



## MINOR WORKS AGREEMENT

Project

Employer

Contractor

Contract Date

File Code

## The Joint Building Contracts Committee® - NPC Minor Works Agreement Edition 5.2 – May 2018

### JBCC®

The Joint Building Contracts Committee® NPC (JBCC®) is representative of building owners and developers, professional consultants and general and specialist contractors who contribute their knowledge and experience to the compilation of the JBCC® documents. The JBCC® documents portray the consensus view of the constituent members and are published in the interests of standardisation and good practice with an equitable distribution of contractual risk

For more information about the JBCC®, frequently asked questions, where documents may be purchased as well as training courses visit [www.jbcc.co.za](http://www.jbcc.co.za). The JBCC® does not sell directly to users but may be contacted at [info@jbcc.co.za](mailto:info@jbcc.co.za)

### Minor Works Agreement structure

The agreement clauses follow the project execution sequence. The documents aim to set out clear, balanced and enforceable procedures, rights and obligations which, when competently managed and administered, protect the employer, contractor and subcontractors alike. The following additional documents form part of the suite of contract agreements:

- The JBCC® Minor Works Agreement Contract Data that incorporates specific employer and contractor requirements
- The JBCC® General Preliminaries that covers all aspects of preliminaries for most types of projects

This agreement is intended for use where:

- The works are not complex

The employer appoints:

- A principal agent to administer the agreement and or other agents for specific aspects of the works
- Direct contractors for specialised work or installation not undertaken by the contractor

This agreement is suitable but not limited for use where:

- The contractor is a small to medium enterprise
- The employer carries the major liabilities related to the works
- The employer is responsible for the primary insurances related to the works

This agreement is *not* suitable where the works requires:

- The appointment of nominated or selected subcontractors
  - Cost fluctuations
- and is *not* considered suitable where:
- The anticipated construction period is longer than nine months
  - The necessary contract documentation is not complete and available at tender stage
  - Completion in sections is required

### Warning!

The JBCC® Minor Works Agreement Edition 5.2 has been coordinated with the JBCC® General Preliminaries and the JBCC® certificate forms and support documents. Forms from previous editions are not compatible with the JBCC® Minor Works Agreement Edition 5.2

Persons entering into or preparing contracts using the JBCC® suite of contract agreements and support documents are warned of the dangers inherent in modifying any part of it

Experience has shown that changes drafted by others, including members of the building professions, often have results that may be prejudicial to either, or both, parties

### Disclaimer

While the JBCC® aims to ensure that its publications represent best practice, it does not accept or assume any liability or responsibility for any events or consequences which derive from the use of the JBCC® documents

### Copyright reserved

The name 'The Joint Building Contracts Committee® NPC', the abbreviation JBCC®, the electronic version e-JBCC® and the JBCC® logo are registered trademarks. The JBCC® claims authorship of this work. All rights are reserved. No part of this publication may be reproduced, stored in any retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, scanning, recording, or otherwise, without the prior permission in writing of the JBCC®

Unauthorised reproduction of the work is an infringement of the copyright. Judicial proceedings can and will be instituted to obtain relief and recovery of damages

