

HKIS QSD PQSL Series 2015
Walkthrough the Standard Form of Building Contract Clause by Clause - Session 5

by
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 on
17 April 2015 (Thursday)
 at
Surveyors Learning Centre



【SFBCwQ.2005】 [SFBCnQ.2006]	SFBCwQ.1986(2ndAmend.July1999)
Agreement & Schedule of Conditions of Building Contract for use in the Hong Kong Special Administrative Region, Private Edition – 【With Quantities, 2005 Edition】 [Without Quantities, 2006 Edition]	Agreement and Schedule of Conditions of Building Contract for use in Hong Kong, First RICS (HK Branch) Edition 1986 (with quantities) incorporating up to Second amendments published in July, 1999
<p>【】 = text in "With Quantities" only [] = text in "Without Quantities" only {} = Essential amendments for Special Conditions <> = Desirable but not essential changes ## = note to pay attention to text to pay attention to</p>	
The General Conditions	The Conditions hereinbefore referred to:
1 Interpretation and definitions	
<i>Date of Substantial Completion:</i> the date stated in the Substantial Completion Certificate for the Works or a Section, issued by the Architect under clauses 17.1 and 17.2.	
<p><i>Defects Liability Period:</i> the period stated in the Appendix under the reference to clause 17.3, commencing on the day after the Date of Substantial Completion of the Works or a Section or the day after the Relevant Date of a Relevant Part.</p> <p># Note the words "commencing on the day after". The finish date is to be defined in the Appendix. The Defects Liability Periods of different Sections or Parts may be defined to end on different dates relative to their own or on the same date relative to the last Section. #</p>	
<p><i>Defects Rectification Certificate:</i> a certificate issued by the Architect to the effect that all defects, shrinkages and other faults have been rectified in accordance with the Contract, as described in clauses 17.4 and 17.5.</p> <p># A shorter term used in place of "Certificate of Completion of Making Good Defects". It is better to define that they are synonymous to relieve the problem of people keeping using the old terms when using the new Forms. #</p>	
<i>Relevant Date:</i> the date upon which the Employer took possession of a Relevant Part under clause 18.	
<i>Relevant Part:</i> the part of the Works or part of a Section taken possession of by the Employer under clause 18 before Substantial	

<p style="text-align: center;">【SFBCwQ.2005】 【SFBCnQ.2006】</p>	<p style="text-align: center;">SFBCwQ.1986(2ndAmend.July1999)</p>
<p>Completion of the Works or that Section.</p>	
<p><i>Specified Perils:</i> fire, lightning, explosion, storm, tropical cyclone, flood, bursting or overflowing of water tanks, apparatus or pipes, earthquake, aircraft and other aerial devices or articles dropped from them.</p> <p># Care should be exercised to ensure that the use of the term "Specified Perils" elsewhere would not have unexpected consequences, e.g. some perils can be caused by the Contractor or persons for whom he is responsible; Specified Perils are listed events for extension of time purposes but storm and tropical cyclone as Specified Perils would duplicate other listed events. #</p>	
<p><i>Substantial Completion:</i> the state of completion where the Works or a Section have been substantially completed to the Architect's satisfaction and have passed the required inspections and tests, as referred to in clauses 17.1 and 17.2.</p> <p># "Substantial Completion" used in place of "Practical Completion" with no particular reason. It is better to define that they are synonymous to relieve the problem of people keeping using the old terms when using the new Forms. #</p> <p># "and have passed the required inspections and tests" is a special introduction. #</p>	
<p><i>Substantial Completion Certificate:</i> a certificate issued by the Architect stating the date when in his opinion the Works or a Section have reached Substantial Completion.</p>	
<p><i>substantially completed:</i> the state of completion where the Works or a Section may not be absolutely completed or entirely free from defects but have reached the stage where they can be taken over and used by the Employer for their intended purpose and where the unfinished items of work and the remaining defects then patent are only of a minor nature and extent and their completion or rectification will not unreasonably interfere with or interrupt the taking over of the Works or Section.</p> <p># A rather full definition introduced in the new Forms. #</p>	
