



# BSA RENOVATION, EXTENSION AND REPAIR CONTRACT

**This Contract is recommended for the renovation, extension, improvement and routine repair of a home.**

- For repairs arising from natural disasters, the BSA Natural Disaster Repairs Contract is recommended.
- For construction of an entire home, the BSA New Home Construction Contract should be used.

## **THIS PACK CONTAINS:**

- Contractor's Booklet
- Homeowner's Booklet
- BSA Renovation, Extension & Repair Contract Schedule
- Prime Cost Items Schedule
- Provisional Sums Schedule
- Form 1 – *Extension of Time Claim & Owner's Response to Claim*
- Form 2 – *Progress Claim*
- Form 3 – *Notice of Dispute of Progress Claim*
- Form 4 – *Variation Document*
- Form 5 – *Defects Document*

**DO NOT ACCEPT THIS PACK IF CONTENTS ARE  
INCOMPLETE**



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# IMPORTANT

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The *Domestic Building Contracts Act 2000* requires the building contractor to give copies of all contract documentation, completed and signed, to the building owner as soon as practicable (but **within 5 business days**) after the contract is entered into.

For this contract (the *BSA Renovation, Extension and Repair Contract*), to satisfy the above requirements **the contractor must provide the owner with the following copies:**

- **Contract Schedule, Prime Cost Items Schedule and Provisional Sums Schedule** (if the contract includes PC and PS allowances) – **2 signed copies:**
  - 1 copy for owner, and
  - 1 for lender
- **Forms 1 to 5 - 2 completed and signed copies of each form as used:**
  - 1 copy for owner, and
  - 1 for lender
- **General Conditions: 1 extra copy** (A copy of the General Conditions is included in both the Contractor's Booklet and the Homeowner's Booklet. The extra copy is required for the owner's lender).

**NOTE:** The Contract Information Statement (CIS) is not formally part of the contract. **The contractor is required to give the owner 1 copy of the CIS** as soon as practicable (but **within 5 business days**) after the contract is entered into. This obligation is best satisfied by simply giving the owner, at or before the time of signing the contract, the enclosed Homeowner's Booklet as this booklet includes a copy of the CIS.



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AUGUST 2011

**CONTRACTOR'S BOOKLET**

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# GENERAL CONDITIONS

## 1. DEFINITIONS

1.1 Words and phrases highlighted in bold in this Contract are defined in Condition 24 of this Contract.

## 2. WARRANTIES UNDER THE *DOMESTIC BUILDING CONTRACTS ACT 2000*

2.1 To the extent required by the *Domestic Building Contracts Act 2000*, the Contractor warrants that:

- (a) the **work under this Contract** will be carried out in an appropriate and skilful way and with reasonable care and skill;
  - (b) all materials supplied will be of good quality and suitable for the purpose for which they are used having regard to the **Relevant Criteria**, and that all materials used will be new unless this Contract expressly provides otherwise;
  - (c) the **work under this Contract** will be carried out in accordance with all relevant laws and legal requirements;
  - (d) the **work under this Contract** will be carried out in accordance with the plans and specifications and any other Contract documents described in Item 16 of the Contract Schedule;
  - (e) if the **work under this Contract** consists of the erection or construction of a detached dwelling or is intended to renovate, alter, extend, improve or repair a home to a stage suitable for occupation, that the detached dwelling or home will be reasonably suitable for habitation when the **Works** are finished; and
  - (f) any estimate of **Provisional Sums** included in the Contract has been calculated with reasonable care and skill, having regard to all the information reasonably available when the Contract is entered into (including information about the nature and location of the building site).
- 2.2 The Contractor must, unless the Contract expressly provides otherwise, supply at the Contractor's cost and expense, everything necessary for the proper completion of the **Works** and for the performance of the **work under this Contract**.
- 2.3 The Owner must pay the Contractor the **Total Price** for the **Works** in accordance with this Contract.

## 3. THE SITE

- 3.1 The Owner gives the Contractor a licence to enter and occupy the **Site** for the purpose of performing the **work under this Contract**.
- 3.2 The Contractor shall so occupy the **Site** from the **Starting Date** until the Contractor hands over the **Works** to the Owner on the **Date of Practical Completion**.
- 3.3 The rights granted by the Owner to the Contractor under Condition 3.1 do not convey to the Contractor an interest in the land comprising the **Site**.
- 3.4 The Contractor must permit the Owner or any person authorised by the Owner to, under the Contractor's supervision:
- (a) have reasonable access to the **Site**; and
  - (b) view any part of the **work under this Contract**.
- 3.5 The Owner or the **Owner's Representative** must not interfere with the performance of the **work under this Contract** when at the **Site**. If the Owner or any person authorised by the Owner causes such an interference and:
- (a) the interference causes a delay to the **work under this Contract** or causes the Contractor to incur additional costs; and
  - (b) the Contractor gives the Owner written notice of the delay or the additional costs within 5 calendar days of becoming aware of the interference,
- then the Owner is liable to the Contractor for the delay or the additional costs.

## 4. CARE OF THE WORK

- 4.1 The Contractor is responsible for the care of the **work under this Contract** from the **Starting Date** until the Contractor hands over the **Site** to the Owner on the **Date of Practical Completion**.
- 4.2 The Contractor must promptly make good, and indemnifies the Owner in respect to, any loss or damage to the **Site** occasioned by any act, neglect or default of the Contractor or the Contractor's employees, agents or subcontractors and must also make good any such loss or damage which is or which ought to have been the subject of any insurance required by this Contract.

## 5. LODGEMENT OF PLANS

- 5.1 The party named in Schedule Item 14 (or if no party is named, the Contractor) must, within 10 **business days** of the Owner providing written evidence satisfactory to the Contractor of the Owner's capacity to pay the **Total Price** under Condition 6.1 and other written evidence required under Condition 6.4, lodge all plans and other documentation necessary for permission, consent or approval required for commencement of the **Works** with the relevant **Assessing Certifier** and any other body having relevant jurisdiction.
- 5.2 The responsible party must do all things as may be reasonably necessary to obtain all permissions, consents or approvals required for the commencement of building.

## 6. EVIDENCE OF CAPACITY TO PAY, TITLE TO SITE AND BOUNDARIES

- 6.1 If the Contract is subject to Loan Approval then by the **Loan Approval Date** the Owner must give the Contractor written confirmation from the Lender or other written evidence satisfactory to the Contractor of the Owner's capacity to pay the **Total Price**. If the Contract is not subject to Loan Approval, the Owner must, within 10 **business days** from the date of this Contract, provide the Contractor with written evidence satisfactory to the Contractor of the Owner's capacity to pay the **Total Price**.
- 6.2 If the Contract is subject to Loan Approval and the Owner fails to provide the evidence of financial capacity required under Condition 6.1, the Contract is at an end.
- 6.3 If the Contract is ended under Condition 6.2, the Contractor must immediately refund to the Owner any deposit or other money paid by the Owner to the Contractor less any fees, costs and expenses incurred by the Contractor with the Owner's express consent.
- 6.4 Within 10 **business days** from the date of the Contract, the Owner must give the Contractor written evidence satisfactory to the Contractor of the Owner's title to the **Site** and of the boundaries and position of the **Site**.
- 6.5 After commencement of **work under this Contract**, the Owner must, upon reasonable written request from the Contractor, provide the Contractor with evidence satisfactory to the Contractor of the Owner's capacity to pay the **Total Price**.

## 7. CONTRACTOR TO EFFECT INSURANCES

- 7.1 The Contractor must, at its cost, effect and maintain during the course of this Contract the following insurances:
- (a) all insurance required to comply with the *Workers' Compensation and Rehabilitation Act 2003*;
  - (b) all insurances required to comply with the *Queensland Building Services Authority Act 1991*; and
  - (c) Contract Works and Public Liability Insurances with a reputable and financially sound insurer which names or includes as an insured the Owner and the Contractor for their respective rights and interests upon usual and reasonable terms.
- 7.2 Contract Works Insurance must be for the **Total Price** of the **work under this Contract** and must extend until 4.00pm on the **Date of Practical Completion**.
- 7.3 Public Liability Insurance must be for at least the amount of 5 million dollars and must:
- (a) cover the liabilities of the Contractor and the Owner to third parties in respect of personal injury, death or damage to property arising out of or in connection with the **work under this Contract**; and
  - (b) include cross-liability provisions by which the insurer waives all rights of subrogation or action which the insurer may have against any of the persons comprising the insured and by which each person comprising the insured is deemed to be the subject of a separate policy of insurance.
- 7.4 Prior to commencement of the **work under this Contract**, or upon request by the Owner, the Contractor must provide to the Owner written evidence that the Contract Works and Public Liability Insurances required under this Condition are current.

## 8. COMMUNICATION BETWEEN THE OWNER AND THE CONTRACTOR

- 8.1 The Owner or the **Owner's Representative** must communicate and deal with, and may only give directions to, the Contractor personally or the **Contractor's Representative**.
- 8.2 Where such communications or directions are in writing they shall be legible and in English.

## 9. COMMENCEMENT AND PERFORMANCE OF THE WORKS

- 9.1 The Contractor must commence **work under this Contract** at the **Site** on or before the **Starting Date**.
- 9.2 Either party may give a written notice to the other party terminating the Contract if, without fault on the part of the party giving the notice, any permission, consent or approval necessary for the commencement of building has not been issued within 3 months of the date of this Contract or such further period extended by the parties' agreement in writing.
- 9.3 If the Contract is terminated pursuant to Condition 9.2, the Contractor's only entitlement to payment from the Owner is for the reasonable value of any work properly carried out by the Contractor prior to that termination which has not been the subject of previous payment.
- 9.4 The Contractor must diligently carry out the **work under this Contract** and must not, except as permitted by this Contract, delay, suspend, or fail to maintain reasonable progress in the performance of that work.

## 10. TIME FOR PRACTICAL COMPLETION

- 10.1 The Contractor must achieve **Practical Completion** of the **Works** by the **Date for Practical Completion** stated or calculated in accordance with Schedule Item 6 or any extended date under this Condition or under Conditions 3 or 9.
- 10.2 Subject to complying with Condition 10.3, the Contractor may claim and is entitled to a reasonable extension of the **Date for Practical Completion** if the Contractor is or will be delayed in achieving **Practical Completion** of the **Works** by any of the following causes:
- (a) the following events occurring on or before the **Date for Practical Completion**:
    - (i) industrial conditions beyond the reasonable control of the Contractor;
    - (ii) subject to subparagraph (d), inclement weather; and
    - (iii) Schedule Item 5 delays.
  - (b) delays occasioned by the Owner, the **Owner's Representative**, the Owner's employees or the Owner's agents (whether occurring before or after the **Date for Practical Completion**);
  - (c) a variation which is the subject of a Variation Document in accordance with the provisions of Condition 17 of this Contract so long as:

- (i) the variation was one requested by the Owner; or
  - (ii) for a variation not requested by the Owner, then only if the variation was required due to circumstances which the Contractor could not reasonably have foreseen when the Contract was made; or
- (d) Schedule Item 4 delays if:
- (i) there is a delay for any of the reasons listed in Schedule Item 4; and
  - (ii) the number of days actually delayed is more than that provided for in Schedule Item 4; and
  - (iii) the allowance provided is reasonable having regard to the circumstances.

10.3 If the Contractor wishes to claim an extension of the **Date for Practical Completion** other than under Condition 3, the Contractor must give to the Owner as soon as possible but within 10 **business days** of the occurrence of the relevant cause of delay a BSA Form 1 - *Extension of Time Claim and Owner's Response to Claim* or similar appropriate document with the particulars, including the cause of the delay and the extension of the **Date for Practical Completion** claimed, completed.

10.4 If the Owner fails within 10 **business days** of receiving the Contractor's claim to return to the Contractor the said BSA Form 1 - *Extension of Time Claim and Owner's Response to Claim* or similar appropriate document either agreeing to the extension of time claimed or giving reasons for the rejection of the whole or part of the said claim, the said extension of time claim will be deemed to be disputed by the Owner.

## 11. PRACTICAL COMPLETION

- 11.1 The Contractor must give to the Owner 3 **business days** prior written notice of the date upon which the Contractor anticipates that the **Works** will reach **Practical Completion**.
- 11.2 On the date specified in that notice as the anticipated date on which the **Works** will reach **Practical Completion**, the Owner or the **Owner's Representative** will inspect the **Works** and if satisfied that the **Works** have reached **Practical Completion**, and if the Contractor produces to the Owner satisfactory written evidence that all relevant inspections and approvals required by the *Sustainable Planning Act 2009* and the *Building Act 1975* and by any body having the relevant jurisdiction have been satisfactorily completed, the Contractor must:



- (a) complete and sign the BSA Form 5 - *Defects Document* or similar appropriate document identifying minor defects and minor omissions and give a copy to the Owner; and
- (b) give the Owner a Certificate of **Practical Completion** stating that date as the **Date of Practical Completion**; and
- (c) hand over the **Works** to the Owner.

11.3 If the Owner considers that the **Works** have not reached **Practical Completion** the Owner must give the Contractor written notice of those matters which are required to be done for the **Works** to reach **Practical Completion**. The Contractor must carry out such matters as may be necessary for the **Works** to reach **Practical Completion** and must otherwise proceed in accordance with the preceding paragraph.

11.4 The issue of a Certificate of **Practical Completion** does not constitute approval of any **work under this Contract** nor does it prejudice any claim by the Owner in respect of the **work under this Contract**.

11.5 When the Contractor has satisfied all of its obligations under Condition 11.2 the Owner must immediately pay the Contractor the progress claim for the **Practical Completion Stage** (as adjusted under Condition 14, if applicable).

## 12. PRICE

12.1 The parties agree that the **Total Price** stated in Schedule Item 8 comprises the following:

- (a) **Lump Sum Component**; and
- (b) **Prime Cost Items** Component (if any); and
- (c) **Provisional Sum** Items Component (if any).

12.2 If amounts are shown adjacent to **Prime Cost Items** and/or **Provisional Sum** Items in Schedule Item 7, the Contractor must complete all details set out in the *Prime Cost Items Schedule* and/or *Provisional Sums Schedule* and give the Schedule/s to the Owner.

12.3 The Owner must select each **Prime Cost Item** and notify the Contractor in writing of that selection in sufficient time to ensure that the performance of the **work under this Contract** is not thereby delayed.

12.4 If the actual cost of a **Prime Cost Item** or **Provisional Sum** Item is more than the Contractor's estimate, the Owner must pay the Contractor the increase, plus the margin (as stated in the *Prime Cost Items Schedule* or *Provisional Sums Schedule*) on the increase for the Contractor's overheads and profits. If the actual cost of a **Prime Cost Item** or **Provisional Sum** Item is less than the Contractor's estimate, the Contractor must deduct the difference, plus the margin, from the **Total Price**.