## Actions by the parties / principal agent within a given time

Clause	Time period	Action	Purpose
2.4	1WD-7 CD	parties or principal agent,	notices deemed to be received
5.4	5 WD	contractor > PA > employer	non-performance of an agent i.t.o. this agreement
5.5	10 WD	employer	inability to act, replace/appoint another agent i.t.o. this agreement
5.5	5 WD	contractor > employer	not appoint agent on reasonable objection
8.0	before start	employer	works risk/public liability/supplementary insurance
9.3.1	15 WD	parties	provide securities
9.3.2	20 WD	parties	provide replacement securities
9.3.3		parties	adjust security value if contract value increased by 10%+
9.3.4	10 WD	parties	return original security form on expiry
11.1	15 WD	contractor	provide security/priced document/programme
11.2.6	10 WD	contractor	commence works
12.0	before start	principal agent + agents	setting out information
14.3	5 WD	contractor	carry out a contract instruction, where practical
15.2.2	5 WD	contractor > principal agent	notice to inspect for practical completion
15.3		principal agent > contractor	list for practical completion after inspection
15.4	5 + 5 WD	contractor > principal agent	no 'list' > notice > deemed practically complete
16.3	5 WD	principal agent > contractor	updated list for final completion after inspection
17.4.1	10 WD	principal agent	revised date for practical completion
17.4.2	10 WD	principal agent	adjustment of the contract value
19.2	date [CD]	PA > contractor/employer	issue payment certificate and support forms
19.9	14 CD	employer pay contractor	make payment from date of payment certificate
19.10	21 CD	contractor pay employer	i.t.o. schedule from principal agent
19.11	3 WD notice	contractor > employer	no payment, notice to suspend/call on security/termination
19.12	5 WD	principal agent > contractor	final 'pay' certificate after certificate of final completion/accept final account
20.5	notice	contractor > principal agent	notice of possible expense and loss
20.8	30 WD	principal agent	prepare final account after date of practical completion
20.9	15 WD	contractor	accept final account
20.10	10 WD	contractor > principal agent	notice dispute final account/resolve issues and issue final account
21.2	5 WD notice	employer (PA) > contractor	list of defaults to be remedied > suspend works
21.4	5 WD notice	employer > contractor	intention to terminate if default not remedied
21.5	forthwith	employer > contractor	termination
21.7	10 WD	contractor > employer	intention to suspend/terminate if defaults not remedied
21.14.1	10 WD	contractor	remove construction equipment after termination
21.20	20 WD	principal agent (+ contractor?)	prepare status report
21.22	30 WD	principal agent (+ contractor?)	complete and agree final account
22.1	notice	either party	notice of a disagreement
22.2	10 WD	either party	disagreement not resolved > dispute
22.5.4	10 + 10 WD	either party	no determination > notice, no determination > arbitration

# MINOR WORKS AGREEMENT

## TABLE OF CONTENTS

Section	Clause No	Description	Page
<b>INTERPRETATION</b>	1.0	Definitions and Interpretation	2
	2.0	Law, regulations and notices	5
	3.0	Offer, acceptance and assignment	5
	4.0	Documents	5
	5.0	Employer's agents	5
	6.0	Principal agent	6
	7.0	Design responsibility	6
<b>INSURANCES AND SECURITIES</b>	8.0	Risks, indemnities and insurances	6
	9.0	Securities	7
<b>EXECUTION</b>	10.0	Obligations of the employer	8
	11.0	Obligations of the contractor	8
	12.0	Setting out	9
	13.0	Direct contractors	9
	14.0	Contract instructions	10
<b>COMPLETION</b>	15.0	Practical completion	11
	16.0	Defects liability period and Final completion	11
	17.0	Revision of the date for practical completion	12
	18.0	Penalty for late or non-completion	13
<b>PAYMENT</b>	19.0	Payment	13
	20.0	Adjustment to the contract value and final account	14
<b>SUSPENSION AND TERMINATION</b>	21.0	Suspension or termination	15
<b>DISPUTE RESOLUTION</b>	22.0	Dispute resolution	17
<b>AGREEMENT</b>		Agreement	19

### ERRATA

Page 10 CI 14.1.6: Add references [17.2.4; 20.4.2]  
 CI 14.1.10: Reference should read [17.2.2]

# INTERPRETATION

## 1.0 DEFINITIONS and INTERPRETATION

### 1.1 Definitions

A word or phrase in bold type in this agreement shall have the meaning assigned to it in these definitions  
A word or phrase not in bold type shall be interpreted in the context of its usage

**AGENT:** An entity [CD] appointed by the **employer** to deal with specific aspects of the **works**

**AGREEMENT:** The JBCC® Minor Works Agreement and the **JBCC® contract data**, the **contract drawings**, the specification, the **priced document** and any other documents reduced to writing and signed by the authorised representatives of the **parties**

**BILLS OF QUANTITIES:** The document drawn up in accordance with the measuring system [CD]

**CALENDAR DAYS:** Twenty-four (24) hour days commencing at midnight (00:00) which include Saturdays, Sundays, proclaimed public holidays and recorded **contractor's** annual holiday periods [CD]

**CERTIFICATE of FINAL COMPLETION:** A certificate issued by the **principal agent** to the **contractor** with a copy to the **employer** stating the date on which **final completion** of the **works** was achieved

**CERTIFICATE of PRACTICAL COMPLETION:** A certificate issued by the **principal agent** to the **contractor** with a copy to the **employer** stating the date on which **practical completion** of the **works** was achieved

**CONSTRUCTION EQUIPMENT:** Equipment and/or plant provided by or belonging to the **contractor** used during the **construction period**

**CONSTRUCTION INFORMATION:** All information issued by the **principal agent** and/or **agents** including this **agreement**, specifications, drawings, schedules, **notices** and **contract instructions** required for the execution of the **works**

