

Domestic

Building Contract 2014



Explanation of Terms

Architect¹/Contract Administrator: the person or organisation that the Customer appoints to carry out the role described in clause 5.

Certificate of Practical Completion or Section Completion: a certificate that the Architect/Contract Administrator issues to the Parties once Practical Completion of the Works or a Section of the Works is achieved (*refer also to clause 9*).

Change to Works Instruction: an instruction from the Architect/Contract Administrator, as described in clause 5, that alters or modifies the design, quality and/or quantity of the Works.

Complete/Completion: see Practical Completion.

Contract: the Agreement, Contract Details, Contract Conditions and all documents listed as Contract Documents in item F of the Contract Details.

Contract Price: the amount that the Customer shall pay the Contractor for carrying out and completing the Works in accordance with the Contract.

Date for Completion: the date by which the Contractor is required to achieve Practical Completion of the Works or a Section of the Works.

Defects Fixing Period: the period specified in item J of the Contract Details that begins after the Practical Completion of the Works or a Section of the Works has been certified.

Force Majeure: an event or circumstance as described in clause 9.5.

Item of Interest: any item of antiquity or of historical, scientific or financial value that is found on the Site.

Liquidated Damages: a fixed sum or rate specified in item I or S of the Contract Details that represents a realistic estimate of the costs

and losses the Customer expects to incur if the Contractor fails to complete the Works, or a Section of the Works, by the relevant Date for Completion.

Parties: the signatories to the Agreement: the Contractor and the Customer detailed in items A and B of the Contract Details.

Payment Certificate: a certificate that the Architect/Contract Administrator issues, showing the amount to be paid and the period in which the payment is due.

Practical Completion: when the Works or a Section of the Works are certified generally complete in accordance with clause 9.

Programme: a plan of the activities that the Contractor intends to undertake to complete the Works, as described in item Q (*refer also to clause A1*).

Required Specialist(s): the specialist(s) identified by the Customer to carry out the aspects of the Works specified in item U of the Contract Details (*refer also to clause A5*).

Retention: a percentage of the amount included in a Payment Certificate that is deducted from a payment in accordance with clause 7.

Revision of Time: a revision to the date for Completion of the Works or a Section of the Works that the Architect/Contract Administrator authorises in accordance with clause 9.

Risks Register: a document used for risk management, created by the Parties under clause A8.

Section: part of the Works separately identified and described in item S of the Contract Details.

Works: work or services described in the Contract Documents that the Contractor (and subcontractors) shall deliver, including all incidental work to ensure that the work or services are completed properly.

¹ 'Architect' is a legally protected designation to be used only by persons properly registered under the Architects Act 1997.

Agreement

This Agreement is between:

The Customer (refer to item B of the Contract Details for full information)

Mr Findlay

AND

The Contractor (refer to item A of the Contract Details for full information)

East End Builders Limited

Who agree as follows:

- The Contractor will carry out the work described in the Contract Details (the Works).
- The Customer shall pay the Contractor the Contract Price, which will be calculated in accordance with the Contract.
- The Contract is the RIBA Domestic Building Contract 2014.

Signed as a:

simple contract (default) deed

By the Customer:

Name: Mr Findlay

Signature: Steve Findlay

Customer's signature witnessed by:

Name: Mrs Findlay

Address: 44 Kings Terrace

NDI 3SQ

UK

Signature: Jane Findlay

For and on behalf of the Contractor by (complete either option A or option B):Option A – Contractor **is not** a registered company

Name:

Signature:

Contractor's signature witnessed by:

Name:

Address:

Signature:

Option B – Contractor **is** a registered company

First signatory (Director/Company Secretary):

Name:

Mr John Paul

Signature:

John Paul

Second signatory (Director/Company Secretary):

Name:

Rodney Mitta

Signature:

Rodney Mitta

This Agreement is dated:

17th October 2014

The Customer has the right to cancel this agreement within 14 days of signing it.

Contract Details

Main Items

A. The Contractor (see clause 1)

Name:	East End Builders Limited
Address:	Unit 5 South West Industrial Estate
Registered address (if different):	N/A
Telephone no:	555 600
Email address:	eebuilders@eebuilders.com
Trade association membership:	Local Builders Association
VAT registration no:	To be advised

B. The Customer (see clause 2)

Name:	Mr Findlay
Address:	44 Kings Terrace ND1 3SQ
Telephone no:	01632 656 1978
Email address:	fnewcastle@findlay.uk

C. The Site (see clause 2)

Address:

44 Kings Terrace
NDI 3SQ

Site will be occupied during the Works:



Yes

No

D. Architect/Contract Administrator (see clause 5)

Name:

High Street Design Association

Address:

10 Broad Street
NDI 5GE

Telephone no:

01632 121 8901

Email address:

info@highstreetdesign.biz

E. Other Appointments by the Customer (see clause 2)*Continue on a separate sheet if necessary.*

Role:

None

Name:

Address:

Telephone no:

Email address:

F. Contract Documents (see clause 5)

Select the documents that apply and provide a reference number and date for each. Additional documents can be listed in the blank spaces below. Parties may rank the documents in order of priority if required.