12.5 The Contractor must provide the Owner with the invoice, receipt or other document showing the cost of the **Prime Cost Item** to the Contractor, or relating to the cost to the Contractor of the work for a **Provisional Sum** Item, before or when making the next progress claim under the Contract. The Contractor cannot seek payment for the item until the next progress claim.

12.6 The parties agree and acknowledge that all pricing, consideration and amounts otherwise payable under this Contract (including under any Variation pursuant to Condition 17) have been or will be calculated on a **GST** inclusive basis.

## 13. PAYMENT

13.1 The Owner must pay the Contractor the **Total Price** for the **Works** calculated and adjusted as provided by this Contract in accordance with the following provisions:

- (a) The Owner must pay the Contractor the deposit (if any) stated in Schedule Item 9 upon the signing of this Contract.
- (b) The Contractor is entitled to claim a Progress Payment when the Contractor has achieved completion of each of the stages set out in Schedule Item 10 or in any separate document setting out payment stages which claim shall consist of:
  - (i) the percentage of the **Lump Sum Component** or other Progress Payment applicable to that stage;
  - (ii) the amount payable for any **Prime Cost Items** incorporated in the **Works** to that stage and not included in a previous Progress Payment;
  - (iii) the value of any **Provisional Sum** Item completed to that stage and not included in a previous Progress Payment; and
  - (iv) any other amount then payable to the Contractor in respect of variations pursuant to and in accordance with Condition 17.
- (c) A progress claim must comply in all respects with and provide the particulars specified in the BSA Form 2 - *Progress Claim* or similar appropriate document and be accompanied by a BSA Form 3 - *Notice of Dispute of Progress Claim* or similar appropriate written notice.
- (d) The progress claim for the **Practical Completion Stage** must, in addition to the requirements specified for any other progress claim, be accompanied by a BSA Form 5 - *Defects Document* or similar appropriate document which has had all the relevant details completed and has been signed by the Contractor.



- (e) The Contractor must make all reasonable efforts to have the Owner sign the BSA Form 5 - *Defects Document* or similar appropriate document used to record the minor defects and minor omissions.
- (f) Except in regard to the Progress Payment for the **Practical Completion Stage** payable in accordance with Condition 11.5, the Owner must pay the Contractor the Progress Payment, or so much of the relevant claim for Progress Payment as is not disputed by the Owner, within 5 **business days** of receipt of the relevant claim.
- (g) If the Owner disputes the relevant claim for Progress Payment or any part of it, the Owner must, within 5 **business days** of receipt of the relevant claim, give to the Contractor a completed and signed BSA Form 3 - *Notice of Dispute of Progress Claim* or similar appropriate written notice stating the reasons for so disputing the claim or part of it.
- (h) If the dispute is not resolved by the parties within 5 **business days** of the receipt by the Contractor of the notice of the dispute, the dispute must be referred for resolution in accordance with Condition 22.

## 14. LIQUIDATED DAMAGES

- 14.1 If the Contractor fails to achieve **Practical Completion** of the **Works** by the **Date for Practical Completion**, then the Contractor must pay to the Owner liquidated damages calculated at the rate provided in Schedule Item 11.
- 14.2 If Schedule Item 11 is left blank, a default amount of \$50 per calendar day shall be deemed to apply.
- 14.3 Liquidated damages may only be deducted by the Owner from the amount payable to the Contractor in respect of the **Practical Completion Stage**. If the Owner's entitlement to liquidated damages exceeds the amount payable to the Contractor for the **Practical Completion Stage**, the excess may be recovered by the Owner as a debt due to the Owner by the Contractor.

### WARNING TO OWNER

The entitlement to claim, and the amount to be deducted, for liquidated damages must be assessed carefully and in accordance with this Contract.

## 15. INTEREST ON OVERDUE PAYMENTS

- 15.1 The Owner must pay the Contractor interest on overdue payments at the rate set out in Schedule Item 12 or at the Commonwealth Bank of Australia Standard Variable Rate applicable to home loans at the time the payment becomes overdue plus 5 per cent per annum (the 'default rate') whichever is the lesser rate. If no amount is entered in Schedule Item 12 the default rate shall apply.

## 16. DEFECTS AFTER COMPLETION

- 16.1 The Contractor must make good defects or omissions in the **work under this Contract** which become apparent within 6 months of the **Date of Practical Completion**.
- 16.2 If there are any such defects or omissions, the Owner must give the Contractor written notice to make good such defects or omissions within the 6 month period and must give the Contractor reasonable access to the **Site** for that purpose.
- 16.3 Subject to reasonable access being provided, the Contractor must within 28 calendar days of the notice being given rectify any defects notified to the Contractor under Condition 16.2 during usual business hours.

## 17. VARIATIONS

- 17.1 The **work under this Contract** may be varied by way of an increase, decrease or substitution of **work under this Contract** agreed between the Contractor and the Owner provided that the details of the variation are put in writing, before work commences, using a BSA Form 4 - *Variation Document* or similar appropriate variation document signed by both the parties and initialled as necessary by the Owner.
- 17.2 Either party may give to the other written notice requesting a variation of the **work under this Contract**.
- 17.3 The Contractor shall give to the Owner the Contractor's calculation of the change to the **Total Price** consequent upon the proposed variation and the **work under this Contract** shall be varied when the Owner agrees with the Contractor as to the relevant variation in the variation document signed by the parties and initialled as necessary by the Owner.

17.4 If the Contractor has requested the variation, the Contractor is only entitled to additional payment if the variation is necessary because of circumstances that could not have been reasonably foreseen by the Contractor when the Contract was entered into.

17.5 If a variation is required by reason of the lawful requirements of the Local Authority or other body having relevant jurisdiction, and the matter could not reasonably have been foreseen by a competent Contractor at the date of execution of this Contract, the Contractor shall, with the prior written consent of the Owner, vary the **work under this Contract** accordingly.

17.6 If the Owner is named in Schedule Item 15 as the party responsible for extra excavations and foundations and if it becomes apparent that extra work or materials are required in respect of excavations or foundations then the Contractor may, with the prior written consent of the Owner, vary the **work under this Contract** to include the provision of such extra work or materials.

17.7 In relation to Conditions 17.5 and 17.6, the Owner shall not unreasonably withhold such consent but the Owner's consent is deemed to be reasonably withheld if the Owner withholds consent because the relevant variation will cause the **Total Price** stated in Schedule Item 8 to increase by more than 10%.

17.8 The Contractor cannot seek additional payment for a variation in respect of extra excavations and foundations from the Owner where the need for the variation has arisen because:

- (a) the Contractor failed to obtain the appropriate **Foundations Data** before entering the Contract and, had the Contractor obtained the appropriate **Foundations Data**, the need for the additional amount could reasonably have been established; or
- (b) the Contractor obtained the appropriate **Foundations Data**, and the need for the extra work or materials could reasonably have been established from the **Foundations Data**.

## 18. ASSIGNMENT & SUBCONTRACTING

18.1 The Contractor must not assign this Contract or the **work under this Contract** without the prior written consent of the Owner.

18.2 The Contractor may subcontract parts of the **work under this Contract** to appropriately licensed tradespersons, but the Contractor remains liable to the Owner for the **work under this Contract**.

## 19. COPYRIGHT

19.1 A party supplying plans for use in the performance of this Contract warrants that those plans may be so used and indemnifies the other party against any action by any person claiming ownership or copyright in respect of these plans.

19.2 Where plans are drawn by the Contractor, the Owner agrees that as between the Owner and the Contractor, the Contractor has copyright in those plans, but the Owner has the right to cause the completion of the **Works** in accordance with those plans.

## 20. TERMINATION

20.1 If either party is in **Substantial Breach** of this Contract, the party not in breach may give the other party a written request to remedy that breach.

20.2 If the **Substantial Breach** is not remedied within 10 **business days** of receipt of the written request, the party not in breach may end this Contract by giving written notice to that effect.

20.3 The right to terminate under this Condition is in addition to any other powers, rights or remedies the terminating party may have.

## 21. TERMINATION FOR INSOLVENCY

21.1 Notwithstanding Condition 20, should a party become **Insolvent** then the other party may, by giving a written notice, immediately terminate this Contract.

## 22. DISPUTE RESOLUTION

22.1 Any dispute between the Owner and the Contractor arising under or in connection with this Contract and which requires proceedings for resolution must be referred to the Queensland Civil and Administrative Tribunal (QCAT).

22.2 Where a dispute has arisen under or in connection with this Contract, including Condition 10.4, the Contractor must proceed diligently with the **work under this Contract** notwithstanding the existence of the dispute.

## 23. NOTICES

23.1 Any notice under this Contract must, unless otherwise stated, be given in writing and sent to the party to whom the notice is to be given at the address stated in the Schedule, or such other address as is subsequently advised in writing, in one of the following ways:

- (a) delivered to the other party by hand; or
- (b) delivered by prepaid post to the address noted in the Schedule; or
- (c) sent by facsimile to the facsimile number noted in the Schedule.

23.2 Any notice sent by facsimile is deemed to be given at the time when a valid transmission report is received by the sender.

## 24. DEFINITIONS

24.1 In this Contract, unless the context otherwise requires:

- (a) expressions defined or explained in the Contract Schedule have the meaning so defined or explained.
- (b) **"Assessing Certifier"** means the private certifier or Local Government Authority responsible for granting the relevant building approvals and authorisations for the Works.
- (c) **"business day"** means a day that is not:
  - (i) a Saturday or Sunday; or
  - (ii) a public holiday, special holiday, or bank holiday in Queensland.
- (d) **"Contractor's Representative"** means the person identified on the first page of the Contract Schedule (or other person notified to the Owner as the Contractor's Representative) as the person empowered by the Contractor to communicate with the Owner, including giving or receiving instructions as to variations.
- (e) **"Date for Practical Completion"** means the date stated in Schedule Item 6 or any extended date pursuant to this Contract.
- (f) **"Date of Practical Completion"** means the date certified as such in a certificate under Condition 11.
- (g) **"Foundations Data"** means information about the building Site required to prepare footings design and, if required, concrete slab design for the Site.
- (h) **"GST"** means any tax imposed by or through the GST Legislation on supply (without regard to any input tax credit).

- (i) **"GST Legislation"** means *A New Tax System (Goods and Services Tax) Act 1999* and any related tax imposition Act (whether imposing tax as a duty of customs excise or otherwise), and includes any legislation which is enacted to validate, recapture or recoup the tax imposed by any of such Acts.
- (j) **"Insolvent"** means:
  - (i) becomes insolvent or unable to pay that party's debts; or
  - (ii) commits an act of bankruptcy; or
  - (iii) is made bankrupt; or
  - (iv) assigns assets for the benefit of creditors generally; or
  - (v) makes a composition or other arrangement with creditors; or
  - (vi) being a company, goes into liquidation or receivership.
- (k) **"Loan Approval Date"** means the date stated in Schedule Item 13 by which the Owner must provide the Contractor with written evidence in accordance with Condition 6.1.
- (l) **"Lump Sum Component"** means the Lump Sum Component of the Total Price being the sum for which the Contractor must supply, in accordance with this Contract, everything necessary for the proper completion of the Works and for the performance of the work under this Contract, other than Prime Cost Items or amounts for Provisional Sums.
- (m) **"Owner's Representative"** means the person identified on the first page of the Contract Schedule (or other person notified to the Contractor as the Owner's Representative) as the person empowered by the Owner to communicate with the Contractor, including giving instructions as to variations.
- (n) **"Practical Completion"** means the date upon which the Works are completed in accordance with the requirements of this Contract, including Condition 2 and Condition 11.2.
- (o) **"Practical Completion Stage"** means that stage of the Works in which Practical Completion will be attained in accordance with this Contract.
- (p) **"Prime Cost Item"** means any item noted in the *Prime Cost Items Schedule* and as contemplated by Condition 12.
- (q) **"Provisional Sum"** means any item noted in the *Provisional Sums Schedule* and as contemplated by Condition 12.
- (r) **"Relevant Criteria"** for materials means:

- (i) generally accepted practices or standards applied in the building industry for the materials; or
  - (ii) specifications, instructions or recommendations of manufacturers or suppliers of the materials.
- (s) **“Site”** means the Site described in Schedule Item 2.
- (t) **“Starting Date”** means whichever of the following dates occurs later:
- (i) the Starting Date stated in Schedule Item 3; or
  - (ii) the day which is 10 business days after the issue of the plans duly approved by the Assessing Certifier.
- (u) **“Substantial Breach”** by the Owner includes, but is not limited to:
- (i) failing to produce evidence of the Owner’s title to the Site or of the Owner’s capacity to pay the Total Price in compliance with Condition 6 of this Contract;
  - (ii) failing to pay any money due and owing to the Contractor within 5 business days of the receipt of a valid progress claim; and
  - (iii) substantially or persistently obstructing the Contractor in the performance of the work under this Contract.
- (v) **“Substantial Breach”** by the Contractor includes, but is not limited to:
- (i) failing to perform the work under this Contract competently;
  - (ii) failing to provide materials which comply with this Contract;
  - (iii) unreasonably failing to replace or remedy defective work or materials;
  - (iv) unreasonably failing to perform the work diligently or unreasonably delaying, suspending or failing to maintain reasonable progress;
  - (v) failing to effect or maintain any insurance required by this Contract; and
  - (vi) failing to hold the current, active and appropriate licence or having the authorities necessary to complete the Works.
- (w) **“Total Price”** means the Total Price of the Works stated in Schedule Item 8 as adjusted under this Contract.
- (x) **“work under this Contract”** means all the work necessary to build the Works in accordance with the plans and specifications and this Contract and, unless expressly excluded, includes:
- (i) work to make the Site accessible to the Contractor;
  - (ii) provision of any special equipment;
  - (iii) work to clear the Site for building;
  - (iv) set out of the Works and survey if necessary;
  - (v) necessary structural retaining walls;
  - (vi) sewerage, draining and electrical connections;
  - (vii) provision of temporary water and power during construction; and
  - (viii) provision of clean up and disposal of waste materials from the Site.
- (y) **“Works”** means the work described in Schedule Item 1 to be built in accordance with this Contract, including variations provided for by the Contract, and which by the Contract is to be handed over to the Owner.

# CONTACT LIST

The contact list below is provided to enable you to conveniently record the names and contact details of people and organisations important to your project. Make sure you keep copies of all important papers regarding your project in a safe place.

