Use of watercraft
- (vii) Use of explosives

**For items (i), (ii) and (iii) an insurer will normally limit cover to round \$250,000.00. Specify where a greater amount is required*

3. Motor Vehicle Third Party Liability Insurance

3.1 The Contractor shall effect insurance in the names of the Principal and the Contractor

The insurance shall be effected for an amount not less than: \$2,000,000.00

To whom it may concern:

From:

.....
(Name of insurance company).....
(Branch).....
(Address)**We confirm having effected Contract Works insurance for:**

Contract:

.....
(Project title)

Location:

.....
(Project location)

Principal:

.....
(The Principal)

Contractor:

.....
(The Contractor)**The sums insured are:**

Contract price	\$
(a) Items to be included in the Contract Works	\$
(b) Variations	\$
(c) Increased costs due to fluctuations	\$
(d) Professional fess	\$
(e) Costs of demolition	\$
(f) Increased costs as a result of loss or damage	\$
(g) Existing Structure	\$
Total sum insured	\$

The policy deductibles/excesses are:

Non earthquake	\$
	(Including GST)
Earthquake	\$
	(Including GST)
.....	\$
(Other – Name)	(Including GST)

We advise that “additional” terms, copy attached, have been specifically applied to this project Yes / No

Policy cover terms included are

(a) Automatic reinstatement	Yes / No
(b) No cancellation for non-payment without prior notification	Yes / No
(c) Severally insured	Yes / No
(d) No settlement delay due to exercise of subrogation	Yes / No

Project specific policy Yes / No

Construction period

Defects Liability period

(both subject to alteration under construction contract)

Annual run-off policy Yes / No

Annual cut-off policy Yes / No

Policy expiry date

Testing & commissioning period Weeks Yes / No

Flow on damage as a result of faulty materials, workmanship or errors & omissions in design Yes / No

We undertake that this policy will not be cancelled or amended by us without written advice to the insured party which has arranged the insurances.

The insurance issued is subject to the terms and conditions of the policy

Insurance
company/Stamp:

(Or name of insurance broking company confirming cover)

Date

Signed by:

Signatory title:

Confirmation of insurance - General (Public) Liability**To whom it may concern:**

From:

.....
(Name of insurance company).....
(Branch).....
(Address)**We confirm having effected general (public) liability insurance for:**

Contract:

.....
(Project title)

Location:

.....
(Project location)

Principal:

.....
(The Principal)

Contractor:

.....
(The Contractor)

Annual policy	Yes / No
Policy expiry date
The limit of indemnity	\$
Sub limit insured for vibration, removal or weakening of support	\$
Sub limit for Forest & Rural Fires Act	\$
Sub limit for fire fighting costs	\$
The deductible/excess is	\$
	(Including GST)
Deductible/excess for vibration, removal or weakening of support	\$
	(Including GST)
We advise that "additional" terms, copy attached, have been specifically applied to this project	Yes / No
The policy covers liability arising out of: -	
The ownership/use of construction machinery not required to be registered for road use	Yes / No
The use of hired plant	Yes / No
The ownership/use of watercraft up to 8 metres	Yes / No
The ownership/use of aircraft	Yes / No
The use of explosives	Yes / No
Policy cover terms included are: -	
Automatic reinstatement	Yes / No
No cancellation for non-payment without prior notification	Yes / No
Severally insured	Yes / No
No settlement delay due to exercise of subrogation	Yes / No
We undertake that this policy will not be cancelled or amended by us without written advice to the insured party which has arranged the insurances.	
The insurance issued is subject to the terms and conditions of the policy	

Insurance
company/Stamp:.....
(Or name of insurance broking company confirming cover).....
Date

Signed by:

Signatory title:

Confirmation of Insurance Motor Vehicle Third Party Liability

To whom it may concern:

From:

.....
(Name of insurance company)

.....
(Branch)

.....
(Address)

We confirm having effected motor vehicle third party liability insurance for:

Contract:

.....
(Project title)

Location:

.....
(Project location)

Contractor:

.....
(The Contractor)

Annual policy Yes / No

Policy expiry date

The sums insured are: -

Section 2 liability

\$

The deductible/excess is

\$

(Including GST)

We advise that "additional" terms, copy attached, have been applied to this policy

Yes / No

Policy cover terms included are: -

Automatic reinstatement

Yes / No

No cancellation for non-payment without prior notification

Yes / No

Severally insured

Yes / No

No settlement delay due to exercise of subrogation

Yes / No

We undertake that this policy will not be cancelled or amended by us without written advice to the insured party which has arranged the insurances.

The insurance issued is subject to the terms and conditions of the policy

Insurance
company/Stamp:

.....
(Or name of insurance broking company confirming cover)

.....
Date

Signed by:

Signatory title:

Contract: Waikanae Country Lodge Roofing Remedial Works

Location: 394 Te Moana Road, Waikanae

The Contract Works

Contractor: ~

The Contractor

Principal: Arvida Group Limited

The Principal

Warrantor: ~

Name of Contractor or Subcontractor

Warranted works: ~

The Warranted Works

Warranty period: ~ years from the date of Practical Completion of the Contract Works

The Principal has entered into a Contract (the Contract) with the Contractor for carrying out the Contract Works. The warranted works are part of the Contract Works.

The Contractor has agreed to arrange for the provision of a warranty in respect of the warranted works for the warranty period on the terms set out in this warranty.

The warrantor has agreed to provide a warranty in respect of the warranted works for the warranty period on the terms set out in this warranty.

IT IS HEREBY AGREED

The warrantor warrants to the Principal that the warranted works performed shall be as required in the Contract. If not specified the works shall be of good trade practice with materials and fittings of merchantable quality.

This warranty shall be in addition to and shall not derogate from any manufacturer's warranty or any warranty implied by law, attaching to any part of the warranted Works.

1. Warrantor's obligations

The warrantor agrees that if the warrantor is advised by the Principal in writing of any defect in the warranted works within the warranty period for which the warrantor is liable under the terms of this warranty, the warrantor will promptly take steps to remedy the defect.

2. Remedial work

Any remedial work which the warrantor is liable to undertake under this warranty shall be carried out:

- to the standard required by the Contract; and
- in a prompt and timely manner; and
- without unnecessary inconvenience to any occupants; and
- at the warrantor's cost; and
- subject to reasonable access being provided to the warrantor for the purpose of carrying out the remedial work.

3. Repair and/or compensation

Where the cost of replacement of work and / or materials is out of all proportion to the consequences of the defect, or where the defect may not be reasonably capable of rectification without substantial expense which is out of all proportion to the cost of the Contract Works, the warrantor may:

- where the defect is reasonably rectified by repair rather than by replacement, the warrantor's obligation under this warranty shall be only to repair or otherwise make good the defect; or
- propose reasonable monetary compensation in lieu of remedying the defect; or
- propose a combination of both repair and compensation.

The Principal must consider the warrantor's reasonable proposals and the parties must endeavour in good faith to reach agreement. Where agreement cannot be reached, the dispute shall be resolved in accordance with the disputes clause in this warranty.

4. Failure by warrantor to perform remedial work

If the warrantor fails to promptly, adequately and satisfactorily carry out the remedial work or to propose acceptable repair/compensation, the Principal may then arrange for the remedial work to be carried out by others.

The Principal must first give the warrantor 10 working days notice to carry out and complete the remedial work. If the warrantor does not do this within the time, the Principal must then advise the warrantor in writing that the work will be carried out by other Persons.

In such event the warrantor is not released from obligations under this warranty, which continues in full force and effect, except in respect of the defect remedied by the Principal or by another person contracted by the Principal.

The reasonable cost of remedial work carried out by such other persons including all reasonable costs of the Principal is to be paid to the Principal by the warrantor on demand.

5. Exclusions

The Principal agrees that the warrantor is not liable for any defect or damage caused by:

- wilful act or negligence of the Principal or any person other than the warrantor; or
- fire, explosion, earthquake, war, subsidence, slips, faulty materials or workmanship other than caused by the defect in the warranted work; or
- any force of nature which the warrantor could not reasonably foresee; or
- any neglect or unnecessary delay by the Principal in giving notice to the warrantor of a defect in the warranted Works becoming apparent; or
- design faults, errors or discrepancies, unless the warrantor undertook the design of the part of the warranted works the subject of the defect; or
- unintended use of the warranted Works by the Principal or any occupant thereof; or
- failure by the Principal or any occupant thereof to maintain the warranted works in accordance with good practice and any manufacturer's stated or recommended instructions or requirements.