<p>【 <i>Tenders based on Schedule of Quantities and Rates</i></p> <p>1.7 (1) The quality and quantity of the work included in the Contract Sum shall be deemed to be as shown upon the Contract Drawings and described in the Specification.</p> <p>(2) The Contractor shall be deemed to have estimated his own quantities of the Works and shall submit, with his tender, a Schedule of Quantities and Rates setting out a build-up of the Contract Sum.</p> <p>(3) The accuracy of the quantities in the Schedule of Quantities and Rates submitted by the Contractor shall be at the sole risk of the Contractor and the cost of any under or over estimation of quantities shall be deemed to have been allowed for in the rates [ef for] the item concerned.</p> <p>(4) The rates in the Schedule of Quantities and Rates shall form part of the Contract and shall be used for valuing Variations and estimating interim payments.</p> <p>(5) Where any item which is required by the Contract has not been specifically priced in the Schedule of Quantities and Rates, the cost shall be deemed to have been included in the rates for other items.】</p>	

<p style="text-align: center;">【SFBCwQ.2005】 【SFBCnQ.2006】</p> <p># Compare with clause 14 of the With Quantities Form. #</p> <p># This clause 1.7 for the Without Quantities Form should have been inserted at clause 14, instead of disturbing the clause number below and leaving clause 14 not used. #</p> <p># This clause assumes that the Schedule of Quantities and Rates is to be submitted by the Contractor during tendering. Only the rates would form part of the Contract. The quantities would not. While the descriptions of the items included in the Schedule of Quantities and Rates would be significant when applying the unit rates. The quality and quantity of the work included in the Contract Sum should be based on the Contract Drawings and the Specification. Therefore, without further stipulations, the item descriptions included in a pro-forma Schedule of Quantities and Rates issued for tendering cannot be considered as a supplement to the Contract Drawings and the Specification. Care should be exercised when relying on the item descriptions to supplement the Contract Drawings and the Specification. Some QS consultants would use the term “Schedule of Works” to declare that this forms part of the Specification, and the item descriptions supplement the Contract Drawings and the Specification, while leaving the quantities and rates to be entered by the tenderers. #</p>	<p>SFBCwQ.1986(2ndAmend.July1999)</p>
<p>【14 [Not used]】</p> <p># The corresponding clause for the Without Quantities Form is clause 1.7 “Tenders based on Schedule of Quantities and Rates” of that Form. As commented there, that clause should have been inserted here. #</p>	
<p>【14 Contract Bills】</p>	<p>12 Contract Bills</p>
<p>【 Quality and quantity of work included in Contract Sum</p> <p>14.1 The quality and quantity of the work included in the Contract Sum stated in Article 2 shall be deemed to be that which is set out in the Contract Bills which shall be read in conjunction with the Specification and the Contract Drawings to amplify and supplement the descriptions in the Contract Bills.】</p> <p># The old Form (with Qty) refers to “the Contract Bills” only, though Special Conditions of Contract are usually used to include the Specification and the Contract Drawings” #</p> <p># There is no reason why “the Contract Drawings” should not be included when BQ descriptions are to be read in conjunction with the Tender Drawings during tendering. #</p> <p># Note the expression “amplify and supplement” should mean adding some more information rather than changing the basic thing as described by the BQ.”</p>	<p>12(1) The quality and quantity of the work included in the Contract Sum shall be deemed to be that which is set out in the Contract Bills ▼</p>
<p>【 Standard Method of Measurement of Building Works</p> <p>14.2 (1) The Contract Bills, except where expressly stated to the contrary in those bills, have been prepared in accordance with the procedures set out in the Hong Kong Standard Method of Measurement of Building Works (- Fourth Edition, 2005 published by the Hong Kong Institute of Surveyors current at the time the Tender Documents were issued).</p> <p># Better make it more specific as to which SMM to be used.”</p>	<p>12(1)▼which Bills unless otherwise expressly stated in respect of any specified item or items shall be deemed to have been prepared in accordance with the principles of the Standard Method of Measurement of Building Works for use in Hong Kong last before</p>