**YOUR PERSONAL CONTACTS FOR GENERAL INFORMATION REGARDING YOUR BUILDING PROJECT:**

	Name	Contact Details
Owner		
		
		
Site Supervisor		
		
		
Building Certifier		
		
		
Local Government		
		
		
Solicitor		
		
		
Building Designer		
		
		
Finance Institution		
		
		
Insurance Company		
		
		
Neighbours (if relevant)		
		
		
Building Consultant		
		
		

GPO Box 5099  
Brisbane QLD 4001

[www.bsa.qld.gov.au](http://www.bsa.qld.gov.au)

1300 272 272



# BSA RENOVATION, EXTENSION AND REPAIR CONTRACT

**This Contract is recommended for the renovation, extension, improvement and routine repair of a home.**

- For repairs arising from natural disasters, the BSA Natural Disaster Repairs Contract is recommended.
- For construction of an entire home, the BSA New Home Construction Contract should be used.

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## IMPORTANT NOTE FOR HOMEOWNER

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This BSA Renovation, Extension and Repair Contract Pack consists of the following documents (most of which are held by the Contractor and will be used and copied to you as required):

Contractor's Booklet	Form 1 - <i>Extension of Time Claim &amp; Owner's Response to Claim</i>
Homeowner's Booklet	Form 2 - <i>Progress Claim</i>
BSA Renovation, Extension & Repair Contract Schedule	Form 3 - <i>Notice of Dispute of Progress Claim</i>
Prime Cost Items Schedule	Form 4 - <i>Variation Document</i>
Provisional Sums Schedule	Form 5 - <i>Defects Document</i>

These documents form an integrated package which should not be mixed with forms from other contracts. The Contractor is required to give you 2 copies of any form you are asked to sign (e.g. Form 2 - *Progress Claim*, Form 4 - *Variation Document*, etc.). You should retain 1 copy and give 1 to your Lender (if any).



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# CONTRACT CHECKLIST

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This brief checklist is for guidance only and does not form part of the Contract. It is not intended to assist with interpreting the Contract. A more detailed checklist is available on BSA's website at [www.bsa.qld.gov.au](http://www.bsa.qld.gov.au).

## Have you read the enclosed BSA Contract Information Statement?

Do not sign the Contract until you have read and are sure you understand the BSA Contract Information Statement included in this Homeowner's Booklet.

## Have you read and do you understand the Contract Documents?

Before you sign this Contract, you need to be sure you understand the Contract Schedule, the General Conditions of Contract and the other documents that are listed in the Schedule at Item 16. If you do not understand any part of them, you should seek formal legal advice.

## Have you checked that the Contractor has a current and appropriate BSA licence?

There are different classes of building licences for different work. Telephone BSA statewide on 1300 272 272 or visit the Online Licence Search on BSA's website [www.bsa.qld.gov.au](http://www.bsa.qld.gov.au) to confirm the contractor has a current and appropriate licence and to obtain details of the Contractor's past performance, including the number and value of past projects and any dispute history.

## Is the Contractor's licence number shown on the first page of the Contract Schedule?

## Are the Works clearly described at Schedule Item 1?

The description of the **Works** should be as detailed as possible and refer to the plans and specifications which should be attached and clearly show what work is to be done.

## Is the period for completion of the contracted work realistic?

Queensland legislation requires the Contractor to include reasonable allowances for matters likely to affect the duration of the project, including inclement weather and non-working days, when calculating the Total Construction Period in Schedule Item 4 and Date for Practical Completion in Schedule Item 6. The Contractor must state the number of days they have allowed for each of these factors.

## Is the Total Price shown at Schedule Item 8?

The Total Price will be the amount arrived at by adding up the lump sum component and any allowances for **Prime Cost Items** and **Provisional Sums**. You should note that this price can be varied in accordance with the terms of the Contract.

## Have Prime Cost Items or Provisional Sums, if any, been properly recorded in the Contract?

If there are **Prime Cost Items** or **Provisional Sums** included in the Contract, check to ensure that the *Prime Cost Items Schedule* and/or the *Provisional Sums Schedule* have been fully completed.

**Prime Cost Items** or **Provisional Sums** should be kept to a minimum and only included where:

- the particular item to be included has not yet been finally chosen by the Owner; or
- where it is not possible for the Contractor to give a fixed price when the Contract is signed; or
- where the extent of the contracted services covered by a Provisional Sum cannot be precisely calculated when the contract is signed.

The Contractor must make reasonable allowances for **Prime Cost Items** and **Provisional Sums**. The Owner should make enquiries or consult with the Contractor to ensure that the allowances are realistic.

### Are 'liquidated damages' applicable and, if so, have they been properly calculated?

If 'liquidated damages' apply to your project and you want to be compensated in the event the Contractor does not finish the contracted work within the timeframe allowed for in the Contract, you must insert an amount per day at Schedule Item 11 of the Contract Schedule. The amount should represent what the Owner realistically calculates he or she will be out-of-pocket as a direct result of the delay by the Contractor. For example, it might include extra cost incurred for accommodation (or lost rent in the case of rental properties), furniture storage, additional mortgage costs, etc.

**NOTE: The BSA Renovation, Extension and Repair Contract now contains a default provision whereby if Item 11 of the Schedule is left blank an amount (currently \$50 per calendar day) is deemed to apply to the period of delay beyond what is authorised under the Contract.**

### Are plans and specifications included in the Contract?

The Owner and the Contractor should carefully check the plans and specifications which, if required for the Works, must be included in the Contract Documents. This documentation should clearly set out all the work that is to be done. Both the Contractor and the Owner must be sure that they clearly understand the plans and specifications, and any other special Contract Documents listed at Schedule Item 16. The Owner should also receive a copy of any **Foundations Data** required for the **Works** obtained by the Contractor.

### Do you have all the documents included in the BSA Renovation, Extension and Repair Contract?

Before you sign the Contract, you should check that you have seen, read and understood the:

- BSA Consumer Information Statement;
- Contract Schedule, with all relevant details completed;
- General Conditions of Contract;
- *Prime Cost Items Schedule*, fully completed (if applicable); and
- *Provisional Sums Schedule*, fully completed (if applicable).

In addition to the above documents, the Contractor is required to give you 2 copies of any form you are asked to sign (e.g. Form 2 – *Progress Claim*, Form 4 – *Variation Document*, etc.). You should retain 1 copy for your files and give 1 copy to your lender (if any).

### Do you understand the Contract procedures which apply during the building process?

The Contract sets out the procedures which apply to:

- variations or changes to the work;
- progress payment claims (familiarise yourself with what payments are due and when); and
- requirements for Practical Completion.

The forms in the BSA Renovation, Extension and Repair Contract pack are designed to help you and the Contractor implement the Contract. You should use these standard forms for documenting variations, progress claims and claims by the Contractor for extensions of time.

### Have you received written confirmation that the Contractor has paid for the Contract Works, Public Liability and the Queensland Home Warranty Scheme insurances?

Contact your home property insurer before work commences to check what insurances they require the Contractor to hold and to ensure your existing policy will be operative while the building work is taking place. You may need to adjust your policy to allow for any increase in value resulting from the contracted work.

For further information on the building process, telephone 1300 272 272 statewide, visit BSA's website at [www.bsa.qld.gov.au](http://www.bsa.qld.gov.au) or visit your nearest BSA office.

# CONTRACT INFORMATION STATEMENT FOR BSA RENOVATION, EXTENSION & REPAIR CONTRACT VERSION 1 – AUGUST 2011

This document is to be read in conjunction with a contract for renovation, extension or repair of a home or associated domestic building work. It is important that you read this Statement before you sign the Contract, or at least before the 'cooling-off' period expires.

This Statement is approved by the Building Services Authority (BSA) pursuant to section 99(1) of the *Domestic Building Contracts Act 2000* (the 'DBC Act') as satisfying the requirements of a Contract Information Statement for the purposes of the DBC Act.

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*BSA recommends you read this Information Statement carefully BEFORE paying a deposit or signing the accompanying contract.*

## PURPOSE OF THIS INFORMATION STATEMENT

The *Domestic Building Contracts Act 2000* (the 'DBC Act') requires a building contractor performing 'domestic building work' with a contract price exceeding \$3,300 to provide the homeowner with a written 'Contract Information Statement'. The Statement must contain general information about the contractual process and related matters, including the rights and duties of homeowners and building contractors under contracts regulated by the DBC Act, and dispute prevention and resolution procedures.

## PRE-CONSTRUCTION

### BSA LICENCE

Queensland legislation requires that all builders, building designers and most trade contractors must be licensed by the BSA to carry out building work (there are a few exceptions e.g. electricians who have their own licensing system). For your own protection, you should **only deal with someone who has an appropriate BSA licence**. Dealing with an unlicensed contractor may leave you without the protection of the Queensland Home Warranty Scheme.

#### *Ask to see the Contractor's Licence Card!*

You can confirm, free of charge, if the contractor's licence is current and appropriate for your particular project by phoning 1300 272 272 from anywhere in Queensland or by visiting the Online Licence Search on the BSA website at [www.bsa.qld.gov.au](http://www.bsa.qld.gov.au).

**NOTE:** In addition to licence details, you can also obtain from the Online Licence Search details of the contractor's past performance including the number and value of BSA-insured projects the contractor has completed since 1992 and information regarding any action taken against them by the BSA or the Queensland Civil and Administrative Tribunal (QCAT).

### WHAT WORK DOES THE DBC ACT COVER?

Generally, all domestic building work with a contract price exceeding \$3,300 (including labour, materials and GST) is regulated by the DBC Act.

The term 'domestic building work' is very broadly defined under the DBC Act and includes the following activities:

- the erection or construction of a detached dwelling (including a single detached dwelling or duplex), or associated work;

- the renovation, alteration, extension, improvement or repair of a home (including a single detached dwelling, duplex or home unit), or associated work;
- removal or resiting of a detached dwelling intended to be used as a residence, or associated work;
- other associated work including landscaping, paving and the erection or construction of any building or fixture associated with a detached dwelling or home such as a garage, carport, retaining structure, driveway, fence, workshop, swimming pool or spa;
- the provision of services or facilities (e.g. lighting, heating, ventilation, air conditioning, water supply, sewerage and drainage) relating to the erection or construction of a detached dwelling or the renovation, alteration, extension, improvement or repair of a home; and
- site work relating to any of the domestic building work referred to above.

### CONTRACT CHECKLIST

If your project comprises domestic building work regulated by the DBC Act (i.e. almost any domestic building work with a contract price exceeding \$3,300), your agreement with the contractor must be recorded in a written contract as soon as practicable (but within 5 business days) after it is entered into and before work commences.

You should carefully read and ensure that you fully understand the contract before signing it. It is important to obtain formal legal advice regarding any contract provisions which you don't understand or are concerned about. The DBC Act sets out a number of requirements concerning the form and content of the contract.

**NOTE:** The BSA Renovation, Extension and Repair Contract meets these requirements.

Before signing any contract you should check it carefully to ensure that:

- it is in English and is readily legible;
- it includes a detailed description of the subject work;
- it displays a conspicuous notice advising the building owner of the rights the owner may have to withdraw from the contract under the cooling-off provisions of the DBC Act;
- all agreed terms have been incorporated into the written contract;
- all relevant statutory warranties are included in the contract (these statutory warranties are summarised later in this Information Statement);
- it includes the names and addresses of all parties to the contract and the precise location of the subject work, including a lot-on-plan or similar description;

- the contract states whether or not the building owner is a 'resident owner' (i.e. intends to live in the building within 6 months of completion of the contracted work);
- the building contractor's licence number is stated;
- the date the subject work is to start, or how the date is to be decided, is stated;
- if the starting date is not yet known, the contract must state that the building contractor will ensure that the work starts as soon as is reasonably possible;
- the contract states the date the contracted work is to be finished or, if the start date is not yet known, the number of days required to finish the work once it is started;
- allowances made by the contractor for any likely delays (e.g. for non-working days, inclement weather, etc.) are detailed;
- the contract price and payment provisions (including the deposit and progress payments, if any) are clearly stated and in agreement with relevant DBC Act provisions;
- if the contract price is subject to change, there must be a warning located near the contract price referring to any clause in the contract which may have the effect of changing the contract price;
- any provisional sums or prime cost items are listed on a separate schedule;
- key technical words or phrases used in the contract are defined;
- it includes appropriate plans and specifications if these are required for the subject work; and
- if the contracted work includes or alters, or may adversely affect, footings or a concrete slab for a building, the contractor must obtain appropriate 'foundations data' (including soil tests, contour surveys and other geotechnical information). Where foundations data is required for the work, the contractor must provide the homeowner with a copy of this information on payment of costs, unless the owner already has a copy or the contractor reasonably believes the owner has a copy.

### **WARNING – 'SPECIAL CONTRACTS'**

The contract formats listed below, involve added responsibility and risk and reduced BSA home warranty protection for homeowners. **The BSA strongly recommends you obtain formal legal advice before agreeing to use either of these contracts for domestic building work.**

#### **Construction Management Contracts**

The main distinguishing feature of these contracts is that whereas under a normal domestic building contract you would sign a single contract with a builder who then contracts with trade contractors and manages and supervises their work on your behalf, under the construction management method in addition to engaging

a construction manager you will also be required to contract directly with a multitude of trade contractors (e.g. plumbers, carpenters, electricians, etc.) and you will ultimately be responsible for their performance. A breakdown in your construction management contract or one of the trade contracts may have a collateral impact on your other contracts, potentially leaving you exposed to delays and even legal action.

**NOTE:** The cover available from the Queensland Home Warranty Scheme is less comprehensive, especially for non-completion, under a construction management contract than it is for a normal domestic building contract.

For more details on the differences and risks associated with construction management contracts you should read the Contract Information Statement for Construction Management Contracts now available on the BSA website.

#### **Cost Plus Contracts**

The use of these contracts for domestic building work is prohibited under the DBC Act unless certain strict conditions set out in section 55 of that Act are met. Cost plus contracts are especially dangerous for homeowners because of the total lack of certainty regarding the final cost of their project and the very high incidence of serious disputes associated with their use. In addition, the BSA's ability to assist you in the event of a dispute is greatly reduced where a cost plus contract is involved, especially if the builder takes you to the Queensland Civil and Administrative Tribunal (QCAT) (e.g. for allegedly underpaying).

#### **DEPOSITS AND PROVISIONAL ALLOWANCES**

**The deposit under the contract must not exceed 10% of the total contract price for contracts less than \$20,000. For contracts equal to or in excess of \$20,000, the deposit must not exceed 5%.** Under the DBC Act these deposit maximums cannot be exceeded, even if both parties agree. If the contract includes prime cost items or provisional sums, the contractor is required to give you copies of any invoices or receipts evidencing their costs before seeking payment. All prime cost items or provisional sums within a contract must be recorded on a separate schedule which sets out the estimated cost of the item, the amount of the contractor's margin (either by percentage or actual amount), and the total amount for the item. This total amount is an estimate only. The final cost may be more or less than the allowance.