6. Assignment

The Principal may assign the benefit of this warranty to any person.

7. Disputes

Any dispute between the Principal and the warrantor arising out of this warranty is to be referred to arbitration before a sole arbitrator. If within 15 working days of notice of dispute, the Principal and the warrantor cannot agree on a single arbitrator, either party may request the president of the Arbitrators & Mediators Institute of New Zealand to appoint an arbitrator.

8. Notices

Notices given to the warrantor are deemed to have been effectively served on the warrantor if given in accordance with the Contract.

EXECUTED BY

Signed by the Warrantor

Signed by/date: _____ *Date*

Name: _____
(Print name of person authorised to sign)

in the presence of

Witness: _____

Name/occupation: _____
(Print name of witness) *Witness occupation*

Address: _____

Signed by the Principal

Signed by/date: _____ *Date*

Name: _____
(Print name of person authorised to sign)

in the presence of

Witness: _____

Name/occupation: _____
(Print name of witness) *Witness occupation*

Address: _____

NOTE – Where the Warrantor is not the Contractor the Warranty agreement must be executed by the Warrantor and the Principal in the manner required for execution of a deed.

Any of these parties which are a company must execute the Warranty by having it signed, under the name of the company, by two or more directors. If there is only one director, it is sufficient if the Warranty agreement is signed under the name of the company by that director, but the signature must be witnessed by another person.

The witness must not only sign but must also add his or her occupation and address. Alternatively, companies may execute under power of attorney. Any party which is a body corporate (other than a company) must execute by affixing its seal, which must be attested in the manner provided for in the rules of, or applicable to, the body corporate.

In the case of a party who is an individual, the party must sign and the signature must be witnessed by another person. The witness must not only sign but must also add his or her occupation and address.

Issued by

Contractor: _____
Contractor/Subcontractor

To

Principal: _____

In respect of

Contract: ~

Location: ~

The Contract provides, subject to certain conditions (NZIA SCC Section 14 Payments Rule 14.2.2), for payment to be made for goods that are not on the Site.

We advise that the manufacture/supply of the goods or materials detailed in the schedule below/attached has been completed.

We warrant that the Contractor/subcontractor has the authority to deal with the goods / materials scheduled below and to pass good title in the goods / materials to the Principal.

We acknowledge that on payment by the Principal to the Contractor for the goods/materials scheduled below, ownership of the goods/materials will pass to the Principal.

We undertake to arrange insurance of the goods/materials while they are off site.

We agree to securely store, free of charge, the said goods/materials at the premises described on the attached schedule. The goods/materials will be clearly marked as the property of the Principal and will be dealt with strictly in accordance with instructions given by the Architect.

The Architect will be given free access to inspect the goods/materials during normal working hours.

Location

The premises where the goods/materials will be stored are located as follows:

Address: _____

Schedule

The following are the goods/materials referred to above:

Number: Details of goods/materials

Signed by

Signed by/date: _____
Date

Name: _____
(Print name of person authorised to sign)

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1. Main obligations

1.1. Contractor's main obligations

1.1.1. The Contractor must do the work required by the Contract Documents. The Contractor must do so diligently and to the Architect's satisfaction. The Contractor must complete the Contract Works within the time required by the Contract.

1.2. Principal's main obligations

1.2.1. The Principal must ensure that there is an Architect appointed at all times during the Contract.

1.2.2. The Principal must pay the Contractor for the Contract Works carried out. The Principal must do so as stated in section 14 *Payments*. The Principal must provide the Contractor possession of the Site as stated in section 7 *The Site*. The Principal must also provide to the Contractor all necessary consent approval documentation as stated in rule 4.7 *Principal to obtain consents and approvals*.

1.3. Architect's role

1.3.1. The Architect appointed by the Principal:

- (a) represents the Principal;
- (b) issues all Directions to the Contractor;
- (c) administers the Contract impartially between the Principal and the Contractor;
- (d) has no authority to relieve the Contractor from any of the Contractor's obligations stated in the Contract, except as expressly stated in the Contract.

1.4. Architect's Representative appointed at all times

1.4.1. The Architect must appoint a competent Architect's Representative to act on the Architect's behalf.

1.4.2. The Contractor may object to the appointment by notifying the Architect stating the grounds upon which the objection is based. The Contractor must do so within 5 Working Days of the date of the Direction. The Architect must consider the objection and issue a Direction determining the appointment.

1.4.3. The Principal and the Contractor acknowledge that any appointed Architect's Representative is acting on behalf of the Architect and is not assuming any personal responsibility to either the Principal or the Contractor, or any other Person, in relation to the performance of the required duties.

2. The Documents

2.1. Contract Documents

2.1.1. The Principal and the Contractor must sign 2 original copies of the original Contract Documents including these NZIA Standard Conditions of Contract.

2.1.2. The Architect must provide to the Contractor:

- (a) The documents listed in the Specific Conditions
- (b) Any other documents and other information, which are within the Architect's or Principal's possession or control, which a territorial authority or Building Consent Authority requires from the Contractor.

2.1.3. The Architect must supply to the Contractor additional copies of the Drawings and Specifications as requested by the Contractor. The Contractor must pay to the Architect the cost of the additional copies as stated in the Specific Conditions.

2.1.4. The Contractor must keep at the Site:

- (a) a copy of the Contract Documents including all changes to the Contract Documents directed by the Architect;
- (b) copies of all the Architect's Directions.

2.2. Inconsistencies in Contract Documents

2.2.1. If the Architect or the Contractor finds an inconsistency, error or omission either in a Contract Document or between Contract Documents, the other must be notified.

2.2.2. The Architect must give a Direction resolving the inconsistency, error or omission.

- (a) Figured dimensions on Drawings take precedence over scaled dimensions.
- (b) Drawings to a larger scale take precedence over drawings to a smaller scale.
- (c) Drawings showing particular parts of the Contract Works take precedence over drawings for more general purposes.
- (d) Drawings take precedence over the Specifications.
- (e) The Drawings and Specifications take precedence over the schedule of quantities, if any.
- (f) The Drawings and Specifications take precedence over these NZIA Standard Conditions of Contract.
- (g) The Specific and any Special Conditions of Contract take precedence over these NZIA Standard Conditions of Contract.

2.2.3. No inconsistency, error or omission invalidates the Contract.

2.2.1. If a Direction results in additional Cost being reasonably incurred by the Contractor, which the Contractor could not have reasonably foreseen and made allowance for at the time of Tender. The Contractor's additional Cost and time must be claimed by the Contractor and valued in the way stated in section 9 *Variations* and section 11 *Times for starting and completing the Contract Works*.

2.3. Copyright and ownership of Contract Documents

2.3.1. The Principal retains ownership in all documents the Principal supplies to the Contractor. The Contractor does not have copyright in the Contract Documents. The Principal owns all documents the Contractor supplies to the Principal.

2.3.2. The Contractor must not use, copy or reproduce the documents the Principal supplies to the Contractor for any purpose other than for the Contract.

2.3.3. Once the Contract has ended the Principal may only use the documents the Contractor supplies to the Principal for the use, maintenance, alteration or demolition of the Contract Works.

3. Bonds

Not Used.

4. Administration

4.1. Directions by the Architect

4.1.1. The Contractor must comply with the Architect's proper Directions. The Architect must only give proper Directions. The Architect must not improperly withhold or delay giving any Direction.

4.2. The Contractor's supervision and site representative

4.2.1. The Contractor must provide all necessary supervision of the Contract Works. The Contractor must appoint a competent site representative who is authorised to receive all the Architect's Directions. The Contractor must notify the Architect who the representative is. The Contractor cannot change the representative without the approval of the Architect.

4.2.2. The Architect is entitled to direct the Contractor to arrange for the site representative, or any other Person employed on the Contract Works under the control of the Contractor, to leave the Site and the Contract Works and not return. The Architect must give a proper reason for that Direction.