**CONSTRUCTION PERIOD:** The period commencing on the date [CD] of possession of the **site** by the **contractor** and ending on the date of **practical completion**

**CONTRACT DATA:** The document listing the project specific information

[CD]: The notation used where additional information is recorded in the **contract data**

**CONTRACT DRAWINGS:** The drawings listed [CD]

**CONTRACT INSTRUCTION:** A written instruction issued by or under the authority of the **principal agent** to the **contractor** which may include drawings, photographs and other **construction information**

**CONTRACT MINUTES:** A comprehensive set of minutes prepared by the **principal agent** in which all pertinent contractual information that arises at meetings is progressively recorded

**CONTRACT SUM:** The accepted tender amount, inclusive of **tax** [CD] that is not subject to adjustment

**CONTRACT VALUE:** A monetary value initially equal to the **contract sum**, inclusive of **tax** that is subject to adjustment in terms of this **agreement**

**CONTRACTOR:** The **party** [CD] contracting with the **employer** for the execution of the **works**

**DEFAULT INTEREST:** Interest at six (6) percentage points per annum above the ruling rate of **interest** where payment has not been received within the stipulated period compounded monthly from the due date for payment until the date of payment

**DEFECT:** Any aspect of materials and workmanship forming part of the **works** that does not conform to the **agreement** and/or **construction information**

**DIRECT CONTRACTOR:** An entity appointed under separate agreement by the **employer** to do work on **site** prior to **practical completion** [CD]

**EMPLOYER:** The **party** [CD] contracting with the **contractor**

**EMPLOYER'S ALLOWANCE:** An amount including the **contractor's** mark-up included in the **contract sum** for work intended for execution by the **contractor**, or by others, the extent of which is identified but not detailed

**FINAL ACCOUNT:** The document prepared by the **principal agent** that reflects the final **contract value** of the **works** at **final completion** or termination

**FINAL COMPLETION:** The stage of completion of the **works** as certified by the **principal agent** where the **works** has been completed and is free of **defects**

**FINAL PAYMENT CERTIFICATE:** The certificate issued by the **principal agent** after the issue of the **certificate of final completion** after the **final account** has been agreed

**FORCE MAJEURE:** An exceptional event or circumstance that:

- Could not have been reasonably foreseen
- Is beyond the control of the **parties**, and
- Could not reasonably have been avoided or overcome

Such an event may include but is not limited to:

- Acts of war (declared or not), invasion and/or hostile acts of foreign enemies
- Insurrection, rebellion, revolution, military or usurped power and terrorism
- Civil commotion, disorder, riots, strike, lockout by persons other than the **contractor's** employees or his subcontractors
- Sonic shock waves caused by aircraft or other aerial devices and ionising or radioactive contamination
- Explosive materials, except where attributable to the **contractor's** use of such technology
- Natural catastrophes including earthquakes, floods, hurricanes or volcanic activity

**FREE ISSUE:** **Materials and goods** provided at no cost to the **contractor** by the **employer** for inclusion in the **works** [CD]

**GUARANTEE for ADVANCE PAYMENT:** A **security** in terms of the **JBCC®** Guarantee for Advance Payment form, obtained by the **contractor** from an institution approved by the **employer**

**GUARANTEE for CONSTRUCTION:** A **security** in terms of the **JBCC®** Guarantee for Construction form, obtained by the **contractor** from an institution approved by the **employer**

**GUARANTEE for PAYMENT:** A **security** in terms of the **JBCC®** Guarantee for Payment form, obtained by the **employer** from an institution approved by the **contractor**

**INTEREST:** The bank rate applicable from time to time to registered banks borrowing money from the Central or Reserve Bank of the country [CD]. The ruling bank rate on the first **calendar day** of each month shall be used in calculating the interest due for such month

**JBCC®:** The Joint Building Contracts Committee® NPC

**LATENT DEFECT:** A **defect** that a reasonable inspection of the **works** by the **principal agent** and/or **agents** would not have revealed

**LAW:** The law of the country [CD]

**LIST FOR COMPLETION:** A list that may include marked up drawings and photographs issued by the **principal agent** where **practical completion** has been certified, listing **defects** and/or outstanding work to be completed

**LIST FOR FINAL COMPLETION:** A list that may include marked up drawings and photographs issued by the **principal agent** after the inspection of the **works** for **final completion**, where **final completion** has not been achieved, listing **defects** and/or outstanding work to be completed to achieve **final completion**