#### **THE 'COOLING-OFF' PERIOD**

The DBC Act provides homeowners with the protection of a cooling-off period. **Under section 72 of the DBC Act you are entitled to withdraw from the contract within 5 business days** of receiving from the contractor a copy of both:

- the signed contract; and
- a BSA-approved contract information statement appropriate for the contract.



If both of the documents are not received at the same time then the cooling-off period commences when you receive the second document.

### ***If you don't receive a copy of both the signed contract and the contract information statement***

Once the contract is made, the contractor has 5 business days in which to provide you with copies of both the signed contract and the information statement. If after the expiry of the 5 business days you have still not received your copies of both of these documents, then you may withdraw at any time after that.

**NOTE:** If the contractor later provides you with copies of both of these documents, you may still withdraw from the contract but you have only 5 business days from the date you received both documents in which to exercise this right.

### ***If the contract doesn't contain a cooling-off notice***

If the contract does not include a notice advising you of your right to withdraw during the cooling-off period, then **under section 74 of the DBC Act you may withdraw from the contract within 7 calendar days** of becoming aware that the contract should have contained a cooling-off notice.

**NOTE:** The BSA Renovation, Extension and Repair Contract does include a conspicuous notice advising homeowners of their rights under the cooling-off provisions.

### ***When you may NOT withdraw under the cooling-off provisions***

You may **not** withdraw during the cooling-off period if:

- you and your contractor had a previous contract on similar terms, for similar work, and relating to the same property; or
- you have received formal legal advice about the contract before entering into the contract; or
- you tell the contractor that you have received formal legal advice about the contract before entering the contract.

### ***How to withdraw***

You may withdraw from the contract under section 72 or section 74 of the DBC Act **by providing a notice in writing to the contractor** advising that you are withdrawing and **stating the section of the DBC Act (i.e. section 72 or section 74) under which the withdrawal is made.** You do not need to give a reason for your decision to withdraw. The notice may be:

- given to the contractor; or
- left at their address stated on the contract; or
- served on the contractor in accordance with any provision in the contract providing for service of notices.

An example of a Notice of Withdrawal is provided in the Consumer Guide associated with the BSA New Home Construction Contract on the BSA website.

**NOTE:** The BSA Renovation, Extension and Repair Contract, and some other industry contracts, impose time constraints on the contractor within which they must lodge plans and commence work on site once the plans are approved.

## **INSURANCE**

### ***Insurance of the work and site during construction***

Contact your home property insurer before work commences to ensure that your existing insurance policy will be operative while the renovations are occurring, and to organise an endorsement to your current policy to allow for any increase in the property value following the work. You must also check with your contractor to ensure they have taken out the appropriate insurance (including for Contract Works and Public Liability).

### ***Queensland Home Warranty Scheme***

For almost all residential construction work valued at more than \$3,300, the Queensland Home Warranty Scheme provides protection to homeowners for non-completion, defective work or subsidence for up to 6 years and 6 months, provided a licensed contractor performs the work. Further details of the insurance cover are provided in the policy booklet.

The contractor is required to obtain home warranty cover from the BSA before plans can be approved by a Building Certifier. You should receive a Certificate of Insurance and a policy booklet from the BSA within approximately 2 weeks of payment by the contractor. If the Notified Contract Value shown on the Certificate of Insurance differs from that on your contract you should notify the BSA to amend your cover.

## **DURING CONSTRUCTION**

### **PROGRESS PAYMENTS**

If the contract price is to be paid by instalments (i.e. progress payments), **the payments should not be in advance of work progress** (i.e. when 50% of the work has been completed, you should not be required to pay more than 50% of the total contract price). Having agreed to a written progress payment schedule, stick to it and do not pay before the progress payment is required under the contract. **Pre-payment or over payment of contract instalments may reduce the protection available to you under the Queensland Home Warranty Scheme.**

### **VARIATIONS**

A change to the original contract – which may involve an increase, decrease or substitution in the contracted work – is generally known as a 'variation'. Failure by the



homeowner or the contractor to fully document variations is a common cause of costly building disputes.

If you wish to request a variation, you should put your request in writing to the contractor. **The contractor must put any agreed variations in writing** as soon as practicable and, if the variation means additional work, it is to be done **before the variation work is carried out.**

The contractor must give you a copy of the variation document as soon as practicable but within 5 business days of when the variation is agreed to. An exception is where the variation is for domestic building work that is required to be carried out urgently and it is not reasonably practicable, in the particular circumstances, to produce a variation document before carrying out the work.

### **Requirements for a variation document**

The DBC Act sets out the requirements for a variation document. The variation document must:

- be in English and readily legible;
- describe the variation;
- state the reason for the variation if sought by the contractor;
- give a reasonable estimate of any delay to the work which may result from implementing the variation;
- state any change in the contract price due to the variation or how the change is to be worked out;
- advise when the extra cost or refund for the variation will be paid or credited (**NOTE:** The contractor cannot require payment of any cost increase before the work involved in the variation is started); and
- be signed by the contractor and, if possible, by the homeowner.

If the contractor asks you to agree to a variation and it involves extra work, you are only liable to pay for that extra work if it is work the contractor could not reasonably have foreseen at the time of entering the contract. In any event, do not make any payment for a variation until the variation is in writing and has been signed by the contractor, and work has commenced on the variation.

## **BUILDING INSPECTIONS**

If mandatory building inspections are required for your building project (if in doubt check with your local government Building Section or a Private Certifier), they must be carried out by either a local government Building Certifier or a Private Certifier or a competent person authorised by them. If the contractor has engaged the certifier, the contractor must provide you with a copy of each certificate of inspection as soon as practicable after they receive it from the certifier.

As soon as is practicable after the work is completed the contractor must also provide you with copies of other contract-related documents such as reports, notices or

orders issued by suppliers of services, including, for example, electricity, gas, telephone, water, or sewerage.

The primary function of these mandatory on-site building inspections is to ensure that the construction work complies with the approved plans and recognised building standards, including the Building Code of Australia (BCA).

**NOTE:** It is not the role of the certifier to ensure compliance with the terms or specifications of the contract, or to assess or supervise the quality of the work.

## **ACCESS TO THE SITE**

The contractor is to be given control of and access to the building site to carry out the contracted work. The **building owner** (or a person authorised by the building owner) is **entitled to reasonable access to the site** to view the work under the contractor's supervision **but must not interfere with the carrying out of the contracted work.** If you, as building owner (or your representative), interfere with the contracted work in exercising your right of access you may become liable for any additional costs or delays which result from your interference.

If you are going to live at the site of the contracted work within 6 months of completion, then you are a 'resident owner' under the DBC Act and your contractor has no right to lodge a caveat over your land.

## **DISPUTE PREVENTION**

There are many causes of disputes between consumers and contractors. Apart from faulty workmanship, the most common causes relate to poor communication and inadequate documentation. Both parties must accept responsibility for this.

A key step in preventing disputes is to **ensure that you carefully read and fully understand the contract before signing it.** Do not hesitate to seek formal legal advice if you are uncertain or have concerns about any of the contract provisions. **Make sure that the contract documents, including any plans and specifications, fully detail all aspects of your agreement with the contractor** regarding the building work to be performed. Maintain good communication with the contractor and monitor the progress of the work while being careful not to interfere. Record brief details and dates of all meetings and significant conversations with the contractor and key events which occur in relation to the work. Always date and retain a copy of all correspondence with your contractor (especially correspondence regarding payments, variations and problems).

**NOTE:** To protect your rights if a dispute does arise, **it is very important that you keep copies of all contract documents** (including schedules, terms and conditions, any plans and specifications, forms, etc.).

## QUALITY CONTROL

It is the responsibility of the contractor and the homeowner, working together, to ensure that the standard of quality and finish is acceptable. If you have specific requirements with regard to quality and finish these details should, as far as possible, be discussed beforehand with the contractor and written into the contract. The next step is to carry out regular inspections of the work with the contractor or contractor's supervisor. Try to give the contractor reasonable notice of your inspections to ensure they will definitely be on site to speak with you when you arrive.

If you lack the expertise or knowledge required, or are likely to be absent for much of the building work, you may consider engaging a suitably qualified and experienced Building Consultant to assist you in monitoring work progress and quality. Before engaging a particular consultant you should shop around. Be sure to compare not just their fees but also their qualifications, industry experience, track record (ask for and contact several past clients) and the range of services they offer.

## LIQUIDATED DAMAGES

Most industry contracts (including the BSA New Home Construction Contract and the BSA Renovation, Extension and Repair Contract) include a provision for 'liquidated damages'.

This term refers to an amount per day written into the contract by the owner before signing that is to compensate the owner for any costs/losses they are likely to suffer if the work is not completed by the contractor within the time allowed for in the contract. **Normally liquidated damages would only be relevant to fairly major renovations and extensions, especially those affecting occupancy of the property.**

The appropriate amount of liquidated damages will depend on the nature of the work and the owner's individual circumstances. The owner must be able to substantiate the figure and it must not be punitive (i.e. it must represent the owner's genuine estimate, at the date of signing the contract, of actual costs/losses they believe they are likely to suffer, without adding any extra cost to 'punish' the contractor). **If liquidated damages are applicable to the project, it is important that you calculate and insert an appropriate amount in the contract before signing.**

The calculation would typically include a daily allowance for any additional rent payable by you (if the project necessitates you moving out), or rent lost by you (if tenants must move out of your investment property), storage of furniture/personal effects, finance costs, etc. directly attributable to the delay in the completion date.

**NOTE:** The BSA New Home Construction Contract and the BSA Renovation, Extension and Repair Contract, like several other industry contracts, contain a default provision whereby liquidated damages of \$50 per day are deemed to

apply if the liquidated damages section of the contract schedule is left blank.

## UPON COMPLETION

Upon completion you should conduct a comprehensive inspection of the work with the contractor. Be sure to advise the contractor in writing of any defective or missing items, or any damaged or unfinished work, and request its rectification (BSA's Form 5 - *Defects Document* associated with the BSA Renovation, Extension and Repair Contract is provided for this purpose). You should then hand over the final payment under the contract (do not withhold this payment without first obtaining formal legal advice or you could be sued for breach of contract).

## DISPUTE RESOLUTION

### ADVISE THE CONTRACTOR

If during the work or upon completion you encounter a problem relating to the contracted work, you should first convey your concern to the contractor in writing asking them to address the matter within a reasonable timeframe (say 7 to 14 days) and provide you with a written response. Ensure you date, sign and retain a copy of your letter/s and the contractor's response.

For larger domestic building projects, including major renovations, extensions or repairs or full home construction, **the DBC Act requires the building contractor to provide you with a signed 'defects document' at practical completion before you hand over the final payment** under the contract. The defects document must include a list of any agreed minor defects and minor omissions and state by what date the building contractor will correct the listed matters. If the items listed are not addressed within the stated timeframe you should write to the contractor asking them to address the unresolved matters promptly, by a particular date, and provide you with a written response.

In addition to addressing these minor defects and minor omissions identified at handover, building contractors must positively respond to complaints relating to minor defects (referred to by the BSA as 'Category 2' defects – see definition below) which become apparent during the first 6 months after the building work was completed. Complaints relating to minor defects during this initial period of 6 months after completion of the contracted work should be addressed to the contractor in writing. **Be sure you diarise and do not miss the 6 month deadline for notifying the contractor or the BSA may be unable to assist you under the Queensland Home Warranty Scheme.**

**NOTE:** Because the contractor has responsibility for rectifying defects during this period, **the BSA does not normally progress complaints relating to minor defects until this 6 month period has expired.**

## CONTACT BSA

The BSA is generally able to assist with domestic building disputes concerning defective work, subsidence or non-completion of the contracted work. **Please note, however, the BSA is not able to assist where the contract is still afoot or where the dispute is of a purely contractual nature or before the Queensland Civil and Administrative Tribunal (QCAT).**

With regard to the rectification of defective building work (e.g. where the work has failed to meet objective standards of construction or workmanship, such as the Building Code of Australia), the BSA Rectification of Building Work Policy classifies defective building work as either being Category 1 or Category 2 defective work.

**Category 1 defects are more significant building defects** that generally require prompt attention as they are of a structural nature, or could allow water penetration, etc. At any time in the first 6 years after practical completion you may contact the BSA to assist with Category 1 defects provided you have first advised the contractor in writing and they have failed to promptly address the matter. If the contractor is uncontactable or no longer operating you may contact the BSA immediately about these more serious Category 1 defects.

**Category 2 defects are, in broad terms, those of a relatively minor or cosmetic nature** related to poor finish or workmanship. As mentioned in the above section headed *Advise the Contractor*, these minor defects which occur during the first 6 months should be taken up with the building contractor who performed your work (if they are still operating). Matters which remain unresolved after this period should be referred to the BSA using the Complaint Form available from the BSA website. However, if the contractor is unavailable or ceases to operate during this initial 6 month period, you should document all minor defects which arise during the first 6 months after practical completion and submit details to the BSA no later than 7 months after practical completion.

After you have lodged a completed BSA Complaint Form together with supporting documentation including a copy of all of your contract documents, including any variations, a BSA technical representative may meet you and your contractor on site to inspect the work. At the inspection the BSA will determine who is responsible for the defects and, where appropriate, direct your contractor to rectify any defects or complete the works. If your contractor is directed to rectify the works, you must allow them reasonable access to the site.

To contact the BSA, call 1300 272 272 statewide or visit the BSA website at [www.bsa.qld.gov.au](http://www.bsa.qld.gov.au).

## QUEENSLAND CIVIL AND ADMINISTRATIVE TRIBUNAL (QCAT)

You are also entitled to take any disputes in relation to your domestic building project to the QCAT. The QCAT provides cost effective resolution for domestic building disputes, particularly those of a contractual nature.

Further information about the QCAT and its procedures can be obtained by visiting [www.qcat.qld.gov.au](http://www.qcat.qld.gov.au), or calling 1300 753 228.

## OTHER OPTIONS

Depending on the terms of the contract, other options may be available to you, including:

### *Liquidated Damages*

The contract may give you other rights such as liquidated damages (there is provision for these in the BSA Renovation, Extension and Repair Contract). You should read your contract carefully and if unsure of your rights or obligations, seek formal legal advice from a practising lawyer.

### *Contract Termination*

Under certain circumstances you may have the right to terminate the contract. This is a serious decision to make and would usually be a last resort. It will involve some costs to you.