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<p>(2) A departure from the Standard Method of Measurement of Building Works in measuring any work shall be specifically stated in the 'preliminaries' or 'preambles' sections of the Contract Bills or in the description of the applicable items in the Contract Bills and the same method as used to measure that work shall be used for the measurement of any similar work that may be required to be measured and valued under clause 13.】</p> <p># Departure expressly stated in or obvious from the BQ descriptions should also be permitted.”</p> <p># The old Form (with Qty) says, “but save as aforesaid nothing contained in the Contract Bills shall override, modify, or affect in any way whatsoever the application or interpretation of that which is contained in these Conditions.” There was a court case deciding that amendments of the Conditions as stated in the Preliminaries Bill were not valid since the BQ could not override, modify or affect the Conditions. To play safe, Special Conditions should be used to modify. On the other hand, the old Form does not envisage Special Conditions. Such expression has been removed from the New Form. Clause 5 “Documents forming the Contract and other documents” gives a better treatment. #</p>	<p>published by the Royal Institution of Chartered Surveyors (Hong Kong Branch) and the Building Contractors' Association Limited, but save as aforesaid nothing contained in the Contract Bills shall override, modify, or affect in any way whatsoever the application or interpretation of that which is contained in these Conditions.</p>
<p>【 <i>Errors in Contract Bills</i></p> <p>14.3 (1) An error in description or in quantity in or the omission of an item from the Contract Bills shall not vitiate the Contract nor release the Contractor from any of his obligations or liabilities.</p> <p># “quantity in” was used in the old Form (with Qty). #</p> <p># “vitate” means destroy or damage. #</p> <p>(2) The error in quantity or omission referred to in clause 14.3(1) shall be corrected and shall, for the sole purpose of adjusting the Contract Sum, be deemed to be a Variation required by the Architect and valued in accordance with the Valuation rules under clause 13.4.</p> <p>(3) An error in description of an item shall be corrected, and if in the Quantity Surveyor’s opinion the rate for that item in the Contract Bills is no longer fair by reason of that correction, he shall fix a new rate that is fair to both parties.】</p>	<p>12(2) Any error in description or in quantity in or omission of items from the Contract Bills shall not vitiate this Contract but shall be corrected and deemed to be a variation required by the Architect.</p>
<p>【 <i>Lump sum prices based on Contract Drawings and Specification only</i></p> <p># “This clause is required when work such as M&E works are included for tendering without BQ. #</p> <p>14.4 (1) Where a lump sum price for an item or section of work included in the Contract Bills was priced based on the Contract Drawings and the Specification only without further detailed bills of quantities provided to the Contractor or was priced based on bills of quantities which quantities were agreed not to form part of the Contract, the quality and quantity of the work included in the lump sum price shall be deemed to be that which is shown on the Contract Drawings or described in the Specification. The order of precedence of the documents shall be subject to the same rules as stated in clause 5.1. Any error in the Contract Drawings and/or the Specification shall be subject to the same rules as stated in clause 14.3 with the words “the Contract Bills” substituted by “the Contract Drawings and/or the Specification”.</p> <p>(2) Where a schedule of quantities and rates showing the build-up of a lump sum price has been submitted by the Contractor and accepted by</p>	