	Reference no.	Date	Priority (optional)
Concise description of the Works			
<input checked="" type="checkbox"/> Drawings	Refers to schedule 1	1/2/13	1
<input checked="" type="checkbox"/> Pricing document	Included in the specification		
<input checked="" type="checkbox"/> Specification	DiA/62 (refer to schedule 2)	19/2/13	2
Contractor's design proposal			

Others (please specify):

None			

G. Working Period (see clause 1)

Start Date: 8th January 2015

Date for Completion: Eight weeks after start date

Working hour restrictions: No working on site before 9am or after 3pm week days

H. Facilities (see clause 1)

The Contractor may use the following facilities free of charge at the Site (select all that apply):

electricity ~~parking~~ telephone washroom/toilet water

Other: N/A

I. Liquidated Damages (see clause 10)

Amount per day: £ 100

J. Defects Fixing Period (see clause 10)

Period (default 12 months):

Six months

K. Regulatory Consents, Fees and Charges (see clause 1)

Responsibility for obtaining and paying for all planning permissions, Building Regulations approvals and party wall consents shall be taken by:

 Customer (default) Contractor**L. Insurance – Contractor (see clause 6)**

Continue on a separate sheet if necessary.

Insurance type	Amount	Duration
Contractor's all risk insurance	£ 5 million	Contract plus limitation period
_____	£ _____	_____
_____	£ _____	_____

M. Insurance – Customer (see clause 6)

Continue on a separate sheet if necessary.

Insurance type	Amount	Duration
Building & content cover	£ 1 million	Contract period
_____	£ _____	_____
_____	£ _____	_____

N. Insurance Backed Guarantee (see clause 6)Insurance backed guarantee required: Yes No

Scope: All of the works

Duration: Contract period and defects fixing period

O. Contract Price and Payment (see clause 7)

The Contract Price

Select **one** of the following options:

Fixed amount

Amount: £ 17,651.23

VAT
(if applicable): £ 3,530.25

Total (amount
plus VAT): £ 21,181.48

Amount calculated in accordance with the attached schedule of rates.

Payment Certificate Frequency

Select **one** of the following options:

Monthly (default) Once, following Practical Completion

P. Dispute Resolution (see clause 13)

Select the preferred mode(s) of dispute resolution. If no options are selected, disputes shall automatically be referred to litigation in the appropriate court.

~~Mediation~~

~~Name of Mediator:~~

~~Adjudication~~

~~Name of
Adjudicator:~~

~~Adjudication
rules:~~

~~(If no adjudication rules are specified, this will default to the RIBA Adjudication Scheme for Consumer Contracts.)~~

Arbitration (the Arbitration Act 1996 will apply)

Name of
Arbitrator(s): K. Solomon

Appointment of the Mediator/Adjudicator/Arbitrator(s)

If no persons are named above, or the named persons are unable or refuse to act, the following body shall nominate the Adjudicator/Mediator/Arbitrator(s) (if left blank the nominating body will be the Royal Institute of British Architects):

Royal Institute of British Architects

Optional Items

Q. Programme (see clause A1) Applies Does not apply

Indicate what content is to be included in the Programme by selecting from the following options and adding any additional requirements in the space provided.

- The activities the Contractor will carry out to complete the Works, the start and finish dates of each activity and the relationship of each activity to the others, including lead and lag times.
- The number of people and other resources for each activity.

Additional requirements:

None

Consequences of Failing to Provide a Programme

If applicable, select **one** of the following options:

- Consequences will be financial
- Consequences will be non-financial

R. Contractor Design (see clause A2) Applies Does not apply

List the parts of the Works to be designed by the Contractor. Continue on a separate sheet if necessary.