**Formal legal advice is essential if you are considering ending the contract for any reason.** If you terminate the contract without being entitled to do so, you may create serious difficulties for yourself (e.g. you could be sued by the contractor for breach of contract and you may lose your protection under the Queensland Home Warranty Scheme).

### *Court Action*

As an alternative to the QCAT, you may be able to take action in an appropriate court. You should obtain formal legal advice to explore this option.

## AFTER MOVING IN

### MAINTENANCE

Obviously it is important, for both aesthetic and financial reasons, to properly maintain your home after the renovation or extension work has been completed.

You should discuss specific cleaning and maintenance requirements, if any, with the contractor when the work is completed. Information from the suppliers of materials or products may also be valuable.

## **TERMITE PROTECTION**

Certain types of building work (e.g. home extensions) may involve the need for termite protection. Discuss the termite management options with your contractor and be sure to observe the maintenance requirements for whatever method is used (it is generally recommended that you have your home inspected at least annually by a BSA-licensed termite management contractor).

For more information on this subject, read the relevant Fact Sheets on the BSA website under 'Consumers'.

## **MANUFACTURERS' WARRANTIES**

Manufacturers' warranties for any new household appliances associated with your project (e.g. warranties for a new rangehood or wall oven if these are supplied and installed by the contractor as part of a kitchen renovation) should be obtained from your contractor.

## **STATUTORY WARRANTIES**

**See the next page for details of these warranties which are provided to homeowners under the DBC Act.**

## STATUTORY WARRANTIES

The DBC Act provides homeowners with a number of Statutory Warranties that are required to be stated in the contract. These warranties are summarised below:

<b>MATERIALS – SUITABILITY</b>	All materials will be good and suitable for the purpose for which they are used.
<b>MATERIALS – NEW</b>	Unless otherwise stated in the contract, all materials used will be new.
<b>COMPLIANCE WITH THE LAW</b>	The contractor will comply with all relevant laws and legal requirements including, for example, the <i>Building Act 1975</i> .
<b>SKILL AND REASONABLE CARE</b>	The work will be carried out in an appropriate and skilful way and with reasonable care and skill.
<b>PLANS AND SPECIFICATIONS</b>	The work will be carried out in accordance with the plans and specifications if they form part of the contract.
<b>SUITABILITY FOR OCCUPATION</b>	If work is intended to renovate, alter, extend, improve or repair a home to a stage suitable for occupation, the home will be suitable for occupation when the work is finished.
<b>REASONABLE DILIGENCE</b>	If the contract is a cost plus contract and does not have a stated completion date or period, the subject work will be carried out with reasonable diligence.
<b>CALCULATION OF PROVISIONAL SUMS</b>	Any provisional sums have been calculated with reasonable care and skill, having regard to information reasonably available when the contract is entered into.

### OWNER’S ACKNOWLEDGEMENT

Please sign and fill out the date below to confirm receipt of this Contract Information Statement

Dated the ..... day of ..... 20.....

Contractor’s Name: ..... Owner’s Name: .....

Contractor’s Signature: ..... Owner’s Signature: .....

**REMEMBER:** Good communication and comprehensive, accurate documentation are the keys to a successful project!

### CONTRACTORS PLEASE NOTE

So that you can prove that you have satisfied your DBC Act obligation to give the homeowner a Contract Information Statement, it is important for you to retain a copy of this completed and signed ‘Owner’s Acknowledgement’ for your records.

## CONTACT LIST

The contact list below is provided to enable you to conveniently record the names and contact details of people and organisations important to your project. Make sure you keep copies of all important papers regarding your project in a safe place.

### YOUR PERSONAL CONTACTS FOR GENERAL INFORMATION REGARDING YOUR BUILDING PROJECT:

	Name	Contact Details
Contractor		
		
		
Site Supervisor		
		
		
Building Certifier		
		
		
Local Government		
		
		
Solicitor		
		
		
Building Designer		
		
		
Finance Institution		
		
		
Insurance Company		
		
		
Neighbours (if relevant)		
		
		
Building Consultant		
		
		



# GENERAL CONDITIONS

## 1. DEFINITIONS

1.1 Words and phrases highlighted in bold in this Contract are defined in Condition 24 of this Contract.

## 2. WARRANTIES UNDER THE *DOMESTIC BUILDING CONTRACTS ACT 2000*

2.1 To the extent required by the *Domestic Building Contracts Act 2000*, the Contractor warrants that:

- (a) the **work under this Contract** will be carried out in an appropriate and skilful way and with reasonable care and skill;
- (b) all materials supplied will be of good quality and suitable for the purpose for which they are used having regard to the **Relevant Criteria**, and that all materials used will be new unless this Contract expressly provides otherwise;
- (c) the **work under this Contract** will be carried out in accordance with all relevant laws and legal requirements;
- (d) the **work under this Contract** will be carried out in accordance with the plans and specifications and any other Contract documents described in Item 16 of the Contract Schedule;
- (e) if the **work under this Contract** consists of the erection or construction of a detached dwelling or is intended to renovate, alter, extend, improve or repair a home to a stage suitable for occupation, that the detached dwelling or home will be reasonably suitable for habitation when the **Works** are finished; and
- (f) any estimate of **Provisional Sums** included in the Contract has been calculated with reasonable care and skill, having regard to all the information reasonably available when the Contract is entered into (including information about the nature and location of the building site).

2.2 The Contractor must, unless the Contract expressly provides otherwise, supply at the Contractor's cost and expense, everything necessary for the proper completion of the **Works** and for the performance of the **work under this Contract**.

2.3 The Owner must pay the Contractor the **Total Price** for the **Works** in accordance with this Contract.

## 3. THE SITE

3.1 The Owner gives the Contractor a licence to enter and occupy the **Site** for the purpose of performing the **work under this Contract**.

3.2 The Contractor shall so occupy the **Site** from the **Starting Date** until the Contractor hands over the **Works** to the Owner on the **Date of Practical Completion**.

3.3 The rights granted by the Owner to the Contractor under Condition 3.1 do not convey to the Contractor an interest in the land comprising the **Site**.

3.4 The Contractor must permit the Owner or any person authorised by the Owner to, under the Contractor's supervision:

- (a) have reasonable access to the **Site**; and
- (b) view any part of the **work under this Contract**.

3.5 The Owner or the **Owner's Representative** must not interfere with the performance of the **work under this Contract** when at the **Site**. If the Owner or any person authorised by the Owner causes such an interference and:

- (a) the interference causes a delay to the **work under this Contract** or causes the Contractor to incur additional costs; and
- (b) the Contractor gives the Owner written notice of the delay or the additional costs within 5 calendar days of becoming aware of the interference,

then the Owner is liable to the Contractor for the delay or the additional costs.

## 4. CARE OF THE WORK

4.1 The Contractor is responsible for the care of the **work under this Contract** from the **Starting Date** until the Contractor hands over the **Site** to the Owner on the **Date of Practical Completion**.

4.2 The Contractor must promptly make good, and indemnifies the Owner in respect to, any loss or damage to the **Site** occasioned by any act, neglect or default of the Contractor or the Contractor's employees, agents or subcontractors and must also make good any such loss or damage which is or which ought to have been the subject of any insurance required by this Contract.



## 5. LODGEMENT OF PLANS

- 5.1 The party named in Schedule Item 14 (or if no party is named, the Contractor) must, within 10 **business days** of the Owner providing written evidence satisfactory to the Contractor of the Owner's capacity to pay the **Total Price** under Condition 6.1 and other written evidence required under Condition 6.4, lodge all plans and other documentation necessary for permission, consent or approval required for commencement of the **Works** with the relevant **Assessing Certifier** and any other body having relevant jurisdiction.
- 5.2 The responsible party must do all things as may be reasonably necessary to obtain all permissions, consents or approvals required for the commencement of building.

## 6. EVIDENCE OF CAPACITY TO PAY, TITLE TO SITE AND BOUNDARIES

- 6.1 If the Contract is subject to Loan Approval then by the **Loan Approval Date** the Owner must give the Contractor written confirmation from the Lender or other written evidence satisfactory to the Contractor of the Owner's capacity to pay the **Total Price**. If the Contract is not subject to Loan Approval, the Owner must, within 10 **business days** from the date of this Contract, provide the Contractor with written evidence satisfactory to the Contractor of the Owner's capacity to pay the **Total Price**.
- 6.2 If the Contract is subject to Loan Approval and the Owner fails to provide the evidence of financial capacity required under Condition 6.1, the Contract is at an end.
- 6.3 If the Contract is ended under Condition 6.2, the Contractor must immediately refund to the Owner any deposit or other money paid by the Owner to the Contractor less any fees, costs and expenses incurred by the Contractor with the Owner's express consent.
- 6.4 Within 10 **business days** from the date of the Contract, the Owner must give the Contractor written evidence satisfactory to the Contractor of the Owner's title to the **Site** and of the boundaries and position of the **Site**.
- 6.5 After commencement of **work under this Contract**, the Owner must, upon reasonable written request from the Contractor, provide the Contractor with evidence satisfactory to the Contractor of the Owner's capacity to pay the **Total Price**.

## 7. CONTRACTOR TO EFFECT INSURANCES

- 7.1 The Contractor must, at its cost, effect and maintain during the course of this Contract the following insurances:
- (a) all insurance required to comply with the *Workers' Compensation and Rehabilitation Act 2003*;
  - (b) all insurances required to comply with the *Queensland Building Services Authority Act 1991*; and
  - (c) Contract Works and Public Liability Insurances with a reputable and financially sound insurer which names or includes as an insured the Owner and the Contractor for their respective rights and interests upon usual and reasonable terms.
- 7.2 Contract Works Insurance must be for the **Total Price** of the **work under this Contract** and must extend until 4.00pm on the **Date of Practical Completion**.
- 7.3 Public Liability Insurance must be for at least the amount of 5 million dollars and must:
- (a) cover the liabilities of the Contractor and the Owner to third parties in respect of personal injury, death or damage to property arising out of or in connection with the **work under this Contract**; and
  - (b) include cross-liability provisions by which the insurer waives all rights of subrogation or action which the insurer may have against any of the persons comprising the insured and by which each person comprising the insured is deemed to be the subject of a separate policy of insurance.
- 7.4 Prior to commencement of the **work under this Contract**, or upon request by the Owner, the Contractor must provide to the Owner written evidence that the Contract Works and Public Liability Insurances required under this Condition are current.

## 8. COMMUNICATION BETWEEN THE OWNER AND THE CONTRACTOR

- 8.1 The Owner or the **Owner's Representative** must communicate and deal with, and may only give directions to, the Contractor personally or the **Contractor's Representative**.
- 8.2 Where such communications or directions are in writing they shall be legible and in English.

## 9. COMMENCEMENT AND PERFORMANCE OF THE WORKS

- 9.1 The Contractor must commence **work under this Contract** at the **Site** on or before the **Starting Date**.
- 9.2 Either party may give a written notice to the other party terminating the Contract if, without fault on the part of the party giving the notice, any permission, consent or approval necessary for the commencement of building has not been issued within 3 months of the date of this Contract or such further period extended by the parties' agreement in writing.
- 9.3 If the Contract is terminated pursuant to Condition 9.2, the Contractor's only entitlement to payment from the Owner is for the reasonable value of any work properly carried out by the Contractor prior to that termination which has not been the subject of previous payment.
- 9.4 The Contractor must diligently carry out the **work under this Contract** and must not, except as permitted by this Contract, delay, suspend, or fail to maintain reasonable progress in the performance of that work.

## 10. TIME FOR PRACTICAL COMPLETION

- 10.1 The Contractor must achieve **Practical Completion** of the **Works** by the **Date for Practical Completion** stated or calculated in accordance with Schedule Item 6 or any extended date under this Condition or under Conditions 3 or 9.
- 10.2 Subject to complying with Condition 10.3, the Contractor may claim and is entitled to a reasonable extension of the **Date for Practical Completion** if the Contractor is or will be delayed in achieving **Practical Completion** of the **Works** by any of the following causes:
- (a) the following events occurring on or before the **Date for Practical Completion**:
    - (i) industrial conditions beyond the reasonable control of the Contractor;
    - (ii) subject to subparagraph (d), inclement weather; and
    - (iii) Schedule Item 5 delays.
  - (b) delays occasioned by the Owner, the **Owner's Representative**, the Owner's employees or the Owner's agents (whether occurring before or after the **Date for Practical Completion**);
  - (c) a variation which is the subject of a Variation Document in accordance with the provisions of Condition 17 of this Contract so long as:

- (i) the variation was one requested by the Owner; or
  - (ii) for a variation not requested by the Owner, then only if the variation was required due to circumstances which the Contractor could not reasonably have foreseen when the Contract was made; or
- (d) Schedule Item 4 delays if:
- (i) there is a delay for any of the reasons listed in Schedule Item 4; and
  - (ii) the number of days actually delayed is more than that provided for in Schedule Item 4; and
  - (iii) the allowance provided is reasonable having regard to the circumstances.

10.3 If the Contractor wishes to claim an extension of the **Date for Practical Completion** other than under Condition 3, the Contractor must give to the Owner as soon as possible but within 10 **business days** of the occurrence of the relevant cause of delay a BSA Form 1 - *Extension of Time Claim and Owner's Response to Claim* or similar appropriate document with the particulars, including the cause of the delay and the extension of the **Date for Practical Completion** claimed, completed.

10.4 If the Owner fails within 10 **business days** of receiving the Contractor's claim to return to the Contractor the said BSA Form 1 - *Extension of Time Claim and Owner's Response to Claim* or similar appropriate document either agreeing to the extension of time claimed or giving reasons for the rejection of the whole or part of the said claim, the said extension of time claim will be deemed to be disputed by the Owner.

## 11. PRACTICAL COMPLETION

- 11.1 The Contractor must give to the Owner 3 **business days** prior written notice of the date upon which the Contractor anticipates that the **Works** will reach **Practical Completion**.
- 11.2 On the date specified in that notice as the anticipated date on which the **Works** will reach **Practical Completion**, the Owner or the **Owner's Representative** will inspect the **Works** and if satisfied that the **Works** have reached **Practical Completion**, and if the Contractor produces to the Owner satisfactory written evidence that all relevant inspections and approvals required by the *Sustainable Planning Act 2009* and the *Building Act 1975* and by any body having the relevant jurisdiction have been satisfactorily completed, the Contractor must:

- (a) complete and sign the BSA Form 5 - *Defects Document* or similar appropriate document identifying minor defects and minor omissions and give a copy to the Owner; and
- (b) give the Owner a Certificate of **Practical Completion** stating that date as the **Date of Practical Completion**; and
- (c) hand over the **Works** to the Owner.