4.3. Principal to obtain consents and approvals

4.3.1. The Principal must in a timely manner:

- (a) obtain the resource management consents, project information memoranda, building consents, and any other approvals required by authorities for the work to start;
- (b) obtain any supplementary building consents required during the Contract Works;
- (c) obtain all licenses, code compliance certificates, and any other approvals required by authorities for the Contract Works to be used when Practical Completion has been attained;
- (d) pay any costs related to obtaining the above mentioned items;
- (e) provide the Contractor with all necessary consent approval documentation.

4.3.2. The Contractor must give to the Architect all information and documents which are within the Contractor's knowledge, possession or control, which an authority with jurisdiction to grant an approval, consent or certificate requires from the Principal.

4.3.3. If a supplementary building consent is required because of work carried out by the Contractor which does not comply with the Contract or the original building consent, then:

- (a) the Contractor must give to the Architect all information and documents necessary for the Principal to obtain the supplementary building consent; and
- (b) the Principal's costs of obtaining the supplementary building consent are payable by the Contractor, and will be deducted from the Contract Price.

4.4. Warranties

4.4.1. The Contractor, must provide the Principal with the specified warranties. The wording must comply with Schedule G1 *Warranty Agreement*.

5. Indemnity

5.1. Indemnity by Contractor

5.1.1. The Contractor must indemnify the Principal against any loss or liability arising from damage to any property, or personal injury to anyone, or illness or death of anyone, that arises in any way from the carrying out of the Contract Works.

5.1.2. This does not apply in relation to the following:

- (a) loss or liability that arises from the permanent or partial use or occupation of the Site by the Principal;
- (b) loss or liability that arises from the exercise by the Principal of a right to carry out Contract Works on the Site;
- (c) death or illness or injury or damage which is the unavoidable result of the carrying out of the Contract Works;
- (d) death or illness or injury or damage due to any act or omission by the Principal, the Architect, or other contractor employed by the Principal;
- (e) death or illness or injury or damage that arises from the risks listed in rule 8.7.2 or from a risk specifically excluded in the Contract;
- (f) the extent to which the Principal is required to insure against the damage under section 6 *Insurances*.

5.2. Indemnity by Principal

5.2.1. The Principal must indemnify the Contractor against any loss, liability, death, injury, illness or damage referred to in rule 5.1.2. The Principal must also indemnify the Contractor against any Cost necessarily incurred by the Contractor in relation to any of those matters.

5.3. Reduction in liability to indemnify

5.3.1. A liability to indemnify is reduced to the extent that the indemnified Person contributed to the liability.

6. Insurance

6.1. Insurances to be effected

6.1.1. Insurances required under the Contract are described and are to be effected by the parties named in Schedule F1. The insurances specified are the minimum requirement for insurance and the parties are free to arrange whatever additional insurance protection they may consider appropriate or require.

6.2. Liability not affected by insurance

6.2.1. These insurance arrangements do not limit or alter any indemnities or affect in any way the liabilities the parties may have as contained in the Contract.

6.3. Duration of the insurance

6.3.1. The insurances in Schedule F1 for the Contract Works, Existing Structures, Motor Vehicle Third Party Liability, General (Public) Liability and Construction Plant & Equipment must:

- (a) begin by the earlier of either the date;
 - (i) stated in the Specific Conditions for the Contractor being given possession of the Site; or
 - (ii) when the Contractor commences work;
- (b) continue until the date of issue of the Practical Completion Certificate and notification from the Principal that the Principal has taken over the risk; and then
- (c) continue to cover loss or damage and liability risks arising from the carrying out of deferred work and work required to remedy defects until such work is completed.

6.3.2. If the Principal does not arrange to take over the risk on the date of issue of the Practical Completion Certificate, or a Practical Completion Certificate for a Separate Section

which is an independent structure, the Principal must reimburse the Contractor for the cost of providing insurance for the period from the issue of the certificate until the risk has been taken over by the Principal.

- (a) If the Principal decides to occupy all or part of the Contract Works, the Principal must effect insurance to cover any loss or damage resulting from the occupancy and to cover those parts of the Contract Works the Principal occupies.
- (b) If the Contractor is responsible for insuring the Contract Works, the insurance must continue to cover damage to areas of the Contract Works the Principal occupies for loss or damage to them arising from the carrying out of deferred work and work required to remedy defects until such work is completed.

6.4. Insurance requirements

6.4.1. The insurances that the Contractor or Principal arrange under the Contract must meet the following requirements:

- (a) Except for insurance of Contractor's Construction Plant and Equipment, insurances arranged by the Contractor must be in the joint names of the Contractor and the Principal.
- (b) Insurances arranged by the Principal, must be in the joint names of the Principal, the Contractor, and the subcontractors.
- (c) The insurance must include a provision that a default by one insured does not prejudice the rights of the other.
- (d) The insurance must include a waiver of the insurer's right to subrogation against the insured parties.
- (e) The insurance must operate as if separate policies had been issued to each of the insured parties other than in relation to the amount of insurance available.
- (f) The insurer or insurers and the insurance contracts must be acceptable to the other parties, but those parties must not be unreasonable in agreeing to the arrangements.
- (g) They must not be able to be cancelled or changed without the consent of the parties.

6.5. Payment of deductible/excess by Contractor

6.5.1. The Contractor must pay the deductible/excess under the insurances arising from any loss or liability to the Contract Works or the carrying out of the Contract Works. To the extent the loss or liability is caused by the Principal or is excepted by rule 8.7.2, the Principal must pay that proportion of the deductible/excess.

6.6. Payment of deductible/excess by Principal

6.6.1. The Principal must pay the deductible/excess under the insurance for any loss or liability to the Principal's Existing Structures. To the extent the loss or liability is caused by the Contractor, the Contractor must pay that proportion of the deductible/excess.

6.7. If Contractor's insurance not arranged or is ineffective

6.7.1. The Contractor must indemnify the Principal for any loss or liability that the Principal suffers because the Contractor:

- (a) does not arrange, maintain or pay for insurance as required by the Contract; or
- (b) is responsible for breaching or causing a breach of a requirement of the insurance.

6.7.2. The Principal is entitled to insure and pay the premium on behalf of the Contractor if the Contractor does not arrange, maintain or pay for insurance required by the Contract. The Principal must notify the Contractor if the Principal takes this action. The Principal is entitled to deduct the cost of the premium from the Contract Price.

6.8. If Principal's insurance not arranged or is ineffective

6.8.1. The Principal must indemnify the Contractor for any loss or liability that the Contractor suffers because the Principal:

- (a) does not arrange, maintain or pay for insurance as required by the Contract; or
- (b) is responsible for breaching or causing a breach of a requirement of the insurance.

(c) The Principal must also indemnify the Contractor for any loss or liability that exceeds the sums to be insured for the Contract Works and for existing structures made available by the Principal and for adjacent structures owned by the Principal.

6.8.2. The Contractor is entitled to insure and pay the premium on behalf of the Principal if the Principal does not arrange, maintain or pay for insurance required by the Contract. The Contractor must notify the Principal if the Contractor takes this action. The cost of the premium is to be added to the Contract Price.

6.9. Evidence of insurance

6.9.1. The Principal and the Contractor must provide evidence, at any time, that the required insurances are in effect using the insurance confirmation forms.

6.9.2. If asked to do so, the Contractor and the Principal must provide the other with a copy of any insurance that either is required to arrange under the Contract.

6.10. Payment for reinstatement

6.10.1. If the insurer makes direct payment to either the Contractor or the Principal in relation to the Contract Works, that party must use the proceeds of the insurance to demolish, dispose of, prepare, correct, replace and reinstate the Contract Works.

7. The Site

7.1. Possession of the Site

7.1.1. The Principal must give the Contractor possession of the Site by the time stated in the Specific Conditions. The Principal is automatically in possession of the Site on Practical Completion.

7.1.2. The Contractor has possession of the Site for the sole purpose of carrying out the Contract Works.

7.2. Principal to provide survey information

7.2.1. The Principal must ensure that there are sufficient survey marks and information for the Contractor to define the boundaries of the Site and set out the Contract Works.

7.2.2. If asked, the Principal must show the survey marks to the Contractor.

7.2.3. The Contractor must record their position and protect them. If any of the survey marks are disturbed or obliterated, the Contractor must replace them where practicable.

7.3. Principal to advise of known safety risks

7.3.1. The Architect must notify the Contractor of anything the Principal or the Architect know about which will or does adversely affect the safety of any Person involved in carrying out the Contract Works.