**LIST FOR PRACTICAL COMPLETION:** A comprehensive and conclusive list that may include marked up drawings and photographs issued by the **principal agent** after the inspection of the **works** for **practical completion**, where **practical completion** has not been achieved, listing the **defects** and/or outstanding work to be completed to achieve **practical completion**

**MATERIALS AND GOODS:** Unfixed materials, goods and/or items prefabricated for inclusion in the **works** whether stored on or off the **site** or in transit

**NOTICE:** A written communication, excluding social media, issued by either **party**, the **principal agent** and/or **agents** to the other **party**, the **principal agent** and/or **agents** to, inter alia, record an event, request for outstanding **construction information** and/or where **suspension** and/or resumption of the **works** and/or termination of this **agreement** is contemplated

**PARTY:** The **employer** and/or the **contractor** and "**parties**" shall refer to both of them

**PAYMENT CERTIFICATE:** A certificate issued at regular agreed intervals [CD] by the **principal agent** to the **parties** certifying the amount due and payable in terms of the **JBCC®** Payment Certificate format

**PAYMENT REDUCTION:** The **security** selected by the **contractor** as a payment reduction from the value certified in a **payment certificate**. The **principal agent** shall withhold ten per cent (10%) of each **payment certificate** until five per cent (5%) of the **contract sum** is reached. Half this amount is released at **practical completion** and the remainder included in the **final payment certificate**

**PENALTY:** The stipulated amount per **calendar day** [CD] payable by the **contractor** to the **employer** where the date or the revised date for **practical completion**, whichever is the later, has not been met

**PRACTICAL COMPLETION:** The stage of completion as certified by the **principal agent** where the **works** has been completed and is free of patent **defects** other than minor **defects** identified in the **list for completion** and can be used for the intended purpose [CD]

**PRELIMINARIES:** The **JBCC®** General Preliminaries and/or the items listed in the preliminaries section of the priced document

**PRICED DOCUMENT:** The document incorporating quantities and/or rates used in the compilation of the **contract sum** such as **bills of quantities**, **preliminaries** and schedules of rates

**PRIME COST AMOUNT:** An amount included in the **contract sum** for the delivered cost of **materials and goods** obtained from a supplier as instructed by the **principal agent**

**PRINCIPAL AGENT:** The entity [CD] appointed by the **employer** with full authority and obligation to act in terms of this **agreement**

**PROGRAMME:** A diagrammatic representation of the planned execution of units of work or activities indicating the dates for commencement and completion prepared and maintained by the **contractor**

**SECURITY:** A monetary guarantee [CD] provided by the **employer** to the **contractor**, or vice versa, in terms of this **agreement** [CD] from which either **party** may recover expense and loss in the event of default

**SITE:** The land, or place, where the **works** is to be executed [CD]

**STATUS REPORT:** A report compiled by the **principal agent** and/or **agents** in the event of termination of the **agreement**, or where the **works** has been suspended due to a **force majeure** event, to record the state of completion or otherwise of the **works**. Such **status report** may include marked up drawings and photographs

**SUSPENSION:** The temporary cessation of the **works** by the **contractor**

**TAX:** Value-added tax, general sales tax or similar consumption tax applicable by **law**

**WORKING DAYS:** **Calendar days** which exclude Saturdays, Sundays, proclaimed public holidays and recorded annual **contractor's** holiday periods [CD]

**WORKS:** The extent of work to be executed by the **contractor** described in the **agreement** and **contract instructions**, which includes **free issue**, and **materials and goods**. Work or installations to be executed by **direct contractors** and others responsible to the **employer** are excluded [CD]

## 1.2 Interpretation

- 1.2.1 The words 'accept, allow, appoint, approve, authorise, certify, decide, demand, designate, grant, inform, instruct, issue, list, **notice**, notify, object, record, reduce, refuse, request, state' and their derivatives require such acts to be in writing
- 1.2.2 The masculine gender includes the feminine and neuter genders and vice versa, the singular includes the plural and vice versa and a person includes juristic or artificial persons
- 1.2.3 The headings of clauses are for information only and shall not be used in interpretation
- 1.2.4 Reference to a clause number written as [54.3.2] means that specific clause; or clause [54.3.2-4] means sub-clauses 2 to 4 inclusively; or clause [54.3.2 & 4] means sub-clauses 2 and 4 only
- 1.2.5 The word 'deemed' shall be conclusive that something is fact, regardless of the objective truth