<p style="text-align: center;">【SFBCwQ.2005】 【SFBCnQ.2006】</p> <p style="background-color: yellow;">the Architect, the rates in the schedule shall be used in the valuation of Variations to the work covered by the lump sum price. The quantities in the schedule shall not form part of the Contract.】</p>	<p>SFBCwQ.1986(2ndAmend.July1999)</p>
<p>15 Contract Sum</p> <p><i>Adjustment of Contract Sum</i></p> <p>(1) The Contract Sum stated in Article 2 shall only be adjusted in accordance with the Contract and as soon as the amount of the adjustment is calculated in whole or in part, the amount so calculated shall be taken into account in the next Interim Certificate following the calculation.</p> <p># “shall only be adjusted” is similar in meaning to “shall not be adjusted or altered whatsoever otherwise than” in the old Forms. It reinforces the basic meaning of lump sum contracts. #</p> <p># It is an important clarification that the amount so calculated shall be taken into account in interim payments. Payment for legitimate Variations or claims cannot be denied. #</p> <p>(2) 【Subject to clause 14.3】 the parties are deemed to have accepted any error whether of arithmetic or not in the calculation of the Contract Sum stated in Article 2.</p> <p># This basically refers to the Contractor’s errors in the arithmetic or rate build-up. #</p>	<p>13 Contract Sum</p> <p>13 The Contract Sum shall not be adjusted or altered in any way whatsoever otherwise than in accordance with the express provisions of these Conditions, and subject to clause 12(2) of these Conditions any error whether of arithmetic or not in the computation of the Contract Sum shall be deemed to have been accepted by the parties hereto.</p>
<p>16 Materials and goods on or off-site</p> <p><i>Property in materials and goods</i></p> <p># Learn the expressions: “property in”, “title to”, “right to” something. They are different from “property of” somebody. #</p> <p>(1) Materials and goods delivered to or adjacent to the Site or stored off-site shall become the property of the Employer once their value has been included in an Interim Certificate and paid for by the Employer.</p> <p># Learn also the phrasal verb: “paid for”. #</p> <p># Property right will transfer only after payment. #</p> <p>(2) Materials and goods delivered to or adjacent to the Site shall not be removed without the consent of the Architect. If they have become the property of the Employer《,》 the Contractor shall remain responsible for loss or damage to them except to the extent that the loss or damage is due to an act or neglect of the Employer or any person for whom the Employer is responsible.</p> <p># In the old Forms, the exception refers to clause 20[B] which deals with risks in respect of existing structures. The new Forms appear to extend the exception but this should be regarded as an implied exception in any case. #</p> <p>(3) The Contractor shall indemnify the Employer against loss or damage to materials and goods stored off-site that have become the property of the Employer, shall be responsible for the cost of their storage, handling and insurance and shall not remove them from where they are being stored except for use upon the Works.</p>	<p>14 Materials and Goods, Unfixed or Off-site</p> <p>14 Unfixed materials and goods, delivered to, placed on or adjacent to the Works and intended therefor and any materials or goods the value of which has in accordance with clause 30(2)(A) of these Conditions been included in any Interim Certificate under which the Main Contractor has received payment shall not be removed except for use upon the Works unless the Architect has consented in writing to such removal which consent shall not be unreasonably withheld. Where the value of any such materials or goods has in accordance with these Conditions been included in any Interim Certificate under which the Main Contractor has received payment, such materials and goods shall become the property of the Employer, but subject to clause 20[B] of these Conditions (if applicable), the Main Contractor shall remain responsible for loss or damage to the same.</p>

【SFBCwQ.2005】 【SFBCnQ.2006】		SFBCwQ.1986(2ndAmend.July1999)
17 Substantial Completion and defects liability	15 Practical Completion and Defects Liability	15(1) When in the opinion of the Architect the Works are practically completed, he shall forthwith issue a certificate to that effect and Practical Completion of the Works shall be deemed for all the purposes of this Contract to have taken place on the day named in such certificate.