7.3.2. This rule does not apply to anything that the Contractor knows or might reasonably be expected to know.

7.4. Contractor must set out the Contract Works

7.4.1. The Contractor must set out the Contract Works as required by the Contract. The Contractor must correct any errors in the Contractor's setting out of the Contract Works and the consequences of the Contractor's inaccurate setting out, unless the Architect directs that that is not necessary.

7.4.2. The Contractor is responsible for the correctness of the setting out of the Contract Works even if the set out has been checked by the Architect.

7.5. Principal's right of access to the Contract Works

7.5.1. The Principal, its representatives and regulatory authority personnel are entitled to go onto the Site and inspect the Contract Works at reasonable times. They are also entitled during working hours to go in to any other place where material or contract items are being stored or being prepared for the Contract Works.

7.5.2. The Contractor must make the necessary arrangements for access in to other places that are not under the Contractor's direct control.

7.6. Contractor's access to other property

7.6.1. The Contractor must respect the rights and convenience of the owner, occupier or user of any other property. If it is necessary to enter or affect any other property to perform the Contract, the Contractor must do that in the way, and at the times, stated in the Contract.

7.7. Unforeseeable Physical Conditions

7.7.1. The Contractor must notify the Architect as soon as practicable of any Unforeseeable Physical Conditions which the Contractor believes will increase the Contractor's Cost or delay progress of the Contract Works.

Unforeseeable Physical Conditions means physical conditions on the Site which materially differ from the physical conditions which an experienced Contractor should have reasonably foreseen at the time of tendering. They include artificial obstructions. They do not include climatic conditions on the Site.

7.8. Contractor to keep Site clean and tidy

7.8.1. The Contractor must:

- (a) Keep the Site and the Contract Works clean and tidy;
- (b) Regularly remove all the Contractor's rubbish and surplus material;

7.9. Clearance of Site on completion

7.9.1. The Contractor must remove all the Contractor's rubbish, surplus materials and Temporary Works before Practical Completion. The Contractor must leave the Site and the Contract Works clean and tidy.

8. The Contract Works

8.1. Contractor must supply all requirements

8.1.1. The Contractor must, except where otherwise listed in Schedule B1, supply all the labour, materials, services, Temporary Works, and Construction Machinery that are necessary to complete the Contract Works. The Contractor must include for the incorporation of materials and items supplied by the Principal.

8.2. Contractor can appoint subcontractors

8.2.1. The Contractor is entitled to appoint subcontractors to do any parts of the Contract Works. However, the Contractor must not appoint a subcontractor to do the whole or substantially the whole of the Contract Works without the Principal's prior written consent.

8.3. Nominated subcontractors

8.3.1. At the time of Tender, the Principal is entitled to nominate subcontractors to carry out work included in the Contract, or to supply materials or services required under the Contract.

8.4. Separate contractors

8.4.1. The Principal is entitled to enter into separate contracts for any work, not included in the Contract, to be carried out on the Site.

8.4.2. The Principal must notify the Contractor as soon as practicable of the Principal's intention to enter into separate contracts and must give the Contractor all relevant information.

8.4.3. The Principal must make sure each separate contractor complies with the reasonable requirements of the Contractor including insurances.

8.5. Contractor must take responsibility for the Contract Works

8.5.1. The Contractor must take responsibility for the care of the Contract Works from possession of the Site until the date of Practical Completion. The Contractor does not have to take responsibility for a Separate Section of the Contract Works from the date of Practical Completion of that Separate Section or for any part of the Contract Works which the

Principal has occupied. The Contractor must take responsibility for the care of any work to be completed after Practical Completion.

8.6. Contractor must make good loss or damage to the Contract Works

8.6.1. The Contractor must make good any loss or damage to the Contract Works:

- (a) to the extent the Contractor is responsible for the Contract Works; or
- (b) which is caused by the Contractor.

The Contractor must do so at the Contractor's own Cost.

8.6.2. However, this does not apply if the loss or damage was caused by any of the following events:

- (a) war, hostilities (whether war is declared or not), terrorism, invasion, act of foreign enemies, rebellion, revolution, insurrection or military or usurped power, or civil war;
- (b) riot or civil commotion, unless it is:
 - (i) solely restricted to the Contractor's or subcontractors' employees and arises from the Contractor's or subcontractors' conduct of the Contract Works; or
 - (ii) insurable and insurance cover is required as stated in the Specific Conditions.
- (c) the Principal's use, occupation or taking over of any part of the Contract Works;
- (d) a defect in the design of the Contract Works other than by the Contractor;
- (e) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel, radioactive toxic explosive or other hazardous properties of any explosive, nuclear assembly or nuclear component of that assembly;
- (f) pressure waves from an aircraft or aerial device;
- (g) earthquake;
- (h) any other consequence of the forces of nature that an experienced contractor could not foresee, or reasonably provide for, or insure against;
- (i) pandemics;
- (j) fair wear and tear of the Contract Works during the Defects Liability Period.
- (k) Any act or omission of the Principal or of the Architect or of any other Person for whose acts or omissions the Principal is as between itself and the Contractor, responsible.

8.6.3. If requested by the Architect and agreed to by the Contractor, the Contractor must make good any loss or damage caused by any of these events, but at the Principal's expense. The additional Cost and/or time delay must be claimed by the Contractor and valued in the way stated in section 9 *Variations* and section 11 *Times for starting and completing the Contract Works*.

8.7. Emergency action

8.7.1. The Contractor must take any emergency action necessary to protect the Contract Works, any other property or any Persons affected by the carrying out of the Contract Works and immediately notify the Architect of the emergency action taken. The Architect may arrange for the Principal to take the necessary action if the Contractor cannot be contacted or if the Architect decides that the Contractor is unable, or unwilling to take the necessary action.

8.8. Contractor responsible for safety of people

8.8.1. Insofar as the Site and the Contract Works are under the Contractor's control, the Contractor must take all reasonable steps to keep them in an orderly state and in such a condition as to avoid danger to any Person and property.

9. Variations

9.1. Administration of Variations to the Contract Works

- 9.1.1.** The Architect is entitled to direct the Contractor to carry out Variations.
- 9.1.2.** The Contractor must only carry out a Variation:
- (a) with the Architect's written Direction;
 - (b) when its value, if any, has been either agreed or set as stated in rule 9.2.
- 9.1.3.** The Contractor is not bound to carry out a Variation if the Variation is to be carried out after Practical Completion.
- 9.1.4.** The Contract Price is to be adjusted by the value, if any, of the Variation.
- 9.1.5.** The Contractor is entitled to request the Architect to approve a Variation which is for the Contractor's own convenience. The Architect may approve the Variation. The Architect is entitled to make the approval subject to any condition, including conditions that there is to be:
- (a) no extension of time for Practical Completion;
 - (b) no extra value for the Variation or anything arising out of the Variation.
- The Contract Price may be reduced by the reasonable cost of Architect's services incurred by the Principal as a result of the Contractor's request.
- 9.1.6.** No Variation invalidates the Contract.

9.2. Claiming and valuing Variations

- 9.2.1.** Within 10 Working Days of the Variation being directed or as soon as practicable, the Contractor must nominate a value, if any, of the Variation and ask the Architect to approve it. The Contractor must give the Architect the information necessary for the Architect to assess whether the value is correct.
- 9.2.2.** The Architect may direct the Contractor to provide any further information necessary for the Architect to properly consider the value of the Variation within 10 Working Days of receiving the Contractor's nominated value. The Contractor must provide this further information within 5 Working Days.
- 9.2.3.** If the Contractor does not nominate a value or does not give the necessary information within the period stated above, the Architect is entitled to set the value in the way stated in this rule.
- 9.2.4.** If the Architect does not decide on the value nominated by the Contractor within 10 Working Days or as soon as practicable of the Contractor providing the information necessary, the value is the amount the Contractor nominated.
- 9.2.5.** If the value is not otherwise agreed it is normally to be set by reference to the Contractor's Tender.
- 9.2.6.** If that cannot be done or if the result would be inequitable for any reason, the value is to be set by reference to what is fair in the circumstances.
- 9.2.7.** The Contractor may not be entitled to be paid for a Variation arising from the Contractor's error.
- 9.2.8.** The Contractor is entitled to be paid for the cost of processing a Variation. The cost must be included in the value of each Variation.