11.3 If the Owner considers that the **Works** have not reached **Practical Completion** the Owner must give the Contractor written notice of those matters which are required to be done for the **Works** to reach **Practical Completion**. The Contractor must carry out such matters as may be necessary for the **Works** to reach **Practical Completion** and must otherwise proceed in accordance with the preceding paragraph.

11.4 The issue of a Certificate of **Practical Completion** does not constitute approval of any **work under this Contract** nor does it prejudice any claim by the Owner in respect of the **work under this Contract**.

11.5 When the Contractor has satisfied all of its obligations under Condition 11.2 the Owner must immediately pay the Contractor the progress claim for the **Practical Completion Stage** (as adjusted under Condition 14, if applicable).

## 12. PRICE

12.1 The parties agree that the **Total Price** stated in Schedule Item 8 comprises the following:

- (a) **Lump Sum Component**; and
- (b) **Prime Cost Items** Component (if any); and
- (c) **Provisional Sum** Items Component (if any).

12.2 If amounts are shown adjacent to **Prime Cost Items** and/or **Provisional Sum** Items in Schedule Item 7, the Contractor must complete all details set out in the *Prime Cost Items Schedule* and/or *Provisional Sums Schedule* and give the Schedule/s to the Owner.

12.3 The Owner must select each **Prime Cost Item** and notify the Contractor in writing of that selection in sufficient time to ensure that the performance of the **work under this Contract** is not thereby delayed.

12.4 If the actual cost of a **Prime Cost Item** or **Provisional Sum** Item is more than the Contractor's estimate, the Owner must pay the Contractor the increase, plus the margin (as stated in the *Prime Cost Items Schedule* or *Provisional Sums Schedule*) on the increase for the Contractor's overheads and profits. If the actual cost of a **Prime Cost Item** or **Provisional Sum** Item is less than the Contractor's estimate, the Contractor must deduct the difference, plus the margin, from the **Total Price**.

12.5 The Contractor must provide the Owner with the invoice, receipt or other document showing the cost of the **Prime Cost Item** to the Contractor, or relating to the cost to the Contractor of the work for a **Provisional Sum** Item, before or when making the next progress claim under the Contract. The Contractor cannot seek payment for the item until the next progress claim.

12.6 The parties agree and acknowledge that all pricing, consideration and amounts otherwise payable under this Contract (including under any Variation pursuant to Condition 17) have been or will be calculated on a **GST** inclusive basis.

## 13. PAYMENT

13.1 The Owner must pay the Contractor the **Total Price** for the **Works** calculated and adjusted as provided by this Contract in accordance with the following provisions:

- (a) The Owner must pay the Contractor the deposit (if any) stated in Schedule Item 9 upon the signing of this Contract.
- (b) The Contractor is entitled to claim a Progress Payment when the Contractor has achieved completion of each of the stages set out in Schedule Item 10 or in any separate document setting out payment stages which claim shall consist of:
  - (i) the percentage of the **Lump Sum Component** or other Progress Payment applicable to that stage;
  - (ii) the amount payable for any **Prime Cost Items** incorporated in the **Works** to that stage and not included in a previous Progress Payment;
  - (iii) the value of any **Provisional Sum** Item completed to that stage and not included in a previous Progress Payment; and
  - (iv) any other amount then payable to the Contractor in respect of variations pursuant to and in accordance with Condition 17.
- (c) A progress claim must comply in all respects with and provide the particulars specified in the BSA Form 2 - *Progress Claim* or similar appropriate document and be accompanied by a BSA Form 3 – *Notice of Dispute of Progress Claim* or similar appropriate written notice.
- (d) The progress claim for the **Practical Completion Stage** must, in addition to the requirements specified for any other progress claim, be accompanied by a BSA Form 5 - *Defects Document* or similar appropriate document which has had all the relevant details completed and has been signed by the Contractor.

- (e) The Contractor must make all reasonable efforts to have the Owner sign the BSA Form 5 - *Defects Document* or similar appropriate document used to record the minor defects and minor omissions.
- (f) Except in regard to the Progress Payment for the **Practical Completion Stage** payable in accordance with Condition 11.5, the Owner must pay the Contractor the Progress Payment, or so much of the relevant claim for Progress Payment as is not disputed by the Owner, within 5 **business days** of receipt of the relevant claim.
- (g) If the Owner disputes the relevant claim for Progress Payment or any part of it, the Owner must, within 5 **business days** of receipt of the relevant claim, give to the Contractor a completed and signed BSA Form 3 - *Notice of Dispute of Progress Claim* or similar appropriate written notice stating the reasons for so disputing the claim or part of it.
- (h) If the dispute is not resolved by the parties within 5 **business days** of the receipt by the Contractor of the notice of the dispute, the dispute must be referred for resolution in accordance with Condition 22.

## 14. LIQUIDATED DAMAGES

- 14.1 If the Contractor fails to achieve **Practical Completion** of the **Works** by the **Date for Practical Completion**, then the Contractor must pay to the Owner liquidated damages calculated at the rate provided in Schedule Item 11.
- 14.2 If Schedule Item 11 is left blank, a default amount of \$50 per calendar day shall be deemed to apply.
- 14.3 Liquidated damages may only be deducted by the Owner from the amount payable to the Contractor in respect of the **Practical Completion Stage**. If the Owner's entitlement to liquidated damages exceeds the amount payable to the Contractor for the **Practical Completion Stage**, the excess may be recovered by the Owner as a debt due to the Owner by the Contractor.

### WARNING TO OWNER

The entitlement to claim, and the amount to be deducted, for liquidated damages must be assessed carefully and in accordance with this Contract.

## 15. INTEREST ON OVERDUE PAYMENTS

- 15.1 The Owner must pay the Contractor interest on overdue payments at the rate set out in Schedule Item 12 or at the Commonwealth Bank of Australia Standard Variable Rate applicable to home loans at the time the payment becomes overdue plus 5 per cent per annum (the 'default rate') whichever is the lesser rate. If no amount is entered in Schedule Item 12 the default rate shall apply.

## 16. DEFECTS AFTER COMPLETION

- 16.1 The Contractor must make good defects or omissions in the **work under this Contract** which become apparent within 6 months of the **Date of Practical Completion**.
- 16.2 If there are any such defects or omissions, the Owner must give the Contractor written notice to make good such defects or omissions within the 6 month period and must give the Contractor reasonable access to the **Site** for that purpose.
- 16.3 Subject to reasonable access being provided, the Contractor must within 28 calendar days of the notice being given rectify any defects notified to the Contractor under Condition 16.2 during usual business hours.

## 17. VARIATIONS

- 17.1 The **work under this Contract** may be varied by way of an increase, decrease or substitution of **work under this Contract** agreed between the Contractor and the Owner provided that the details of the variation are put in writing, before work commences, using a BSA Form 4 - *Variation Document* or similar appropriate variation document signed by both the parties and initialled as necessary by the Owner.
- 17.2 Either party may give to the other written notice requesting a variation of the **work under this Contract**.
- 17.3 The Contractor shall give to the Owner the Contractor's calculation of the change to the **Total Price** consequent upon the proposed variation and the **work under this Contract** shall be varied when the Owner agrees with the Contractor as to the relevant variation in the variation document signed by the parties and initialled as necessary by the Owner.

17.4 If the Contractor has requested the variation, the Contractor is only entitled to additional payment if the variation is necessary because of circumstances that could not have been reasonably foreseen by the Contractor when the Contract was entered into.

17.5 If a variation is required by reason of the lawful requirements of the Local Authority or other body having relevant jurisdiction, and the matter could not reasonably have been foreseen by a competent Contractor at the date of execution of this Contract, the Contractor shall, with the prior written consent of the Owner, vary the **work under this Contract** accordingly.

17.6 If the Owner is named in Schedule Item 15 as the party responsible for extra excavations and foundations and if it becomes apparent that extra work or materials are required in respect of excavations or foundations then the Contractor may, with the prior written consent of the Owner, vary the **work under this Contract** to include the provision of such extra work or materials.

17.7 In relation to Conditions 17.5 and 17.6, the Owner shall not unreasonably withhold such consent but the Owner's consent is deemed to be reasonably withheld if the Owner withholds consent because the relevant variation will cause the **Total Price** stated in Schedule Item 8 to increase by more than 10%.

17.8 The Contractor cannot seek additional payment for a variation in respect of extra excavations and foundations from the Owner where the need for the variation has arisen because:

- (a) the Contractor failed to obtain the appropriate **Foundations Data** before entering the Contract and, had the Contractor obtained the appropriate **Foundations Data**, the need for the additional amount could reasonably have been established; or
- (b) the Contractor obtained the appropriate **Foundations Data**, and the need for the extra work or materials could reasonably have been established from the **Foundations Data**.

## 18. ASSIGNMENT & SUBCONTRACTING

18.1 The Contractor must not assign this Contract or the **work under this Contract** without the prior written consent of the Owner.

18.2 The Contractor may subcontract parts of the **work under this Contract** to appropriately licensed tradespersons, but the Contractor remains liable to the Owner for the **work under this Contract**.

## 19. COPYRIGHT

19.1 A party supplying plans for use in the performance of this Contract warrants that those plans may be so used and indemnifies the other party against any action by any person claiming ownership or copyright in respect of these plans.

19.2 Where plans are drawn by the Contractor, the Owner agrees that as between the Owner and the Contractor, the Contractor has copyright in those plans, but the Owner has the right to cause the completion of the **Works** in accordance with those plans.

## 20. TERMINATION

20.1 If either party is in **Substantial Breach** of this Contract, the party not in breach may give the other party a written request to remedy that breach.

20.2 If the **Substantial Breach** is not remedied within 10 **business days** of receipt of the written request, the party not in breach may end this Contract by giving written notice to that effect.

20.3 The right to terminate under this Condition is in addition to any other powers, rights or remedies the terminating party may have.

## 21. TERMINATION FOR INSOLVENCY

21.1 Notwithstanding Condition 20, should a party become **Insolvent** then the other party may, by giving a written notice, immediately terminate this Contract.

## 22. DISPUTE RESOLUTION

22.1 Any dispute between the Owner and the Contractor arising under or in connection with this Contract and which requires proceedings for resolution must be referred to the Queensland Civil and Administrative Tribunal (QCAT).

22.2 Where a dispute has arisen under or in connection with this Contract, including Condition 10.4, the Contractor must proceed diligently with the **work under this Contract** notwithstanding the existence of the dispute.



## 23. NOTICES

23.1 Any notice under this Contract must, unless otherwise stated, be given in writing and sent to the party to whom the notice is to be given at the address stated in the Schedule, or such other address as is subsequently advised in writing, in one of the following ways:

- (a) delivered to the other party by hand; or
- (b) delivered by prepaid post to the address noted in the Schedule; or
- (c) sent by facsimile to the facsimile number noted in the Schedule.

23.2 Any notice sent by facsimile is deemed to be given at the time when a valid transmission report is received by the sender.

## 24. DEFINITIONS

24.1 In this Contract, unless the context otherwise requires:

- (a) expressions defined or explained in the Contract Schedule have the meaning so defined or explained.
- (b) **"Assessing Certifier"** means the private certifier or Local Government Authority responsible for granting the relevant building approvals and authorisations for the Works.
- (c) **"business day"** means a day that is not:
  - (i) a Saturday or Sunday; or
  - (ii) a public holiday, special holiday, or bank holiday in Queensland.
- (d) **"Contractor's Representative"** means the person identified on the first page of the Contract Schedule (or other person notified to the Owner as the Contractor's Representative) as the person empowered by the Contractor to communicate with the Owner, including giving or receiving instructions as to variations.
- (e) **"Date for Practical Completion"** means the date stated in Schedule Item 6 or any extended date pursuant to this Contract.
- (f) **"Date of Practical Completion"** means the date certified as such in a certificate under Condition 11.
- (g) **"Foundations Data"** means information about the building Site required to prepare footings design and, if required, concrete slab design for the Site.
- (h) **"GST"** means any tax imposed by or through the GST Legislation on supply (without regard to any input tax credit).

- (i) **"GST Legislation"** means *A New Tax System (Goods and Services Tax) Act 1999* and any related tax imposition Act (whether imposing tax as a duty of customs excise or otherwise), and includes any legislation which is enacted to validate, recapture or recoup the tax imposed by any of such Acts.
- (j) **"Insolvent"** means:
  - (i) becomes insolvent or unable to pay that party's debts; or
  - (ii) commits an act of bankruptcy; or
  - (iii) is made bankrupt; or
  - (iv) assigns assets for the benefit of creditors generally; or
  - (v) makes a composition or other arrangement with creditors; or
  - (vi) being a company, goes into liquidation or receivership.
- (k) **"Loan Approval Date"** means the date stated in Schedule Item 13 by which the Owner must provide the Contractor with written evidence in accordance with Condition 6.1.
- (l) **"Lump Sum Component"** means the Lump Sum Component of the Total Price being the sum for which the Contractor must supply, in accordance with this Contract, everything necessary for the proper completion of the Works and for the performance of the work under this Contract, other than Prime Cost Items or amounts for Provisional Sums.
- (m) **"Owner's Representative"** means the person identified on the first page of the Contract Schedule (or other person notified to the Contractor as the Owner's Representative) as the person empowered by the Owner to communicate with the Contractor, including giving instructions as to variations.
- (n) **"Practical Completion"** means the date upon which the Works are completed in accordance with the requirements of this Contract, including Condition 2 and Condition 11.2.
- (o) **"Practical Completion Stage"** means that stage of the Works in which Practical Completion will be attained in accordance with this Contract.
- (p) **"Prime Cost Item"** means any item noted in the *Prime Cost Items Schedule* and as contemplated by Condition 12.
- (q) **"Provisional Sum"** means any item noted in the *Provisional Sums Schedule* and as contemplated by Condition 12.
- (r) **"Relevant Criteria"** for materials means:

- (i) generally accepted practices or standards applied in the building industry for the materials; or
  - (ii) specifications, instructions or recommendations of manufacturers or suppliers of the materials.
- (s) **“Site”** means the Site described in Schedule Item 2.
- (t) **“Starting Date”** means whichever of the following dates occurs later:
- (i) the Starting Date stated in Schedule Item 3; or
  - (ii) the day which is 10 business days after the issue of the plans duly approved by the Assessing Certifier.
- (u) **“Substantial Breach”** by the Owner includes, but is not limited to:
- (i) failing to produce evidence of the Owner’s title to the Site or of the Owner’s capacity to pay the Total Price in compliance with Condition 6 of this Contract;
  - (ii) failing to pay any money due and owing to the Contractor within 5 business days of the receipt of a valid progress claim; and
  - (iii) substantially or persistently obstructing the Contractor in the performance of the work under this Contract.
- (v) **“Substantial Breach”** by the Contractor includes, but is not limited to:
- (i) failing to perform the work under this Contract competently;
  - (ii) failing to provide materials which comply with this Contract;
  - (iii) unreasonably failing to replace or remedy defective work or materials;
  - (iv) unreasonably failing to perform the work diligently or unreasonably delaying, suspending or failing to maintain reasonable progress;
  - (v) failing to effect or maintain any insurance required by this Contract; and
  - (vi) failing to hold the current, active and appropriate licence or having the authorities necessary to complete the Works.
- (w) **“Total Price”** means the Total Price of the Works stated in Schedule Item 8 as adjusted under this Contract.
- (x) **“work under this Contract”** means all the work necessary to build the Works in accordance with the plans and specifications and this Contract and, unless expressly excluded, includes:
- (i) work to make the Site accessible to the Contractor;
  - (ii) provision of any special equipment;
  - (iii) work to clear the Site for building;
  - (iv) set out of the Works and survey if necessary;
  - (v) necessary structural retaining walls;
  - (vi) sewerage, draining and electrical connections;
  - (vii) provision of temporary water and power during construction; and
  - (viii) provision of clean up and disposal of waste materials from the Site.
- (y) **“Works”** means the work described in Schedule Item 1 to be built in accordance with this Contract, including variations provided for by the Contract, and which by the Contract is to be handed over to the Owner.