<p><i>Substantial Completion Certificate for the Works</i></p> <p># The term “practical completion” in the old Forms has been changed to “substantial completion”. They can be regarded as the same thing unless otherwise defined. In the old Forms, there is no definition for “practical completion”. In the new Forms, “substantially completed” has been defined in Clause 1 as “the state of completion where the Works or a Section may not be absolutely completed or entirely free from defects but have reached the stage where they can be taken over and used by the Employer for their intended purpose and where the unfinished items of work and the remaining defects then patent are only of a minor nature and extent and their completion or rectification will not unreasonably interfere with or interrupt the taking over of the Works or Section. #</p> <p>17.1 The Architect shall issue the Substantial Completion Certificate for the Works when he is satisfied that the Works have been substantially completed and have passed the inspections and tests that are required by the Contract to be carried out and completed before Substantial Completion and all unfinished items of work shall be completed as soon as practicable after the issue of the Substantial Completion Certificate, or as instructed by the Architect, and in any case before the expiry of the Defects Liability Period. [The Architect shall also issue a list of all the uncompleted items of work together with the Substantial Completion Certificate.]</p> <p># Apart from “substantially completed”, passing the required inspections and tests is also required. #</p> <p># The Without Qty version added the last sentence. This appears to be a good practice but not absolutely necessary. The term “uncompleted items” has been inconsistently used with “unfinished items”.</p> <p># The old Forms do not expressly permit unfinished items of work when certifying practical completion. #</p> <p># Some Architects issue a Practical / Substantial Completion Certificate stating that this is subject to the conditions that the listed unfinished work will be completed within certain times. This will pose uncertainty as to whether the Certificate would become void if the unfinished work is not completed within the specified time. The present clause should be adequate. #</p>		
<p><i>Separate Defects Liability Period for each Section and Relevant Part</i></p> <p># Clause 17.1 deals with the Works as a whole. Clause 17.2 deals with cases when there is sectional completion or partial possession. #</p> <p>17.2 (1) If sectional completion of the Works is provided for in the Contract or the Employer takes possession of a Relevant Part 《,》 each Section or Relevant Part shall have its own separate Defects Liability Period.</p> <p>(2) The Architect shall issue a Substantial Completion Certificate upon Substantial Completion of each Section or Relevant Part except for the last one. Upon Substantial Completion of the last Section or Relevant Part 《,》 the Architect shall issue the Substantial Completion Certificate for the Works and Substantial Completion of the whole of the Works shall be deemed to have taken place on the date stated in that certificate.</p>		

<p style="text-align: center;">【SFBCwQ.2005】 【SFBCnQ.2006】</p>	<p style="text-align: center;">SFBCwQ.1986(2ndAmend.July1999)</p>
<p># The last Certificate should refer to the Works as a whole, not the last Section or Relevant Part. This is playing safe, though it may be simpler if it is so stated that if the Certificate for last Section or Relevant Part is issued, the Works as a whole will be deemed substantially completed. #</p> <p>(3) The requirements for the issue of a Substantial Completion Certificate under clause 17.2(2) shall be the same as those under clause 17.1.</p>	
<p><i>Rectifying defects</i></p> <p>17.3 (1) The Contractor shall rectify all defects, shrinkages or other faults which are identified during the Defects Liability Period of the Works, a Section or a Relevant Part stated in the Appendix, and are caused either by materials, goods or workmanship which are not in accordance with the Contract, for by natural causes or as a result of a Specified Peril occurring during the construction period prior to Substantial Completion.</p> <p># "or" added to avoid the possibility to include "natural causes" after Substantial Completion. #</p> <p>(2) The Architect shall list the defects to be rectified in schedules of defects which he shall issue to the Contractor as Architect's instructions from time to time during the Defects Liability Period. The final schedule of defects shall be issued not later than 14 days after the expiry of the Defects Liability Period.</p> <p>(3) The Contractor shall rectify the defects specified in the schedules of defects to the Architect's satisfaction within a reasonable time after receipt of those schedules.</p> <p>(4) If the Contractor does not comply with the Architect's instruction to rectify the defects listed in a schedule of defects within a reasonable time 《,,》 the provisions of clauses 4.3(3) and 4.3(4) shall apply.