9.3. Contractor notified of value of Variation

- 9.3.1.** The Architect must notify the Contractor of the value the Architect sets for the Variation.
- 9.3.2.** The Architect must include reasons with the notice to the Contractor if:
- (a) the Contractor has nominated a value, and
 - (b) the value set by the Architect is different from that nominated by the Contractor.

10. Monetary Allowances

10.1. Prime Cost and Provisional Sums

10.1.1. The Contract may provide for any part of the Contract Works to be carried out under one of the following types of monetary allowances:

- (a) **Prime Cost Sum** means a material related monetary allowance. This provides for the purchase and supply, to the Site, of specific materials which are to be incorporated into the Contract Works. The sum does not include the cost associated with the installation of the materials. The sum includes the net purchase price of the materials, and a reasonable allowance for the Contractor's expense and margins.
- (b) **Provisional Sum** means a work or item related monetary allowance. This provides for the carrying out of a specific part of the Contract Works or for any item that is to be paid for by the Contractor. It includes all the Contractor's expense and margins.

10.1.2. If any part of the Contract Works is to be carried out under a monetary allowance, the Contract Documents must state the type of monetary allowance, conditions under which the monetary allowance is to be spent, how the price is to be obtained and nominate the Person to carry out the work or provide the materials.

10.1.3. The inclusion of any monetary allowance within the Contract does not mean that the work will necessarily be carried out or that the materials or item, will necessarily be purchased.

10.1.4. Except as provided in rule 10.1.3, the Principal has the right to carry out the work, purchase the materials, or items or to arrange for others to do so.

10.1.5. The Architect must nominate the Person to do the work or to supply the materials or items, under a monetary allowance.

10.1.6. The Contractor must spend each monetary allowance in the way directed by the Architect. If there is a difference between the amount spent and the relevant monetary allowance, the Contract Price is adjusted to take account of the difference. The Contractor must give the Architect sufficient information to be able to check the expenditure.

11. Times for starting and completing the Contract Works

11.1. Commencement of the Contract Works

11.1.1. The Contractor must start work within 5 Working Days of being given possession of the Site.

11.1.2. The Contractor must notify the Architect when the Contractor intends to start work.

11.2. Time for completion

11.2.1. The Contractor must achieve Practical Completion of the Contract Works within the time stated in the Specific Conditions as adjusted for all extensions of time.

11.3. Construction programme

11.3.1. The Contractor must supply to the Architect the specified construction programme.

11.4. Claim for extension of time

11.4.1. The Contractor may apply to the Architect to extend the time for Practical Completion due to a delay arising from any of the following causes:

- (a) A consent or approval is not obtained;
- (b) Unforeseeable physical conditions;
- (c) The Contract Works are suspended in a way allowed under the Contract;
- (d) Loss or damage to any part of the Contract Works;
- (e) Variations;
- (f) Weather that interferes with the progress of the works;
- (g) Strike, lockout or industrial action;

- (h) The Architect does not give a Direction within a reasonable time after being asked by the Contractor in writing to do so;
- (i) The Principal does not supply materials, work or services on time;
- (j) A separate contractor's act or omission;
- (k) Something else of significance beyond the Contractor's control.

11.4.2. The Contractor must apply in writing and:

- (a) do so within 5 Working Days, or as soon as practicable, after the delay begins;
- (b) state in sufficient detail the grounds for the extension, including the cause of the delay relied on;
- (c) specify the number of Working Days claimed.

11.4.3. The Architect must respond to the Contractor's claim within 10 Working Days after the later of:

- (a) receiving the Contractor's claim; or

11.4.4. receiving sufficient detail for the Architect to properly assess the Contractor's claim. In determining whether the Contractor is or will be delayed in achieving Practical Completion of the Contract Works, or a Separate Section of them, the Architect must not take into account:

- (a) whether the Contractor can achieve Practical Completion by the required time without an extension of time.
- (b) whether the Contractor can, by using more resources, make up the time lost.

11.4.5. If after consideration of the Contractor's claim the Architect finds the claim to be justified, the time for Practical Completion must be extended.

11.5. Principal's delay or Architect does not grant extension

11.5.1. The time when the Contract Works, or a Separate Section of them, must achieve Practical Completion is not set at large if:

- (a) the Principal causes a delay; or
- (b) the Architect does not grant a reasonable extension of time.

However, nothing in this rule prejudices any right of the Contractor to damages.

12. Practical Completion

12.1. Practical Completion

12.1.1. The Contractor must notify the Architect of the date that the Contractor considers that the Contractor will achieve Practical Completion of the Contract Works or a Separate Section of the Contract Works. The notice must detail any work the Contractor and the Architect have agreed to defer and the period of deferral.

Practical Completion means that the Contract Works or a Separate Section of them attain Practical Completion when:

- (a) they are able to be used for their intended purpose without material inconvenience;
- (b) they have generally been built in accordance with the Contract documents;
- (c) they are complete except for:-
 - (i) minor defects and minor omissions for completion during the Defects Liability Period;
 - (ii) omissions and defects which the Architect becomes aware of during the Defects Liability Period;
 - (iii) any undiscovered, latent or other defect or omission which the Architect could not have reasonably discovered;
 - (iv) work which the Architect and the Contractor have agreed to defer for completion during the Defects Liability Period, or such later date as agreed between the parties.
- (d) Information and warranties listed in the Specific Conditions have been provided.

12.1.2. The Architect must decide whether the Contract Works have achieved Practical Completion. If required by the Specific Conditions, the Contractor must provide to the

Architect a Contractor's advice of achieving Practical Completion in the form given in Schedule E1 before the Architect prepares the Practical Completion Certificate.

12.1.3. If the Architect does not carry out the Architect's obligations under this rule, the Contractor is entitled to require the Principal to remedy the Architect's failure within 10 Working Days. This applies unless the Contractor has prematurely or improperly claimed that the Contract Works, have achieved Practical Completion.

13. Defects Liability

13.1. Contractor must correct defects in the Defects Liability Period

13.1.1. The Architect must notify the Contractor during the Defects Liability Period of any defective work, defective materials and defective fittings in the Contract Works.

13.1.2. The Architect's notice must state a reasonable time for the Contractor to comply with the notice.

13.1.3. The Contractor must correct any defect on time to the satisfaction of the Architect. The Contractor must correct defects at a time which avoids unnecessary inconvenience to any occupiers and to do this the Contractor must be given access to the Contract Works at reasonable times. The Contractor must pay for the Cost of correcting the defects. In specific circumstances the Architect may direct the Principal to pay all or part of the cost.

13.1.4. The Contractor must notify the Architect when the Defects Liability Period has ended and the Contractor has: -

- (a) completed all minor omissions and corrected all minor defects referred to in rule 12.1; and
- (b) completed agreed deferred work.

13.1.5. If the Contractor does not correct a defect or complete deferred work on time, the Principal may employ another Person to correct the defect. The Architect must give the Contractor 5 Working Days notice of this intention. The Contractor must pay the Principal's cost for correcting the defect. The Principal can deduct any cost for correcting the defect from money owed by the Principal to the Contractor.

13.1.6. The Principal must give the Contractor reasonable access to the Site for the Contractor to search for or to correct defects.

13.1.7. The Architect must certify to the Principal with a copy to the Contractor when in relation to the Contract Works or a Separate Section of them:

- (a) the Defects Liability Period has ended; and
- (b) deferred work and omissions have all been completed; and
- (c) all defects have been corrected.

13.1.8. The Architect's certificate does not affect the Contractor's liability to fulfill any obligation in the Contract which remains unperformed or not properly performed.

14. Payments

14.1. Contractor's Payment Claims

14.1.1. The Contractor is entitled to submit a Payment Claim to the Architect once a month. The Contractor must send a copy of the Payment Claim to the Principal.

14.1.2. The Payment Claim must:

- (a) be in writing;
- (b) identify the construction contract to which it relates;
- (c) identify the construction work and the relevant period to which it relates;
- (d) state the due date for payment which is 17 Working Days from the date of submission of the Payment Claim;
- (e) state the claimed amount and the manner in which it was calculated, including:
 - (i) the value of the work done, including the value of Variations carried out;
 - (ii) if provided for in the Specific Conditions, the value of any Fluctuations;
 - (iii) the value of materials and fittings delivered to the Site but not yet fixed in place;
 - (iv) if provided for in the Specific Conditions, the value of materials and fittings not yet delivered to the Site which are included in the claim;
 - (v) any other amount that the Contractor is entitled to under the Contract.
- (f) Where the Payment Claim is to be a Payment Claim under the Construction Contracts Act 2002, state that it is made under the Act;
- (g) Where the Payment Claim is made under the Construction Contracts Act 2002 and the Principal is a "residential occupier" under the Act, include the information set out in Schedule 1, Form 1 of the Construction Contracts Regulations 2003.