## 2.0 LAW, REGULATIONS AND NOTICES

- 2.1 The **parties** shall comply with the **law** [CD], obtain permits, licences and approvals required and pay related charges for the execution of the **works**. The **employer** shall obtain permits, planning, building or similar permissions and pay charges for the **works** other than those which are the responsibility of the **contractor**
- 2.2 All communication or **notices** between the **parties** shall be in the language of this **agreement** and in a form that can be read, copied and recorded
- 2.3 Legal processes arising out of or concerning this **agreement** may validly be delivered to and served on the **parties** at the physical address of the **parties** recorded in this **agreement**. Either **party** may, at any time, by **notice** to the other, change its physical address provided it is in the same country
- 2.4 **Notices** given in terms of this **agreement** shall be deemed to have been received where:
- 2.4.1 Delivered by hand - on the day of delivery
- 2.4.2 Sent by electronic mail, excluding social media - within one (1) **working day**
- 2.4.3 Sent by registered post - within seven (7) **calendar days** after posting

## 3.0 OFFER, ACCEPTANCE AND ASSIGNMENT

- 3.1 The objective of this **agreement** is the execution of and payment for the **works** for which there has been an offer by the **contractor** and an acceptance by the **employer**
- 3.2 The currency applicable to this **agreement** is as recorded [CD]
- 3.3 This **agreement** shall come into force on the date of acceptance by the **employer** and continue to be of force and effect until the end of the **latent defects** liability period [16.0] notwithstanding termination [21.0] or the certification of **final completion** [16.2.2] and final payment [19.8]
- 3.4 Should any provision of this **agreement** be unenforceable the **parties** shall in good faith agree alternative provisions in terms of this **agreement**
- 3.5 Failure or omission by a **party** to enforce any provision of this **agreement** shall not constitute a waiver of such provision or affect such **party's** rights to require the performance of such provision in the future
- 3.6 Neither **party** shall assign or cede rights or assign rights or obligations under this **agreement** without the prior written consent of the other **party**, which consent shall not be unreasonably withheld

## 4.0 DOCUMENTS

- 4.1 Documents referred to in this **agreement** shall mean the current edition thereof with all amendments thereto as at the date of submission of the **contractor's** tender
- 4.2 The **parties** shall sign the original **agreement** and shall each be issued with a copy thereof. The original signed **agreement** shall be held by the **principal agent** [CD]
- 4.3 The **priced documents** shall not be used as a specification of **materials and goods** or methods
- 4.4 The content of this **agreement** shall not be published or disclosed or used for any purpose other than that specified in this **agreement**
- 4.5 The **principal agent** and/or **agents** shall timeously provide the number of copies of drawings, un-priced **bills of quantities** and other **construction information** at no cost to the **contractor** [CD]

## 5.0 EMPLOYER'S AGENTS

- 5.1 The **employer** warrants that the **principal agent** has full authority and obligation to act and bind the **employer** in terms of this **agreement**. The **principal agent** has no authority to amend this **agreement**
- 5.2 The **employer** may appoint **agents** to deal with specific aspects of the **works** in terms of this **agreement** [CD]. The **principal agent** shall give **notice** to the **contractor** where such authority is delegated to issue **contract instructions** and perform duties for specific aspects of the **works**



- 5.3 The **principal agent** and/or **agents** shall declare any interest or involvement in the **works** other than a professional interest, where applicable [CD]
- 5.4 Where the **principal agent** fails to act in terms of this **agreement** and/or any **agent** fails to act in terms of delegated authority, the **contractor** shall give **notice** to the **principal agent**, with a copy to the **employer**, to rectify such default within five (5) **working days**. Where such default has not been rectified, the **contractor** may give **notice** to suspend the **works**
- 5.5 Where the **principal agent** or any **agent** fails to act or is unable to act or ceases to be the **principal agent** or an **agent** in terms of this **agreement**, the **employer** shall appoint another **principal agent** or **agent** within ten (10) **working days** of the date of such **notice** from the **contractor**. The **employer** shall not appoint a **principal agent** or an **agent** against whom the **contractor** makes reasonable objection within five (5) **working days** of receipt of **notice** of intention to make such an appointment
- 5.6 The **employer** shall not interfere with or prevent the **principal agent** or an **agent** from exercising fair and reasonable judgement when performing their obligations in terms of this **agreement**