</p> <p># That is, the Employer may engage other persons to rectify at the expense of the Contractor, and the Contractor shall provide reasonable access and permission. #</p> <p>(5) The Architect may instruct the Contractor not to rectify some or all of the defects specified in the schedules of defects, in which case a reasonable reduction to the Contract Sum shall be made for the defects not rectified.</p> <p># This is a new option introduced into the new Forms, otherwise the Architect would not have the authority to do so. This would be useful when rectification may cause greater disturbance. Practically, this would require mutual agreement. The Employer would probably like to consider the loss of value of the Works and the future repair and maintenance expenses, while the Contractor would probably take the likely cost of defects rectification as the maximum. #</p>	<p>15(2) Any defects, shrinkages or other faults which shall appear within the Defects Liability Period stated in the appendix to these Conditions and which are due to materials or workmanship not in accordance with this Contract or to typhoon(s) occurring before Practical Completion of the Works, shall be specified by the Architect in a Schedule of Defects which he shall deliver to the Main Contractor not later than <i>fourteen</i> days after the expiration of the said Defects Liability Period, and within a reasonable time after receipt of such Schedule the defects, shrinkages and other faults therein specified shall be made good by the Main Contractor and (unless the Architect shall otherwise instruct, in which case the Contract Sum shall be adjusted accordingly) entirely at his own cost.</p> <p>15(3) Notwithstanding sub-clause (2) of this Condition the Architect may whenever he considers it necessary so to do, issue instructions requiring any defect, shrinkage or other fault which shall appear within the Defects Liability Period named in the appendix to these Conditions and which is due to materials or workmanship not in accordance with this Contract or to typhoon(s) occurring before Practical Completion of the Works to be made good, and the Main Contractor shall within a reasonable time after receipt of such instructions comply with the same and (unless the Architect shall otherwise instruct, in which case the Contract Sum shall be adjusted accordingly) entirely at his own cost. Provided that no such instructions shall be issued after delivery of a Schedule of</p>

【SFBCwQ.2005】 [SFBCnQ.2006]	SFBCwQ.1986(2ndAmend.July1999)
	Defects or after <i>fourteen</i> days from the expiration of the said Defects Liability Period.
<p><i>Defects Rectification Certificate for the Works</i></p> <p>17.4 The Architect shall issue the Defects Rectification Certificate for the Works when:</p> <p>(a) the Defects Liability Period for the Works has expired;</p> <p>(b) the Contractor has satisfactorily completed all the uncompleted items of work on the list issued with the Substantial Completion Certificate, and</p> <p>(c) all defects required to be rectified under clause 17.3 have been satisfactorily rectified.</p>	<p>15(4) When in the opinion of the Architect any defect, shrinkages or other faults which he may have required to be made good under sub-clauses (2) and (3) of this Condition shall have been made good he shall issue a certificate to that effect, and completion of making good defects shall be deemed for all the purposes of this Contract to have taken place on the day named in such certificate.</p>
<p><i>Separate certificate for each Section or Relevant Part</i></p> <p># Again, like clauses 17.1 and 17.2, clause 17.4 deals with the Works as a whole first, followed by clause 17.5 to deal with cases when there is sectional completion or partial possession. #</p> <p>17.5 (1) Where sectional completion of the Works is provided for in the Contract or the Employer takes possession of a Relevant Part, the Architect shall issue a separate Defects Rectification Certificate in accordance with clause 17.4 for each Section or Relevant Part except for the last Section or Relevant Part.</p> <p>(2) Upon the completion of rectifying defects to the last Section or Relevant Part in accordance with clause 17.4 《,》 the Architect shall issue a Defects Rectification Certificate for the Works and the completion of rectifying defects for the whole of the Works shall be deemed to have taken place on the date stated in the certificate.</p>	
<p><i>Damage by a Specified Peril</i></p> <p>17.6 The Contractor is not required to rectify at his own cost any damage caused by a Specified Peril occurring after Substantial Completion{, unless the Peril is caused by materials, goods or workmanship which are not in accordance with the Contract}.</p> <p># Amendment added because “Specified Perils” include, amongst others, bursting or overflowing of water tanks, apparatus or pipes, which can happen due to defects. #</p> <p># “natural causes” mentioned in clause 17.3(1) has not been mentioned here. This may possibly be a bug. #</p>	<p>15(5) In no case shall the Main Contractor be required to make good at his own cost any damage by typhoon(s) which may appear after Practical Completion of the Works, unless the Architect shall certify that such damage is due to injury which took place before Practical Completion of the Works.</p>