14.1.3. The information provided by the Contractor must be sufficient for the Architect to assess the validity of the claim.

14.2. Architect's assessment of Payment Claims

14.2.1. The Architect must assess the Contractor's Payment Claim. In assessing the claim the Architect must allow a reasonable assessment of the amount payable for items which cannot be fully verified within the required time.

14.2.2. The Architect must not allow any amount claimed in relation to materials and fittings not yet delivered to the Site unless it has been agreed to in the Specific Conditions and the Contractor has provided the duly executed Schedule G2 *Security for Off Site Goods/Materials* and the materials and fittings are properly and separately stored, labeled as the property of the Principal and insured in the names of the Principal and the Contractor.

14.2.3. The Architect must deduct the following amounts from the amount the Architect assesses:

- (a) any retentions the Principal is entitled to retain;
- (b) any other amounts which the Contract allows to be deducted;
- (c) the total of the amounts previously certified for payment.

14.3. Architect must issue provisional Payment Schedules

14.3.1. The Architect must within 5 Working Days of receiving the Contractor's Payment Claim issue the Principal with a certificate in the form of a provisional Payment Schedule and give a copy of the schedule to the Contractor. If:

- (a) the Contractor's insurances required by the Contract, are not in place; or
- (b) the Contractor has not provided any bond required by the Contract;

the provisional Payment Schedule must state that no sum is payable and the reason(s) why.

14.3.2. Any unfixed materials or fittings taken into account in the provisional Payment Schedule become the property of the Principal when the Contractor is paid. The Contractor must still take care of them, and must not remove them from the Site.

14.3.3. The issuing of a provisional Payment Schedule neither implies that the Architect or the Principal accepts the work nor does it relieve the Contractor of responsibility to correct defects.

14.4. Requirements of provisional Payment Schedules

14.4.1. Provisional Payment Schedules must:

- (a) be in writing;
- (b) be dated;
- (c) identify the Payment Claim to which they relate;
- (d) show the sum certified by the Architect including any deductions which are required by the terms of the Contract or by law and show the manner in which this sum has been calculated;
- (e) state the Architect's reasons for any difference between the sum certified by the Architect and the claimed amount;
- (f) state that if a Payment Schedule is not issued within 5 Working Days the provisional Payment Schedule is deemed to be a Payment Schedule issued by the Principal.

14.4.2. If a Payment Schedule is not issued within the 5 Working Days, the provisional Payment Schedule is deemed to be a Payment Schedule.

14.5. Principal entitled to make amendments or deductions

14.5.1. The Principal is entitled to notify the Architect of any amendments or deductions that the Principal requires to the sum certified by the Architect in the provisional Payment Schedule. The Principal's notice must:

- (a) state the manner in which the Principal calculated the amendments or deductions;
- (b) state the Principal's reasons for the amendments or deductions.

14.5.2. The Principal must do so within 3 Working Days of the date of the provisional Payment Schedule.

14.6. Architect must issue Payment Schedules

14.6.1. The Architect must within 2 Working Days of receiving advice of the Principals amendments or deductions, and in any event no later than 10 Working Days after the receipt of the Contractor's Payment Claim, issue a Payment Schedule which must contain the information shown in rule 14.4.1 and must also:

- (a) state any amendments or deductions which the Principal has notified, including the manner in which such amendments or deductions have been calculated and the reasons for the Principal's amendments or deductions;
- (b) state the Scheduled Amount, which will be the sum certified by the Architect under rule 14.4.1(d) as amended by amendments and deductions notified by the Principal.

14.6.2. For the purpose of issuing Payment Schedules the Architect will be acting as agent of the Principal.

14.6.3. The Architect must send the original of each Payment Schedule to the Principal and a copy to the Contractor.

14.7. Principal must pay

14.7.1. The Principal must pay the Scheduled Amount shown in the Payment Schedule together with the amount of goods and services tax payable within 12 Working days of the date of the provisional Payment Schedule or, if one has been issued, within 7 Working Days of the date of the Payment Schedule, whichever is the earlier.

14.7.2. If the Principal fails to pay on time, the Principal must pay interest compounding monthly. The interest rate is the Contractor's average trading bank overdraft rate payable, which would be payable, by the Contractor over the period during which the amount was outstanding, multiplied by 1.25. The Principal must pay the accruing interest with the scheduled amount whether the Contractor is in overdraft or not.

14.7.3. In the event of unreasonable delay in the issue of a Payment Schedule for any claim or part of a claim which is later the subject of a Payment Schedule, the Contractor will be entitled to interest on the amount owing as set out in rule 14.7.2, from the date on which it would have been payable if the delay had not occurred, to the date of payment.

14.8. Correction of Payment Schedules

14.8.1. The Architect may, by any Payment Schedule, correct any previous Payment Schedule.

14.9. Retentions

14.9.1. The Principal is entitled to retain an amount to ensure performance and to cover liability for any defects. This amount is stated in the Specific Conditions.

14.9.2. The Contractor is entitled to require that the amount retained by the Principal is secured in a manner reasonably acceptable to the Contractor.

14.9.3. When the Architect certifies Practical Completion of the Contract Works or a Separate Section, the Architect must at the same time issue a Payment Schedule under rule 14.6 showing the retentions payable as the Scheduled Amount. The percentage of the retentions payable when Practical Completion has been achieved is stated in the Specific Conditions.

14.9.4. When the Architect certifies that the Contractor has completed all omissions, corrected all defects, completed all deferred work and the Defects Liability Period for the Contract Works or a Separate Section of them has ended, the Architect must at the same time issue a Payment Schedule under rule 14.6 showing the balance of the retentions as the Scheduled Amount. The percentage relating to liability for any defects is stated in the Specific Conditions.

14.9.5. The issuing of a Practical Completion Certificate or a Defects Liability Period certificate does not relieve the Contractor of any of the Contractor's obligations under the Contract which remain unperformed or not properly performed.

14.10. Goods and services tax

14.10.1. This rule 14.12 will only apply where both the Principal and the Contractor are registered under the Goods and Services Tax Act 1985.

14.10.2. Any Payment Claim or final Payment Claim prepared by the Contractor will not be a GST Invoice. Unless stated otherwise in the Special Conditions, when the Architect issues a Payment Schedule or Final Payment Schedule he or she must on behalf of the Principal ensure that the Payment Schedule is in the form required to constitute a GST Invoice.

15. Final Payment

15.1. Submission of final Payment Claim

15.1.1. After the Practical Completion Certificate has been issued and no later than the time stated in the Specific Conditions or within such additional time as the Architect may reasonably allow, the Contractor's final Payment Claim must be submitted to the Architect. The Contractor must send a copy of the final Payment Claim to the Principal.

15.1.2. Except for any amount resulting from a disputes procedure and the correction of any clerical or accounting error, no further Payment Claim may be submitted after submission of the final Payment Claim.

15.1.3. The final Payment Claim must:

- (a) be in writing and be endorsed "Final Payment Claim";
- (b) identify the construction contract to which it relates;
- (c) identify the construction work and the relevant periods to which it relates;
- (d) state that the due date for payment is 10 Working Days after the date of the Final Payment Schedule;
- (e) state the claimed amount and the manner in which it was calculated, including:
 - (i) the value of the work done, including the value of Variations carried out;
 - (ii) if provided for in the Specific Conditions, the value of any fluctuations;
 - (iii) all outstanding claims.
- (f) where the final Payment Claim is to be a Payment Claim under the Construction Contracts Act 2002, state that it is made under the Act.
- (g) where the final Payment Claim is made under the Construction Contracts Act 2002 and the Principal is a "residential occupier" under the Act, include the information set out in Schedule 1, Form 1 of the Construction Contracts Regulations 2003.

15.1.4. The information provided by the Contractor must be sufficient for the Architect to fully assess the validity of the claim.