## 6.0 PRINCIPAL AGENT

- 6.1 The **principal agent** shall:
- 6.1.1 Administer this **agreement**
- 6.1.2 Meet regularly with the **contractor** and **agents** to monitor progress of the **works**, and to deal with technical and coordination matters. The **principal agent** shall record and timeously distribute the **contract minutes** of such meetings
- 6.1.3 Issue **construction information** timeously
- 6.1.4 Give the **contractor** interpretations and direction on the standard of work and the state of completion of the **works** required of the **contractor** to achieve **practical completion** and **final completion**
- 6.1.5 Revise the date for **practical completion** [17.0]
- 6.1.6 Issue a **certificate of practical completion** and a **certificate of final completion** where the **works** has reached the specified standard of completion [15.3.3; 16.2.2]
- 6.1.7 Issue interim **payment certificates** to the **contractor** by the due date [CD] with a copy to the **employer** until the issue of the **final payment certificate** [19.2]
- 6.1.8 Adjust the **contract value** and prepare the **final account** [20.0]

## 7.0 DESIGN RESPONSIBILITY

- 7.1 The **contractor** shall not be responsible for the design of the **works** other than the **contractor's** temporary works. The **contractor** shall not be responsible for the coordination of design elements

## INSURANCES AND SECURITIES

### ~~8.0 RISKS, INDEMNITIES AND INSURANCES~~

- ~~8.1 The **employer** shall be at risk for and indemnifies and holds the **contractor** harmless from claims or proceedings for damages, expenses and/or loss (including legal fees and expenses) in respect of or arising from or out of the execution of the **works** or occupation of the **site** by the **contractor** due to:~~
- ~~8.1.1 Physical loss and repairing damage to the **works** including existing structures and the contents thereof~~
- ~~8.1.2 The support of structures being altered or added to and/or the removal of or weakening of or interference with the support of land and/or property adjacent to or within the **site**~~
- ~~8.1.3 A defect in **free issue** and/or work to be executed and/or installed in the **works** by a **direct contractor**~~
- ~~8.1.4 Design of the **works** (other than **contractor's** temporary works)~~

## ~~8.1.5 Force majeure~~

- 8.2 The **employer** shall effect and keep in force in the joint names of the **parties** the following insurances from the date of possession of the **site** until the issue of the **certificate of practical completion**
- 8.2.1 Contract works insurance [CD] for the **works** that shall make provision for **direct contractors** [CD], **free issue** [CD], **materials and goods**, professional fees, temporary works, the clearing away and removing of all debris, any other costs to reinstate the **works** and where required and damage to **employer** owned surrounding property [CD]
- 8.2.2 Supplementary insurance [CD] for the **works** against loss or damage caused by civil commotion, riot, strike, labour disturbances and lockout to the extent not insured under the contract works insurance
- 8.2.3 Public liability insurance [CD] providing indemnity in respect of accidental death or injury to any person and accidental loss of or physical damage to tangible property to remain in force to **final completion**
- 8.2.4 Removal of lateral support insurance [CD] where the **employer** considers that the execution of the **works** could cause the removal of or weakening of or interference with the support of land or property adjacent to or within the **site** (including **employer** owned surrounding property) and the consequences thereof. The **employer** shall appoint an **agent** to design and monitor appropriate support structures for use in excavations and/or in an existing property that forms part of the **works** and/or the **site**
- 8.2.5 Other insurances [CD]
- 8.3 The **employer** shall provide the **contractor** with the entire policy wording of such policies
- 8.4 The **employer** shall give **notice** to the insurers of any relevant changes in respect of this **agreement**
- 8.5 The **contractor** shall effect and keep in force until the **contractor's** responsibility has ended insurances in respect of his:
- 8.5.1 Employees
- 8.5.2 **Construction equipment**
- 8.6 The **contractor** shall be responsible for the policy deductibles [CD] in respect of the insurances arranged by the **employer** where an action or inaction by the **contractor** is the cause of a claim
- 8.7 Should any incident or event occur which could give rise to a potential claim in terms of the insurances arranged by the **employer**, the **contractor** shall give **notice** to the **principal agent**