# BSA OFFICES

## **BRISBANE**

299 Montague Road  
WEST END QLD 4101

## **CAIRNS**

181 Aumuller Street  
WESTCOURT QLD 4870

## **GOLD COAST**

Robina Super Centre  
86 Robina Town Centre Drive  
ROBINA QLD 4230

## **MACKAY**

42 East Gordon Street  
MACKAY QLD 4740

## **ROCKHAMPTON**

194 Alma Street  
ROCKHAMPTON QLD 4701

## **SUNSHINE COAST**

6 Pikki Street  
MAROOCHYDORE QLD 4558

## **TOOWOOMBA**

Clestrain Mall  
131A Herries Street  
TOOWOOMBA QLD 4350

## **TOWNSVILLE**

287 Ross River Road  
AITKENVALE QLD 4814

GPO Box 5099  
Brisbane QLD 4001

[www.bsa.qld.gov.au](http://www.bsa.qld.gov.au)

1300 272 272



# BSA RENOVATION, EXTENSION AND REPAIR CONTRACT

## THIS DOCUMENT CONTAINS:

**Schedule for BSA Renovation, Extension and Repair Contract**

**Prime Cost Items Schedule**

**Provisional Sums Schedule**

**Form 1 - *Extension of Time Claim and Owner's Response to Claim***

**Form 2 - *Progress Claim***

**Form 3 - *Notice of Dispute of Progress Claim***

**Form 4 - *Variation Document***

**Form 5 - *Defects Document***

**These forms are produced on 'No Carbon Required' (NCR) paper.**

**(Fold this page under the triplicate copy when filling out forms)**

**When each form or Schedule is completed, the Contractor is to retain the original document and give 2 copies to the Owner. Extra copies of forms and Schedules may be downloaded from BSA's website.**



# SCHEDULE FOR BSA RENOVATION, EXTENSION & REPAIR CONTRACT

This Contract is recommended for the renovation, extension or routine repair of a home. **It should NOT be used for the erection or construction of a home.** The BSA New Home Construction Contract should be used for home construction.

**NOTE TO OWNER:** To better understand your contractual rights and obligations, **please read the accompanying BSA Contract Information Statement and General Conditions, both dated August 2011.**

## THE OWNER

Page 1 of 4

Owner's Name/s: \_\_\_\_\_

Address: \_\_\_\_\_

Post Code: \_\_\_\_\_

Business Phone: \_\_\_\_\_ Home Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

Mobile Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Owner has checked the Contractor's licence and history via BSA's Online Licence Search:  Yes  No

The Owner IS  IS NOT  a Resident Owner. (tick the appropriate box)

**NOTE:** An Owner is a Resident Owner if he/she intends to live in the building on completion or within 6 months after completion.

Owner's Authorised Representative (if any): \_\_\_\_\_

Address: \_\_\_\_\_

Post Code: \_\_\_\_\_

Business Phone: \_\_\_\_\_ Home Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

Mobile Phone: \_\_\_\_\_ Email: \_\_\_\_\_

### NOTICE TO OWNER: 'COOLING-OFF' PERIOD

Under the *Domestic Building Contracts Act 2000* you may have the right to withdraw from this Contract during the cooling-off period of 5 business days after the 'receipt day' for this Contract. The receipt day for the Contract means the day on which you receive both a signed copy of the full Contract and a copy of the BSA Contract Information Statement for this Contract. If you receive these documents on different days, the receipt day will be the day you receive the second document. **If you wish to withdraw** under the cooling-off provisions **you must give the Contractor a written notice** stating that you withdraw from the Contract under section 72 of the *Domestic Building Contracts Act 2000*.

The Owner and the Contractor agree that the Contractor shall carry out the work described in this Contract for the Total Price it provides and upon its terms.

This Contract includes:

- Schedule for BSA Renovation, Extension and Repair Contract, PC and PS Schedules, and Forms 1 - 5, all dated August 2011;
- General Conditions of Renovation, Extension and Repair Contract dated August 2011; and
- Plans, specifications or other contract documents described in Item 16 of this Contract Schedule.

## THE CONTRACTOR (being a licensed contractor)

Contractor's Name (must be as shown on licence): \_\_\_\_\_

Licence Number: \_\_\_\_\_ ABN No: \_\_\_\_\_

Contractor confirms: My licence is current, active and appropriate for this work:  Yes  No

Address: \_\_\_\_\_

Post Code: \_\_\_\_\_

Business Phone: \_\_\_\_\_ Home Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

Mobile Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Contractor's Authorised Representative (if any): \_\_\_\_\_

Address: \_\_\_\_\_

Post Code: \_\_\_\_\_

Business Phone: \_\_\_\_\_ Home Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

Mobile Phone: \_\_\_\_\_ Email: \_\_\_\_\_

ITEM	SUBJECT	NOTES	PARTICULARS
1.	<b>BRIEF DESCRIPTION OF THE WORKS</b>	Insert a description of the work covered by this Contract e.g. construction of a garage, deck or swimming pool, renovation of a kitchen or bathroom, etc. Include as much information as possible and <b>attach and refer to any plans and specifications.</b>	
2.	<b>SITE</b> Condition 3		<b>Site Address:</b> _____ <b>Real Property Description:</b> Lot No: _____ Plan Type (e.g. RP/SP/BUP): _____ Plan No: _____ Local Authority: _____
3.	<b>STARTING DATE</b> Conditions 6, 9 & 24	<p style="text-align: center;"><b>WARNING TO OWNER</b></p> The lodgement of plans and Starting Date for your project may be delayed, or this Contract may be terminated by the Contractor, if you do not provide the Contractor with written evidence of your financial capacity, title to the Site and Site boundaries in accordance with Condition 6.	..... / ..... / ..... (day) (month) (year)
4.	<b>TOTAL CONSTRUCTION PERIOD</b> Condition 10	<p><b>NOTE TO CONTRACTOR:</b> You must state here the allowances you have made for these delays, if there is a reasonable likelihood they will affect the time required to carry out the work.</p> <p><b>NOTE TO OWNER:</b> The Contractor is not entitled to claim an extension of the Date for Practical Completion (Item 6) unless the number of days the Contractor is actually delayed is greater than those stated here for each allowance.</p>	<p style="text-align: right;"><u>Calendar Days</u></p> <p><b>A. Construction Period Days (excluding delays in B)</b>            Days required to construct the Works = <u>    A    </u></p> <p style="text-align: center;"><b>PLUS</b></p> <p><b>B. Delays allowed for which can be estimated ('calculable delays')</b></p> <p>(i) Non-working days (incl. w/ends, RDOs, public holidays, etc.) = _____</p> <p>(ii) Inclement weather allowance = _____</p> <p>(iii) Other delays = _____</p> <p><b>Total delay days allowed = <u>    B    </u></b></p> <p><b>C. TOTAL CONSTRUCTION PERIOD</b>            Days required to construct (Item 4A) <u>    A + B    </u>  <b>PLUS</b> Total delay days allowed (Item 4B)</p>
5.	<b>DELAYS NOT ALLOWED FOR ('incalculable delays')</b> Condition 10	<p><b>NOTE TO CONTRACTOR:</b> If you reasonably believe that a delay will happen but you cannot estimate the number of days, complete this item. An example of such a delay could be a delay in the delivery of imported materials or fittings which may affect the completion of the project.</p>	State the reason for the likely delay: _____ _____ _____ State the general effect the delay is likely to have on the carrying out of the work under this Contract: _____ _____ _____

ITEM	SUBJECT	NOTES	PARTICULARS																								
6.	<b>DATE FOR PRACTICAL COMPLETION</b> Conditions 10 & 11	<b>NOTE:</b> Complete only one of the options in the 'Particulars' column (i.e. date or number of days) and delete the other.	Date: ..... / ..... / ..... <b>OR</b> *..... calendar days from the Starting Date in Item 3. (*Insert Total Construction Period days from Schedule Item 4)																								
7.	<b>PRICE</b> Condition 12	<b>NOTE:</b> For Prime Cost Items and Provisional Sums see Condition 12 of the General Conditions. A PC/PS Schedule must be completed and signed by both parties if applicable. <b>WARNING:</b> The Total Price is subject to change in accordance with Conditions 3, 12, 15 and 17.	(a) Lump Sum Component: \$ _____ (incl. GST) <b>+</b> (b) Prime Cost Items (if any): \$ _____ (incl. GST) <b>+</b> (c) Provisional Sums (if any): \$ _____ (incl. GST)																								
8.	<b>TOTAL PRICE</b> Condition 12	<b>NOTE:</b> All prices include GST, if applicable.	<b>TOTAL PRICE:</b> \$ _____ (incl. GST) (Add (a) + (b) + (c) from Item 7)																								
9.	<b>DEPOSIT</b> Condition 13	<b>NOTE:</b> The deposit must not exceed 5% if Total Price is \$20,000 or greater, or 10% if Total Price is less than \$20,000.	Amount of deposit: \$ _____ (incl. GST)																								
10.	<b>PROGRESS PAYMENTS</b> Condition 13	Delete section (a) or (b), whichever is not applicable. <b>WARNING:</b> Progress payments must be directly related to, and NOT in advance of, progress of the work on Site (e.g. 50% of Total Price should not be demanded until 50% of the work is complete).	<b>EITHER</b> (a) One Lump Sum Payment of the Total Price as adjusted under this Contract upon completion of the Works (excluding the deposit) \$ _____ (incl. GST) <b>OR</b> (b) Stages Payments <table border="1"> <thead> <tr> <th>Description of Stage <i>(if insufficient space, attach details)</i></th> <th>% of Total Price</th> <th>Amount (incl GST)</th> </tr> </thead> <tbody> <tr> <td>Deposit (see Item 9)</td> <td></td> <td>\$ _____</td> </tr> <tr> <td></td> <td></td> <td>\$ _____</td> </tr> <tr> <td></td> <td></td> <td>\$ _____</td> </tr> <tr> <td></td> <td></td> <td>\$ _____</td> </tr> <tr> <td></td> <td></td> <td>\$ _____</td> </tr> <tr> <td></td> <td></td> <td>\$ _____</td> </tr> <tr> <td><b>Practical Completion</b></td> <td><b>BALANCE</b></td> <td>\$ _____</td> </tr> </tbody> </table>	Description of Stage <i>(if insufficient space, attach details)</i>	% of Total Price	Amount (incl GST)	Deposit (see Item 9)		\$ _____			\$ _____			\$ _____			\$ _____			\$ _____			\$ _____	<b>Practical Completion</b>	<b>BALANCE</b>	\$ _____
Description of Stage <i>(if insufficient space, attach details)</i>	% of Total Price	Amount (incl GST)																									
Deposit (see Item 9)		\$ _____																									
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		\$ _____																									
		\$ _____																									
		\$ _____																									
		\$ _____																									
<b>Practical Completion</b>	<b>BALANCE</b>	\$ _____																									
<b>WARNING:</b> Insurance protection under the Queensland Home Warranty Scheme administered by BSA may be reduced if payments are made in advance of contract terms and construction progress.																											
11.	<b>LIQUIDATED DAMAGES</b> Condition 14	<b>NOTE TO OWNER AND CONTRACTOR:</b> You must discuss whether/what liquidated damages (LDs) apply to this project and insert either an amount per day or 'NIL' if LDs do not apply. <b>If this space is left blank a default amount of \$50/day shall apply.</b>	\$ _____ per day for each calendar day of delay in achieving Practical Completion. <b>NOTE TO OWNER REGARDING LIQUIDATED DAMAGES (if applicable):</b> It is very important that you carefully consider and complete this section. The liquidated damages amount should be a genuine pre-estimate of the costs/losses the Owner will incur (if any) in the event the work under this Contract is not completed by the Date for Practical Completion (including any extra rental and storage costs, lost rent, finance costs, etc. directly related to the delay).																								