15.2. Architect's assessment of final Payment Claim

15.2.1. The Architect must assess the final Payment Claim.

15.2.2. The Architect must deduct the following from the total amount the Architect assesses:

- (a) any retentions the Principal is still entitled to retain;
- (b) any other amounts which the Contract allows to be deducted;
- (c) the total of the amounts previously certified for payment.

15.2.3. When all claims have been assessed, the Architect must prepare a certificate in the form of a provisional Final Payment Schedule. The provisional Final Payment Schedule must contain the information referred to in rule 14.4.1 and must be issued to the Principal with a copy to the Contractor.

15.2.4. Should the issue of the provisional Final Payment Schedule take longer than 1 month, the Architect must issue a certificate in the form of a provisional Payment Schedule for all amounts due under the Contract which can be certified at that time and the process under rules 14.3 to 14.7 will apply. The provisional Payment Schedule must be accompanied by a statement setting out the reasons why the provisional Final Payment Schedule cannot be issued.

15.2.5. The Architect must continue to issue further provisional Payment Schedules at monthly intervals until the provisional Final Payment Schedule is issued.

15.3. Principal entitled to make amendments or deductions

15.3.1. The Principal is entitled to notify the Architect of any amendments or deductions that the Principal requires to be made to the sum certified by the Architect in the provisional Final Payment Schedule. The Principal's notice must:

- (a) state the manner in which the Principal calculated the amendments or deductions;
- (b) state the Principal's reasons for the amendments or deductions.

15.3.2. The Principal must do so within 10 Working Days of the date of the provisional Final Payment Schedule.

15.4. Architect must issue Final Payment Schedule

15.4.1. The Architect must within 5 Working Days of receiving advice of the Principal's amendments or deductions, or in any event not later than 15 Working Days after the date of the provisional Final Payment Schedule issue the Final Payment Schedule. The Final Payment Schedule must contain the information referred to in rule 15.2.3 and must also:

- (a) state any amendments or deductions which the Principal has notified including the manner in which such amendments or deductions have been calculated and the reasons for the Principal's amendments or deductions;
- (b) state the Scheduled Amount, which will be the sum certified by the Architect under rule 15.2.3 as amended by any amendments or deductions notified by the Principal.

15.4.2. For the purposes of issuing the Final Payment Schedule the Architect will be acting as agent of the Principal.

15.4.3. The Architect must send the original of the Final Payment Schedule to the Principal and a copy to the Contractor.

15.5. Principal must pay

15.5.1. The Principal must pay the Scheduled Amount shown in the Final Payment Schedule together with the amount of goods and services tax payable within 10 Working Days of the date of the Final Payment Schedule.

15.5.2. If the Principal fails to pay on time, the Principal must pay interest compounding monthly. The interest rate is the Contractor's average trading bank overdraft rate payable, or the rate which would be payable by the Contractor over the period during which the amount was outstanding, multiplied by 1.25. The Principal must pay the accruing interest with the scheduled amount whether the Contractor is in overdraft or not.

15.5.3. In the event of unreasonable delay in the issue of a Final Payment Schedule for any claim, or part of a claim, which is subsequently the subject of a Final Payment Schedule, the Contractor is entitled to interest on the amount owing as set out in rule 15.5.2, from the date on which it would have been payable if the delay had not occurred, to the date of payment.

15.6. Effect of Final Payment Schedule

15.6.1. When the Final Payment Schedule is issued, the Principal's obligations to the Contractor cease except for obligations to pay:

- (a) the Scheduled Amount set out on the Final Payment Schedule;
- (b) any retentions which become payable;
- (c) any monies which are or become payable as a result of a dispute;
- (d) any previously Scheduled Amounts which are unpaid;
- (e) any interest which is or becomes payable on Scheduled Amounts not paid on time.

15.6.2. If the Architect gives a decision under rule 17.3.3 which amends the Final Payment Schedule, the Architect will, as soon as practicable, issue a further certificate in the form of a provisional Final Payment Schedule incorporating the amendment and the process under rules 15.2 to 15.5 will apply.

15.7. Failure by the Contractor to submit a final Payment Claim

15.7.1. If the Contractor fails to submit the final Payment Claim the Architect will make an assessment and forward this to the Contractor. The Contractor then has 10 Working Days in which to notify the Architect about any objection to the assessment and the reasons for the objection/s. The Architect must then issue a certificate in the form of a provisional Final Payment Schedule and the process under rules 15.2 to 15.5 will apply.

15.8. Disputing Final Payment Schedule

15.8.1. The Final Payment Schedule cannot be disputed by the Contractor or the Principal more than 20 Working Days after it has been issued or more than 20 Working Days after any relevant Adjudicator's Determination, whichever is the later.

16. Suspending work and ending the Contract

16.1. Contractor may suspend work for non-payment

16.1.1. If the Principal fails to pay a Scheduled Amount which is owed by the Principal to the Contractor under the Contract, or has not provided security to the Contractor's satisfaction, the Contractor is entitled to notify the Principal and the Architect that the Contractor will suspend work if this amount remains unpaid after a further 5 Working Days. The Contractor must deliver the notice by receipted delivery or by hand. If the Contractor suspends work as stated in this rule, the Contractor does not have to resume work until the amount owing, plus any Cost incurred in relation to the suspension, are paid to the Contractor or payment is secured to the Contractor's satisfaction.

16.1.2. Rule 17.3.2 does not apply to this rule.

16.2. Principal may end Contract for insolvency, death or liquidation of Contractor

16.2.1. The Principal is entitled to notify the Contractor, by receipted delivery or by hand, that the Contract is at an end if the Contractor becomes bankrupt, dies, compounds with creditors, makes an assignment for the benefit of creditors, goes into liquidation, or has a receiver appointed, and, despite a request by the Principal, the Official Assignee, other assignee executor, liquidator or receiver fails for 10 Working Days to make arrangements to take over the Contract Works which are satisfactory to the Principal.

16.3. Principal may also end Contract in certain other circumstances

16.3.1. The Architect is entitled to notify the Contractor requiring the Contractor to correct any of the following:

- (a) A failure to begin the Contract Works, or a failure to continue with them regularly and diligently for reasons which do not justify an extension of time;
- (b) A failure to comply with a notice from the Architect requiring the Contractor to correct defective work;
- (c) A repeated or deliberate failure to carry out obligations under the Contract.

16.3.2. The Architect must deliver the notice by receipted delivery or by hand to the Contractor.

16.3.3. If the Contractor fails to correct the problem within 10 Working Days, the Principal is entitled to end the Contract by giving the Contractor notice by receipted delivery or by hand. The Principal is also entitled to do so if the Contractor corrects the problem, but the same listed circumstance occurs again within 6 months of the Contractor receiving the Architect's notice.

17. Disputes

17.1. Disputing Architect's Directions

17.1.1. An Architect's Direction, including the value of a Variation agreed or set by the Architect, cannot be disputed by the Contractor or the Principal more than 20 Working Days after it has been given, or as soon as practicable thereafter, or more than 20 Working Days after the date on which any relevant Adjudicator's Determination is given to the parties, whichever is the later, unless notice of the dispute has been given to the Architect within that time.

17.2. Adjudication

17.2.1. The Principal and the Contractor may at any stage agree to suspend any dispute resolution under this section 17 due to any Adjudication proceedings, but in the absence of any such agreement, the provisions of this section 17 will continue to apply and neither party will be entitled to suspend or delay any dispute resolution under this section 17 due to any Adjudication proceedings.

17.3. Resolution of disputes

17.3.1. If a dispute arises, between the Principal and the Contractor about anything in relation to:

- (a) any Direction, act or omission by the Architect;
- (b) the Contract, including rectification and frustration of the Contract; or
- (c) the Contract Works;

the Principal or the Contractor must notify the Architect giving a copy of the notice to the other stating that there is a dispute, and giving details of it, and requiring the Architect to give a formal written decision. This includes disputes over previous Directions by the Architect.

17.3.2. The Architect must give a formal written decision within 10 Working Days. The Architect is entitled to modify a previous Direction. The Architect's decision must refer to this rule. Subject to rules 17.3.3 and 17.3.4, or any Adjudication proceedings, the Architect's formal decision is final and binding.

17.3.3. If either the Principal or the Contractor is dissatisfied with the Architect's formal decision, or no decision is given within the required time, then either the Principal or the Contractor may by notice require that the matter in dispute be referred to mediation.