## ~~9.0 SECURITIES~~

- 9.1 The **contractor** shall offer one of the following to the **employer**:
- 9.1.1 **A guarantee for construction**
- or...
- 9.1.2 **Payment reduction**
- 9.2 The **employer** shall provide to the **contractor** a **guarantee for payment** where required in the accepted tender [CD]. On receipt of such **security** the **contractor** shall waive his lien or right of continuing possession of the **works**, where this has not been waived
- 9.3 The **parties** shall:
- 9.3.1 Provide to the other **party** the **security** [CD] within fifteen (15) **working days** of acceptance of the tender
- 9.3.2 Provide to the other **party** a replacement **security** where the date for **practical completion** is extended to suit the revised **construction period** for an appropriate value at least twenty (20) **working days** prior to its expiry date
- 9.3.3 Where the **contract value** exceeds the **contract sum** by more than ten per cent (10%), provide an adjusted **security** at the **employer's** expense and provide written proof of such adjustment to the respective **parties**
- 9.3.4 Return the original (adjusted) **security** form within ten (10) **working days** after its expiry date

9.4 Where an advanced payment is required for work prior to installation or for **materials and goods** stored off **site**, the **contractor** shall provide a **guarantee for advance payment** equal in value to the aggregate amount of all such advanced payments [CD]

9.5 Where a **party** makes an unjustified call on a **security**, the amount paid and **default interest** shall be paid to the other **party**

## EXECUTION

### 10.0 OBLIGATIONS OF THE EMPLOYER

10.1 The **employer** shall:

- 10.1.1 Appoint **agents** to deal with specific aspects of the **works** in terms of this **agreement**
- 10.1.2 Ensure the **principal agent** and/or **agents** provide all **construction information** timeously to the **contractor**
- 10.1.3 Record specific requirements [CD] where the existing premises will be in use and occupied during the execution of the **works** including restriction of working hours [CD]
- 10.1.4 Record and describe relevant natural features and known services [CD] where the **contractor** shall be responsible for their preservation
- 10.1.5 Define any restrictions to the **site** or areas that the **contractor** may not occupy [CD]
- 10.1.6 Give possession of the **site** to the **contractor** on the agreed date [CD]
- 10.1.7 Effect and keep in force insurances in the joint names of the **parties** [CD]
- 10.1.8 Provide a **guarantee for payment** [9.2], where applicable [CD]
- 10.1.9 Make payments by the due date [19.9] [CD]
- 10.1.10 Make advance payment(s), where required [9.4] [CD]
- 10.1.11 Permit reasonable access to the **works** by the **contractor** subsequent to **practical completion** to fulfil outstanding obligations [15.6]
- 10.1.12 Supply **free issue** to suit the **programme** [CD]
- 10.1.13 Define the extent of work to be carried out by a **direct contractor** [13.0] [CD]

10.2 The **employer** may employ:

- 10.2.1 **Direct contractors** [CD]
- 10.2.2 Others to rectify any default of the **contractor** and recover expense and loss resulting from such action

### 11.0 OBLIGATIONS OF THE CONTRACTOR

11.1 The **contractor** shall submit to the **principal agent** within fifteen (15) **working days** of acceptance of tender:

- 11.1.1 The **priced document** [CD]
- 11.1.2 A **programme** for the **works** in sufficient detail to monitor the progress of the **works**
- 11.1.3 A **guarantee for construction** [9.1.1] [CD]
- 11.1.4 A **JBCC®** format waiver of lien, where applicable [CD]

11.2 The **contractor**, on appointment, shall:

- 11.2.1 Forthwith submit statutory notices for the **works**

- 11.2.2 Designate a competent person to continuously administer and control the **works** as the **contractor's** representative. A **contract instruction** given to the **contractor's** representative shall be deemed to be given to the **contractor**
- 11.2.3 Maintain daily records in compliance with the **law** and provide regular copies to the **principal agent**
- 11.2.4 Provide everything necessary for the proper execution of the **works** in compliance with the **agreement** using materials and workmanship of the quality and standards specified to the approval of the **principal agent**
- 11.2.5 Provide, maintain and remove on completion any temporary structures and **construction equipment**
- 11.2.6 Commence the **works** within ten (10) **working days** and proceed with due diligence, regularity, expedition, skill and appropriate resources to bring the **works** to **practical completion** and to **final completion**
- 11.2.7 Keep on **site** a copy of all **construction information** required for execution of the **works** to which the **employer** and **principal agent** and/or **agents** shall have reasonable access
- 11.2.8 Assist the **principal agent** in the preparation of **payment certificates** [19.1]
- 11.2.9 Allow the **employer** and **agents** reasonable access to the **works**, workshops and other places where work is being prepared, executed or stored
- 11.2.10 On achievement of **practical completion** hand over to the **principal agent** all information for the preparation of 'as built' documentation and applicable statutory/regulatory approval certificates
- 11.2.11 On achievement of **final completion** hand over to the **principal agent** all operating and instruction manuals, product guarantees and the like