<p><i>Other rights and remedies</i></p> <p>17.7 The issue of a Defects Rectification Certificate for the whole of the Works shall discharge the Contractor from any further obligation to carry out the work of rectifying defects on the Site (except for the fulfilment of his obligations under a warranty) but it shall not prejudice the Employer’s other rights and remedies under the Contract or at law regarding defective work or other breaches of contract.</p> <p># Items under warranty and latent defects are excluded from the release. #</p>	

<p style="text-align: center;">【SFBCwQ.2005】 [SFBCnQ.2006]</p> <p># By clause 32.9(1), any defect which was reasonably discoverable (i.e. patent defect) at the time of the issue of the Defects Rectification Certificate but not discovered would be released. #</p>	<p>SFBCwQ.1986(2ndAmend.July1999)</p>
<p>18 Partial possession by Employer</p> <p># The corresponding term used in the old Forms is “Sectional Completion” which in fact is an ad-hoc Sectional Completion”. “Sectional Completion” used in the new Forms is “pre-determined Sectional Completion”. #</p>	<p>16** Sectional Completion</p> <p>** This clause shall be deemed to be part of the Contract only if specifically so stated in the Contract Bills.</p>
<p><i>Partial possession</i></p> <p>18.1 (1) The Employer may, with the Contractor’s consent, take possession of a part of the Works or where sectional completion is provided for in the Contract a part of a Section before Substantial Completion, and that part of the Works or part of a Section shall be referred to as a Relevant Part.</p> <p>(2) If the Employer takes possession of a Relevant Part, the Architect shall issue a certificate to that effect:</p> <p>(a) identifying the Relevant Part being taken into possession;</p> <p>(b) giving the Relevant Date when the Employer took possession of the Relevant Part; and</p> <p>(c) stating his assessment of the estimated amount contained in the Contract Sum in respect of the Relevant Part.</p>	<p>16 If at any time or times before Practical Completion of the Works the Employer with the consent of the Main Contractor shall take possession of any part or parts of the same (any such part being hereinafter in this clause referred to as 'the relevant part'), then notwithstanding anything expressed or implied elsewhere in this Contract:</p> <p>(a) Within <i>seven</i> days from the date on which the Employer shall have taken possession of the relevant part the Architect shall issue a certificate stating his estimate of the approximate total value of the said part, and for all the purposes of this Condition (but for no other) the value so stated shall be deemed to be the total value of the said part.</p> <p>...</p> <p>(f) (i) Within <i>fourteen</i> days of the date on which the Employer shall have taken possession of the relevant part there shall be paid to the Main Contractor from the sums then retained under clause 30(3) of these Conditions (if any) one moiety of such amount as bears the same ratio to the unreduced amount named in the appendix to these Conditions as Limit of Retention Fund as does the total value of the said relevant part to the Contract Sum, and the amount named in the appendix to these</p>

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	<p>Conditions as Limit of Retention Fund shall be reduced by the amount of such moiety.</p> <p>(ii) On the expiration of the Defects Liability Period named in the appendix to these Conditions in respect of the relevant part or on the issue of the Certificate of Completion of Making Good Defects in respect of the relevant part, whichever is the later, there shall be paid to the Main Contractor from the sums then retained under clause 30(3) of these Conditions (if any) the other moiety of the amount referred to in the immediately preceding sub-paragraph, and the amount named in the appendix to these Conditions as Limit of Retention Fund shall be reduced by the amount of such moiety.</p>
<p><i>Substantial Completion</i></p> <p>18.2 Substantial Completion of the Relevant Part shall be deemed to have occurred on the Relevant Date and the following shall take effect:</p> <p>(a) the commencement of the Defects Liability Period {with the length of time unchanged} for that Relevant Part and the rectification of defects under clause 17;</p> <p>(b) the exemption from liability for damage by a Specified Peril under clause 17.6; and</p> <p>(c) the release of one-half of the Retention relating to that Relevant Part under clause 32.5.</p>	<p>30(5) (a) The measurement and valuation of the Works shall be completed within the Period of Final Measurement and Valuation stated in the appendix to these Conditions, and the Main Contractor shall be supplied with a copy of the priced Bills of Variation not later than the end of the said Period and before the issue of the Final Certificate under sub-clause (6) of this Condition.</p> <p>(b) Either before or within a reasonable time after Practical Completion of the Works the Main Contractor shall send to the Architect all documents necessary for the purposes of the computations required by these Conditions including all documents relating to the accounts of Nominated Sub-Contractors and Nominated Suppliers.</p>