- (a) The notice requiring mediation must be in writing and must be given by the Principal or the Contractor to the other within 30 Working Days of the Architect's formal decision, or within 20 Working Days of the notice given under rule 17.3 if the Architect fails to give a formal decision within the required time under rule 17.3.3.;
- (b) Where a request for mediation is made and is accepted by the other party, then the Principal and the Contractor will endeavour to agree on a mediator and must submit the matter in dispute to him or her. All discussions in mediation will be without prejudice and will not be referred to in any later proceedings. The Principal and the Contractor must bear their own costs in the mediation, and must each pay half the costs of the mediator;
- (c) The Principal and the Contractor may at any stage agree to invite the mediator to give a decision to determine the matter. The mediator's decision in such case will be binding on both parties unless within 10 Working Days either party notifies the other in writing that it rejects the mediator's determination.

17.3.4. If mediation is not commenced or settlement is not achieved within 30 Working Days of the notice requiring mediation, the Principal and the Contractor must refer the dispute to Arbitration. They must appoint an arbitrator within 15 Working Days.

17.3.5. If the Principal and the Contractor cannot agree on an arbitrator within the 15 Working Day period of the notice referring the dispute to arbitration, either party may request an arbitrator to be appointed by the Person named in the Specific Conditions.

17.3.6. The award of the arbitrator is final and binding on the Principal and the Contractor.

17.3.7. However, the Principal and the Contractor are entitled to bring court proceedings to:

- (a) recover any undisputed payment under the Contract; or
- (b) seek urgent injunctive or declaratory relief.

18. Miscellaneous

18.1. Limitations on liability

18.1.1. Any limitations on liability in this Contract do not apply to the extent only that any legislation prevents the parties from limiting their liability.

18.2. Contract in force

18.2.1. The Contract comes into force when the Contractor is notified by the Principal or Architect that the Contractor has been awarded the Contract.

18.3. Law that applies

18.3.1. The Contract is issued in New Zealand. The law of New Zealand applies to this Contract.

18.4. Waiver of conditions

18.4.1. Except as provided at law or elsewhere in the Contract, nothing in the Contract can be varied, waived, discharged or released, unless both parties agree in writing.

18.5. Delivery of notices

18.5.1. Every notice must be in writing. It must be: -

- (a) delivered to the addressee by hand; or
- (b) posted to the postal address stated in the Specific Conditions; or
- (c) delivered to the street address as stated in the Specific Conditions; and

except for notices given under rules 4.4, 16.1, 16.2 and 17.3 and notices under the Construction Contracts Act 2002, unless otherwise agreed

- (d) sent by email to the email address stated in the Specific Conditions, with the original being posted or delivered within 3 Working Days; or.
- (e) sent by facsimile to the fax number stated in the Specific Conditions, with the original being posted or delivered within 3 Working Days.

18.5.2. The Principal and the Contractor must notify the other if either intends to change their address for delivery or transmission of notices.

18.5.3. The Contractor may give notices, addressed to the Principal, to the Architect. This does not apply to notices given under rules 4.4, 16.1, 16.2 and 17.3 and notices under the Construction Contracts Act 2002.

18.5.4. The notice is effective when it is delivered or transmitted. If the notice is sent by post it is effective on the 1st Working Day immediately after it is posted.

18.6. Complying with statutory requirements

18.6.1. In carrying out the Contract, the Principal and the Contractor must comply with all statutes, regulations, and by-laws of public authorities.

18.7. Computation of time

18.7.1. Time periods from any day, act or event stated in the Contract start on the first Working Day immediately following the day, act or event, unless inconsistent with the context. This rule does not apply to notice periods which are covered by rule 18.8.4.

18.8. Privacy of personal information

18.8.1. Any personal information given by one party to the other must be kept private, unless expressly agreed otherwise in writing. The personal information must only be used for the purpose for which it was given.

18.9. Words importing plural and singular

18.9.1. Where the context requires, words importing the singular only, also include the plural and vice versa.

18.10. Goods and Services Tax

18.10.1. Unless otherwise noted, all amounts referred to, including the Contract Price, exclude Goods and Services Tax.

19. Interpretation

19.1. Meanings of words

19.1.1. The following words have the following meanings in the Contract unless inconsistent with the context.

Adjudication means adjudication under the Construction Contracts Act 2002.

Adjudicator's Determination means an adjudicator's determination under the Construction Contracts Act 2002.

Arbitration means arbitration under the Arbitration Act 1996.

Architect means the Architect practice named in the Specific Conditions, or a successor, appointed by the Principal to provide Architect services relating to this Contract.

Architect's Representative means the individual named in the Specific Conditions appointed by the Architect to fulfil the Architect's obligations under this Contract.

Construction Machinery means provision, operation and maintenance of equipment such as cranes, hoists, pumps, compressors, generators, and the like, necessary for the construction of the Contract Works, but not to be incorporated in the Contract Works.

Contract refers to the Contract between the Principal and the Contractor as defined in the Contract Documents.

Contract Agreement is Schedule A1 *Contract Agreement*.

Contract Documents are the documents listed in the Contract Agreement, which make up the Contract, together with all supplementary information issued to the Contractor by the Architect during the progress of the Contract.

Contract Price is the amount stated in the Contract Agreement as adjusted under the Contract.

Contractor means the individual named as the Contractor in the Specific Conditions including executors, administrators, successors and permitted assigns of the Contractor.

Contract Works means everything to be carried out by the Contractor as stated in the Contract Documents including Temporary Works.

Cost means expense or loss including on Site overheads and off Site overheads and profit.

Defects Liability Period is the period stated in the Specific Conditions. It begins on the date of Practical Completion. If the Architect certifies Practical Completion for a Separate Section of the Contract Works, it begins for that Separate Section on the date of Practical Completion of that Section.

Directions must be in writing. They include but are not limited to approvals, assessments, authorisations, certificates, decisions, demands, determinations, instructions, notices, orders, permissions, rejections or requirements.

Drawings refers to all drawings of the Contract Works described or included in the Contract together with any modification or addition provided for in the Contract.

Final Payment Schedule means the schedule referred to in rule 15.4.

Payment Claim means any Payment Claim issued by the Contractor to the Architect including the Final Payment Claim.

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Payment Schedule means any Payment Schedule issued under the Contract including a Provisional Payment Schedule, Payment Schedule or Final Payment Schedule.

Person means any individual, partnership, body of Persons, firm, company or organisation whether corporate or not.

Practical Completion has the meaning ascribed to it in rule 12.1 *Practical Completion*.

Prime Cost Sum has the meaning ascribed to it in rule 10.1 *Prime Costs and Provisional Sums*.

Principal means the individual named as the Principal in the Specific Conditions including executors, administrators, successors and permitted assigns of the Principal.

Provisional Sum has the meaning ascribed to it in rule 10.1 *Prime Costs and Provisional Sums*.

Scheduled Amount means the amount stated in any Payment Schedule which the Principal is required to pay to the Contractor.

Site refers to the land, buildings and other places made available by the Principal for the purposes of carrying out the Contract Works.

Special Conditions refers to the contractual conditions in schedule B2 *Special Conditions of Contract* which are additional to or amend these NZIA Standard Conditions of Contract.

Specific Conditions means all the items included in schedule B1 *Specific Conditions of Contract*.

Specifications means the specification of the Contract Works described or included in the Contract and any modification or addition provided for in the Contract.

Statement of Fluctuations refers to the statement prepared by the Contractor which shows the Fluctuations which have occurred for the period for which a claim for Fluctuations is being made and includes the amounts, calculated as percentages, described in schedule C1 rules 8 and 9.

Temporary Works means the provision, operation and maintenance of:

- Temporary facilities necessary for the Contractor's Site operations, including security fencing, hoardings, roads, site office and shelter buildings, office communications, electricity and potable water supply, ablution facilities and drainage, and the like.
- Preparatory or enabling works not forming part of the permanent Contract Works, including shoring, scaffolding, safety barriers, lighting, recycling and environmental control systems, and the like.

Tender means the offer made by the Contractor to carry out the Contract Works.

Unforeseeable Physical Conditions has the meaning ascribed to in rule 7.8 *Unforeseeable Physical Conditions*.

Working Day means a calendar day other than any Saturday, Sunday, public holiday or any day falling within the period from 24 December to 5 January both inclusive.

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