## 12.0 SETTING OUT

- 12.1 The **principal agent** or an **agent** with delegated authority shall:
  - 12.1.1 Point out boundary pegs or beacons identifying the **site** and the datum level
  - 12.1.2 Define the setting out points and levels required for the execution of the **works**
- 12.2 The **contractor** shall:
  - 12.2.1 Be responsible for the accurate setting out of the **works** notwithstanding checking by others
  - 12.2.2 Be responsible for the preservation and the reinstatement of boundary pegs, beacons and other survey information
  - 12.2.3 Not be responsible for incorrect setting out if incorrect information was issued to the **contractor**
- 12.3 The **contractor** shall immediately suspend affected work to an appropriate extent where encroachments of adjoining structures occur and where undocumented services, natural features, articles of value or relics are uncovered on the **site** and notify the **principal agent** who shall issue a **contract instruction** on how to proceed with the **works**. Any relics or other articles of value found on the **site** shall remain the property of the **employer**

## 13.0 DIRECT CONTRACTORS

- 13.1 The **contractor** shall:
  - 13.1.1 In accordance with a **contract instruction** from the **principal agent** permit **direct contractors** [CD] to execute and/or install work as part of the **works**. Such access to the **works** shall not constitute deemed achievement of **practical completion** or occupation by the **employer**
  - 13.1.2 Make reasonable allowance in the **programme** for such work or installation
  - 13.1.3 Be entitled to claim expense and/or loss caused by **direct contractors** [20.0]
- 13.2 Payment of **direct contractors** shall be the responsibility of the **employer** outside this **agreement**
- 13.3 There shall be no privity of contract between the **contractor** and a **direct contractor** appointed by the **employer**

## 14.0 CONTRACT INSTRUCTIONS

- 14.1 The **principal agent** may issue **contract instructions** to the **contractor** regarding:
- 14.1.1 Rectification of discrepancies, errors in description or quantity or omissions in this **agreement** other than in the **JBCC® Minor Works Agreement**
  - 14.1.2 Alteration to design, quality or quantity of the **works** provided that such **contract instructions** shall not substantially change the scope of the **works**
  - 14.1.3 The **site** [12.0]
  - 14.1.4 Compliance with the **law**, regulations and bylaws [2.1]
  - 14.1.5 Provision and testing of samples of **materials and goods** and/or finishes or assemblies of elements of the **works**
  - 14.1.6 Opening up of work for inspection, removal or re-execution
  - 14.1.7 Removal or re-execution of work
  - 14.1.8 Removal or substitution of any **materials and goods**
  - 14.1.9 Protection of the **works**
  - 14.1.10 Making good physical loss and repairing damage to the **works** [8.0]
  - 14.1.11 Rectification of **defects** [16.4, 16.8]
  - 14.1.12 A **list for practical completion** specifying outstanding or defective work to be rectified to achieve **practical completion** and a **list for completion** and a **list for final completion** specifying outstanding or defective work to be rectified to achieve **final completion**
  - 14.1.13 Expenditure of **employer allowances** and/or **prime cost amounts**
  - 14.1.14 Work by **direct contractors** [13.0]
  - 14.1.15 Access by other or previous contractors to remedy defective work
  - 14.1.16 Removal from the **site** of any person employed on the **works**
  - 14.1.17 Removal from the **site** of any person not engaged on or connected with the **works**
  - 14.1.18 On **suspension** or termination, protection of the **works**, removal of **construction equipment** and surplus **materials and goods** [21.6.1]
- 14.2 The **contractor** shall comply with and duly execute all **contract instructions**
- 14.3 Should the **contractor** fail to proceed with a **contract instruction** with due diligence, the **principal agent** may give **notice** to the **contractor** to proceed within five (5) **working days** of receipt of such **notice**. Where the **contractor** remains in default, the **employer** may engage others to carry out such **contract instruction** and may recover expense and/or loss incurred [20.7]
- 14.4 The **contractor** shall not be obliged to carry out a **contract instruction** for additional work issued after the certified date of **practical completion**
- 14.5 Oral instructions shall be of no force or effect

## COMPLETION

### 15.0 PRACTICAL COMPLETION

- 15.1 The **principal agent** shall:
- 15.1.1 Inspect the **works** at appropriate intervals to give the **contractor** interpretations and direction on the standard of work and the state of completion of the **works** that the **contractor** will be required to achieve for **practical completion** [CD]