【SFBCwQ.2005】 [SFBCnQ.2006]	SFBCwQ.1986(2ndAmend.July1999)
	<p>(c) In the settlement of accounts the amounts paid or payable under the appropriate contracts by the Main Contractor to Nominated Sub-Contractors or Nominated Suppliers, the amount paid or payable by virtue of clause 4(2) of these Conditions in respect of fees or charges for which a provisional sum is included in the Contract Bills, the amounts paid or payable in respect of any insurances maintained in compliance with clause 19(2) of these Conditions, the tender sum (or such other sum as is appropriate in accordance with the terms of the tender) for any work for which a tender made under clause 27(g) of these Conditions is accepted and the value of any work executed by the Main Contractor for which a provisional sum is included in the Contract Bills shall be set against the relevant prime cost or provisional sum mentioned in the Contract Bills or arising under Architect's instructions issued under clause 11(3) of these Conditions as the case may be, and the balance, after allowing in all cases <i>pro rata</i> for the Main Contractor's profit at the rates shown in the Contract Bills, shall be added to or deducted from the Contract Sum. Provided that no deduction shall be made in respect of any damages paid or allowed to the Main Contractor by any Nominated Sub-Contractor or Nominated Supplier.</p> <p>16... (b) For the purposes of sub-paragraph (ii) of paragraph (f) of this Condition and of sub-clauses (2), (3) and (5) of clause 15 of these Conditions, Practical Completion of the relevant part shall be deemed to have occurred and the Defects Liability Period in respect of the relevant part shall be deemed to have commenced on the date on</p>

【SFBCwQ.2005】 [SFBCnQ.2006]	SFBCwQ.1986(2ndAmend.July1999)
	which the Employer shall have taken possession thereof.
<p><i>Completion of rectifying defects</i></p> <p>18.3 The Architect shall issue a Defects Rectification Certificate for the Relevant Part upon the completion of rectifying defects to that part under clause 17.5.</p>	<p>16... (c) When in the opinion of the Architect any defects, shrinkages or other faults in the relevant part which he may have required to be made good under sub-clause (2) or sub-clause (3) of clause 15 of these Conditions shall have been made good he shall issue a certificate to that effect.</p>
<p><i>Liquidated and ascertained damages</i></p> <p>18.4 Where the Employer requires the Contractor to pay or allow liquidated and ascertained damages under clause 24 for the Works or a Section and the Employer has taken possession of a Relevant Part under clause 18.1 then:</p> <p>(a) where sectional completion is not contemplated under the Contract, the rate of liquidated and ascertained damages in respect of the Works shall be reduced, during the period when the Works remain s incomplete after the Relevant Date, by the same proportion as the estimated amount contained in the Contract Sum for the Relevant Part bears to the Contract Sum; or</p> <p>(b) where sectional completion is contemplated under the Contract, the rate of liquidated and ascertained damages in respect of the relevant Section shall be reduced, during the period when the Section remains incomplete after the Relevant Date by the same proportion as the estimated amount contained in the Contract Sum for the Relevant Part bears to the estimated amount contained in the Contract Sum for the Section.</p>	<p>16... (e) In lieu of any sum to be paid or allowed by the Main Contractor under clause 22 of these Conditions in respect of any period during which the Works may remain incomplete occurring after the date on which the Employer shall have taken possession of the relevant part there shall be paid or allowed such sum as bears the same ratio to the sum which would be paid or allowed apart from the provisions of this Condition as does the Contract Sum less the total value of the said relevant part to the Contract Sum.</p>
<p><i>Damage by a Specified Peril</i></p> <p>18.5 The Contractor is not required to rectify at his own cost any damage to the Relevant Part caused by a Specified Peril occurring after the Relevant Date [, unless the Peril is caused by materials, goods or workmanship which are not in accordance with the Contract].</p>	<p>16... (d) The Main Contractor shall reduce the value insured under clause 20[A] of these Conditions (if applicable) by the full value of the relevant part, and the said relevant part shall as from the date on which the Employer shall have taken possession thereof be at the sole risk of the Employer as regards any of the contingencies referred to in the said clause.</p>