ITEM	SUBJECT	NOTES	PARTICULARS
12.	<b>INTEREST ON OVERDUE PAYMENTS</b> Condition 15		_____ % per annum. The rate will not exceed the Commonwealth Bank of Australia Standard Variable Rate for home loans + 5%.
13.	<b>LOAN APPROVAL</b> Condition 6	<b>WARNING TO OWNER</b> If you do not provide the Contractor with written confirmation from your Lender of your capacity to pay the Total Price by the Loan Approval Date, this Contract will be at an end. <b>Consult your Lender before inserting a date.</b>	The Contract <b>IS/IS NOT</b> subject to Loan Approval. (Cross out whichever does not apply)  Lender: _____ Lender's address: _____ Amount of Loan: \$ _____ Loan Approval Date: ..... / ..... / ..... (day) (month) (year)
14.	<b>PARTY RESPONSIBLE FOR OBTAINING PLAN APPROVALS</b> Condition 5		_____ (State whether the responsible party is Owner or Contractor)
15.	<b>PARTY RESPONSIBLE FOR COSTS OF EXTRA EXCAVATIONS AND FOUNDATIONS</b> Condition 17	This Item relates to responsibility for extra excavations and foundations beyond what could reasonably be established from foundations data.	_____ (State whether the responsible party is Owner or Contractor)
16.	<b>CONTRACT DOCUMENTS</b>	<b>NOTE:</b> Any subsequent amendments or variations to this Contract must be recorded in writing using the BSA Form 4 - <i>Variation Document</i> which then forms part of the Contract documents.	(a) <b>PLANS</b> supplied by: Contractor <input type="checkbox"/> Owner <input type="checkbox"/> on ..... / ..... / ..... N/A <input type="checkbox"/> (b) <b>SPECIFICATIONS</b> supplied by: Contractor <input type="checkbox"/> Owner <input type="checkbox"/> on ..... / ..... / ..... N/A <input type="checkbox"/> (c) <b>PRIME COST ITEMS / PROVISIONAL SUMS</b> Are Prime Cost Items included? YES <input type="checkbox"/> NO <input type="checkbox"/> Are Provisional Sums included? YES <input type="checkbox"/> NO <input type="checkbox"/> If YES, complete the Prime Cost Items or Provisional Sums Schedule/s. (d) <b>FOUNDATIONS DATA</b> supplied by: Contractor <input type="checkbox"/> Owner <input type="checkbox"/> on ..... / ..... / ..... N/A <input type="checkbox"/> <b>NOTE:</b> Foundations Data must be obtained if the contracted work requires the construction or alteration of, or may adversely affect, footings or a concrete slab for a building. Unless appropriate and reliable Foundation Data already exists, the Contractor is required to obtain appropriate Foundations Data and provide a copy to the Owner upon payment of the costs of obtaining the data.
17.	<b>SIGNATURES</b>	<b>NOTE:</b> The Contractor must give the Owner a signed copy of this Contract and all related documents (including a BSA approved Contract Information Statement) <b>within 5 business days</b> of both parties signing and before work commences.	Dated this: ..... day of ..... 20..... <b>Signed by the Owner/s:</b> Owner 1: _____ Owner 2: (if any) _____ in the presence of: _____ (witness) <b>Signed by the Contractor:</b> _____ in the presence of: _____ (witness)





# PRIME COST ITEMS SCHEDULE

<b>PC Items Schedule No.</b> .....
---------------------------------------

If this Schedule is used, both the Owner and Contractor must retain copies. **All prices include GST.**

Description of Item	Contractor's best estimate of price, and breakdown of estimate		ADD Contractor's margin or state how Contractor's margin is to be calculated.	Total for Prime Cost Item (incl. GST)
	Quantity of materials	Cost per unit		
<b>Total</b>				<b>\$</b>
(Transfer total to Item 7 of Contract Schedule)				(incl. GST)

\_\_\_\_\_  
Signed by the Owner/Owner's Representative

\_\_\_\_\_  
Signed by the Contractor/Contractor's Representative

**DATED:** ..... / ..... / .....

**DATED:** ..... / ..... / .....

**NOTE TO OWNER/S AND CONTRACTOR**

These allowances should be kept to a minimum to reduce uncertainty about the Total Price of the Contract.

**When this Schedule is completed, Contractor to retain original and give 2 legible copies to Owner.**



PS Schedule No.  
.....

# PROVISIONAL SUMS SCHEDULE

If this Schedule is used, both the Owner and Contractor must retain copies. All prices include GST.

Description of work the subject of Provisional Sum	Contractor's best estimate of Provisional Sum services costs. Include estimated quantities of materials (if any), unit cost of those materials, estimated labour cost, and other costs (e.g. hire or equipment costs).	ADD Contractor's margin or state how Contractor's margin is to be calculated.	Total for Provisional Sum (incl. GST)
<b>Total</b> (Transfer total to Item 7 of Contract Schedule)			\$ (incl. GST)

\_\_\_\_\_  
Signed by the Owner/Owner's Representative

DATED: ..... / ..... / .....

\_\_\_\_\_  
Signed by the Contractor/Contractor's Representative

DATED: ..... / ..... / .....

**NOTE TO OWNER/S AND CONTRACTOR**  
These allowances should be kept to a minimum to reduce uncertainty about the Total Price of the Contract.

**When this Schedule is completed, Contractor to retain original and give 2 legible copies to Owner.**



EOT Claim No.

# FORM 1

## EXTENSION OF TIME CLAIM AND OWNER'S RESPONSE TO CLAIM

(Condition 10 of the General Conditions of BSA Renovation, Extension & Repair Contract)

**Note to Contractor:** This blank form may be copied for multiple use. **You must attach any relevant supporting documents.**

To: (Owner/s) \_\_\_\_\_  
(insert name and address of Owner/s)

From: (Contractor) \_\_\_\_\_

Regarding construction at: \_\_\_\_\_  
\_\_\_\_\_  
(insert Site address)

### The Contractor wishes to claim an extension of time of the Date for Practical Completion.

The cause of the delay in achieving Practical Completion is: \_\_\_\_\_  
\_\_\_\_\_  
(insert full description of a cause of delay from Condition 10.2)

- The cause of the delay:  is **not** a cause of delay listed in Schedule Item 4B.  
 (tick whichever is applicable)  is a cause of delay listed in Schedule Item 4B, but the number of days that the Contractor has actually been delayed is more than that stated in Schedule Item 4B.

The delay arose on: ...../...../.....  
(day) (month) (year)

Number of additional business days claimed by the Contractor as a consequence of this delay: \_\_\_\_\_  
(business days)

New Date for Practical Completion after allowance for this delay: ...../...../.....  
(day) (month) (year)

SIGNED: \_\_\_\_\_  
(Contractor/Contractor's Representative to sign here)

DATED: ...../...../.....  
(day) (month) (year)

#### NOTE TO OWNER

**The Contractor must give you this form within 10 business days of the cause of delay.** If you accept the Contractor's claim for an extension, then the Date for Practical Completion will be extended by the business days claimed by the Contractor. **You must indicate your acceptance, rejection or partial rejection of the Contractor's claim by completing, signing and returning this form, or similar written notice, to the Contractor as soon as possible but within 10 business days of receiving the claim. Keep a copy.**

### OWNER'S RESPONSE TO EOT CLAIM DATED: ...../...../.....

EOT Claim Response No.

- Tick whichever is applicable:
- The Owner **agrees** with the extension of time claim.
  - The Owner **rejects** the extension of time claim.
  - The Owner **rejects part of** the extension of time claim. The part of the claim rejected is \_\_\_\_\_ business days.

The reason/s for rejecting all or part of the extension of time claim is/are: (state reasons below)  
\_\_\_\_\_  
\_\_\_\_\_

Signed by the Owner/Owner's Representative: \_\_\_\_\_ DATED: ..... / ..... / .....

**When both parties have completed the form, Contractor to retain the original and return 2 legible copies to Owner.**



Progress Claim No. \_\_\_\_\_

# FORM 2

## PROGRESS CLAIM

(Conditions 11 & 13 of the General Conditions of **BSA Renovation, Extension & Repair Contract**)

**Note to Contractor:** This blank form may be copied for multiple use. **Give Form 3 to Owner with this form.**

To: (Owner/s) \_\_\_\_\_  
(insert name and address of Owner/s)

From: (Contractor) \_\_\_\_\_

Regarding construction at: \_\_\_\_\_  
(insert Site address)

The Contractor certifies that the Works have reached the Stage described as: \_\_\_\_\_  
(The Stage must be a Progress Payment as set out in Item 10 of the Contract Schedule)

The Contractor claims payment for:

1. The completion of Works to the Stage indicated above in the amount of: \$ \_\_\_\_\_

(insert the amount in words and figures)

**NOTE:** The percentage of the Total Price that can be claimed is set out at Item 10 of the Contract Schedule.

2. The following Prime Cost Items in the following amounts: (Delete this section if this claim does not include Prime Cost Items)

- \_\_\_\_\_ \$ \_\_\_\_\_
- \_\_\_\_\_ \$ \_\_\_\_\_
- \_\_\_\_\_ \$ \_\_\_\_\_

(insert description of Prime Cost Item/s)

**NOTE:** The Contractor must attach to this progress claim any invoice, receipt or other document showing the cost of any Prime Cost Item.

3. The following Provisional Sums in the following amounts: (Delete this section if this claim does not include Provisional Sums)

- \_\_\_\_\_ \$ \_\_\_\_\_
- \_\_\_\_\_ \$ \_\_\_\_\_
- \_\_\_\_\_ \$ \_\_\_\_\_

(insert description of Provisional Sum Item/s)

**NOTE:** The Contractor must attach to this progress claim any invoice, receipt or other document showing the cost of any Provisional Sum.

4. The following variations:

- \_\_\_\_\_ as set out in BSA Form 4 - Variation Document dated: / / \$ \_\_\_\_\_
- \_\_\_\_\_ as set out in BSA Form 4 - Variation Document dated: / / \$ \_\_\_\_\_
- \_\_\_\_\_ as set out in BSA Form 4 - Variation Document dated: / / \$ \_\_\_\_\_

(insert description of variation/s)

(insert Variation Document date)

(insert amount of increase/decrease for variation)

**TOTAL AMOUNT OF THIS PROGRESS CLAIM:** \$ \_\_\_\_\_

(add amounts at 1, 2, 3 and 4 and deduct any amounts at 4 for decrease)

(incl. GST)

Signed by the Contractor/Contractor's Representative: \_\_\_\_\_ DATED: ..... / ..... / .....  
(day) (month) (year)

**NOTE TO CONTRACTOR:** Where claim is for Practical Completion Stage, you must attach a Defects Document in BSA Form 5.

**NOTE TO OWNER:** Except for the Practical Completion Stage, you must pay the amount claimed by the Contractor or any part of it with which you agree within 5 business days of receipt of this progress claim. If you dispute all or part of the Contractor's progress claim, you must, within 5 business days of receiving this progress claim, give the Contractor a BSA Form 3 – Notice of Dispute of Progress Claim or similar written notice stating that you dispute all or part of the progress claim and your reasons for doing so. For the Practical Completion Stage, you must pay the Contractor immediately after the Contractor has satisfied Condition 11.2.

**When form completed, Contractor to retain original and give 2 legible copies to Owner.**



Dispute of Progress Claim No.  
.....

# FORM 3

## NOTICE OF DISPUTE OF PROGRESS CLAIM

(Condition 13 of the General Conditions of BSA Renovation, Extension & Repair Contract)

**Note to Contractor:** This blank form may be copied for multiple use.

**Note to Owner:** This form must be returned to Contractor within 5 business days of receipt of disputed progress claim.

To: (Contractor) \_\_\_\_\_  
\_\_\_\_\_  
*(insert name and business address of Contractor)*

From: (Owner/s) \_\_\_\_\_  
*(insert name and address of Owner/s)*

Regarding construction at: \_\_\_\_\_  
\_\_\_\_\_  
*(insert Site address)*

*(tick whichever is applicable)*

The Owner **rejects all of** your progress claim dated: ..... / ..... / ..... *(insert date)* for the  
(day) (month) (year) \_\_\_\_\_ **Stage.**

**OR**

The Owner **rejects part of** your progress claim dated: ..... / ..... / ..... *(insert date)* for the  
(day) (month) (year) \_\_\_\_\_ **Stage.**

The value of the part of the progress claim that is rejected is: \$ \_\_\_\_\_ (incl. GST)  
*insert amount)*

The reason/s for rejecting all or part of the claim is/are: *(set out reason/s)*  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

SIGNED: \_\_\_\_\_  
*(Owner/Owner's Representative to sign here)*

DATED: ...../...../.....  
(day) (month) (year)

**When form completed, Owner to give the Contractor the original and Owner to retain 2 legible copies.**



# FORM 4

Variation No. \_\_\_\_\_

## VARIATION DOCUMENT

(Condition 17 of the General Conditions of **BSA Renovation, Extension & Repair Contract**)

**Note to Contractor:** This blank form may be copied for multiple use.

To: (Owner/s) \_\_\_\_\_  
(insert name of Owner/s)

From: (Contractor) \_\_\_\_\_

Site Address: \_\_\_\_\_  
(insert Site address)

This document is for a variation:  required by law  
(tick whichever is applicable)  for extra excavation and foundations  
 requested by the Owner/Owner's Representative  
 requested by the Contractor/Contractor's Representative for the following reasons: \_\_\_\_\_  
(insert reasons)

The change to the Works is as follows: \_\_\_\_\_  
\_\_\_\_\_  
(insert description of the variation including any change to the work or materials required by reason of the variation)

The Contractor's / Contractor's Representative's reasonable estimate of the period of any delay that will result from the variation is: \_\_\_\_\_ business days.

### NOTE TO CONTRACTOR/CONTRACTOR'S REPRESENTATIVE:

If the variation causes you actual delay you must also submit a BSA Form 1 – Extension of Time Claim and Owner's Response to Claim with this form.

The variation will change the price payable by the Owner as follows: (tick whichever is applicable)

increase the price by: \$ \_\_\_\_\_ (incl. GST)

no change to price

decrease the price by: \$ \_\_\_\_\_ (incl. GST)

increase/decrease (delete whichever is not applicable) the price by an amount that will be calculated as follows:  
\_\_\_\_\_  
(state how the increase/decrease will be calculated)

The increase or decrease (if any change) in the Total Price payable by the Owner as a result of the variation will be taken into account in the Contractor's progress claim for the following Stage described in Schedule Item 10:  
\_\_\_\_\_  
\_\_\_\_\_  
(insert description of Stage from Schedule Item 10)

\_\_\_\_\_  
(Owner/Owner's Representative to initial here)

SIGNED: \_\_\_\_\_  
(Owner/Owner's Representative to sign)

SIGNED: \_\_\_\_\_  
(Contractor/Contractor's Representative to sign)

DATED: ...../...../.....

DATED: ...../...../.....

**When form completed, Contractor to retain original and give 2 legible copies to Owner.**



# FORM 5

## DEFECTS DOCUMENT

(Conditions 11 & 13 of the General Conditions of **BSA Renovation, Extension & Repair Contract**)

**Note to Contractor:** This blank form may be copied for multiple use.

*Identify below those minor defects or minor omissions which are agreed between the parties and those minor defects or minor omissions which are **not** agreed by the Contractor, then sign and date this form.*

### AGREED MINOR DEFECTS/MINOR OMISSIONS

The Owner/Owner's Representative and the Contractor/Contractor's Representative agree that the following minor defects or minor omissions exist at Practical Completion.

Item No.	Description of minor defect or minor omission	Date for rectification

### MINOR DEFECTS/MINOR OMISSIONS CONTRACTOR DOES NOT AGREE WITH

The Owner/Owner's Representative says that the following additional minor defects or minor omissions exist at Practical Completion.

Item No.	Description of minor defect or minor omission	Contractor to identify why they do not agree that there is a minor defect or minor omission

\_\_\_\_\_  
Signed by the Owner/Owner's Representative

\_\_\_\_\_  
Signed by the Contractor/Contractor's Representative

**DATED:** ..... / ..... / .....

**DATED:** ..... / ..... / .....

**When form completed, Contractor to retain original and give 2 legible copies to Owner.**