No.	Description	Contract Document (include location in document)
1	Kitchen Design and Installation	Specification Dic/62 (refer to Schedule 2)

Contractor's design to be fit for purpose: Yes No

S. Completion in Sections (see clause A3) Applies Does not apply*Continue on a separate sheet if necessary.*

Section no:	<input type="text"/>
Description:	<input type="text"/> <hr/> <hr/> <hr/>
Section start date (optional):	<input type="text"/>
Date for Completion:	<input type="text"/>
Section value:	£ <input type="text"/>
Liquidated Damages:	£ <input type="text"/> per day

Section no:	<input type="text"/>
Description:	<input type="text"/> <hr/> <hr/> <hr/>
Section start date (optional):	<input type="text"/>
Date for Completion:	<input type="text"/>
Section value:	£ <input type="text"/>
Liquidated Damages:	£ <input type="text"/> per day

Section no:	<input type="text"/>
Description:	<input type="text"/> <hr/> <hr/> <hr/>
Section start date (optional):	<input type="text"/>
Date for Completion:	<input type="text"/>
Section value:	£ <input type="text"/>
Liquidated Damages:	£ <input type="text"/> per day

Specimen contract - not for use

T. Milestone Payment (see clause A4) Applies Does not apply**Schedule of Milestones***Continue on a separate sheet if necessary.*

Milestone no:

Description:

Payment (*value or
% of Contract Price*):

Milestone no:

Description:

Payment (*value or
% of Contract Price*):

Milestone no:

Description:

Payment (*value or
% of Contract Price*):

Milestone no:

Description:

Payment (*value or
% of Contract Price*):

Specimen contract - not for use

U. Required Specialists (see clause A5) Applies Does not apply

The Customer specifies that the Contractor uses the following specialist(s) for the parts of the Works stated below (continue on a separate sheet if necessary):

Details of Required Specialist(s)	Part of the Works
Kevin's Kitchens Limited	Kitchen Design and Installation
Old Post Office	
ND10 2CS	

V. Customer Acting as Contract Administrator (see clause A6) Applies Does not apply

W. New Building Warranty (see clause A7) Applies Does not apply

Warranty provider: _____

Length of cover: _____

Details of cover: _____

X. Risks Register (see clause A8) Applies Does not apply

Y. Rules for Valuation of Revision of Time and Additional Payment (see clause A9) Applies Does not apply

Contract Conditions

Main Clauses

1. Contractor

Obligation

1.1 The Contractor shall:

- 1.1.1 start the Works on the Start Date
- 1.1.2 carry out the Works regularly, diligently and in a good and workmanlike manner to ensure that they are completed properly in accordance with the Contract and all statutory requirements by the Date for Completion
- 1.1.3 be responsible for all statutory fees, notices and charges not covered in item K of the Contract Details.

Carrying out the Works

- 1.2 The Contractor shall use methods and products that minimise nuisance and pollution and are safe and fit for the purposes intended.
- 1.3 The Contractor shall ensure a suitably qualified representative is on Site during the Works to answer queries and receive instructions on its behalf.
- 1.4 The Contractor shall liaise with the Customer to maintain security at the Site.
- 1.5 The Contractor may use, free of charge, the Customer's facilities listed in item H of the Contract Details and shall be responsible for any loss or damage arising from such use.

Subcontracting

- 1.6 The Contractor shall inform the Architect/Contract Administrator of any parts of the Works that it has subcontracted.
- 1.7 The Contractor is solely responsible for carrying out the Works and for the performance of all subcontractors and suppliers.

2. Customer

- 2.1 The Customer shall allow the Contractor reasonable access to the Site for the following purposes:
 - 2.1.1 pre-construction inspection

- 2.1.2 carrying out the Works
- 2.1.3 fulfilling its obligations during the Defects Fixing Period.
- 2.2 The Customer has appointed the Architect/Contract Administrator and may replace it by informing the Contractor of the replacement and the date the replacement takes effect.
- 2.3 The Customer may make other appointments under item E to satisfy regulatory requirements or for other purposes and may inform the Contractor of such appointments and any replacements.
- 2.4 The Customer may defer access to the Site or Sections of the Site. The Contractor shall be entitled to a Revision of Time and any costs that result from this.

3. Collaborative Working

Pre-Start Meeting

- 3.1 At least 10 days before the Start Date, the Parties and the Architect/Contract Administrator shall meet and:
 - 3.1.1 set out expectations for each Party
 - 3.1.2 set out communication procedures, including any specific rules on electronic communications
 - 3.1.3 identify risks and set out the risk mitigation procedure
 - 3.1.4 set out any administrative procedures.

Advance Warning and Joint Resolution of Delay

- 3.2 If an event affects or will affect progress of the Works and/or the Contract Price, the Parties shall:
 - 3.2.1 provide each other and the Architect/Contract Administrator with an advance warning notice of the event as soon as they become aware of it
 - 3.2.2 work together to resolve the event. If necessary the Architect/Contract Administrator shall hold a meeting with the Parties and other related stakeholders to resolve the event.
- 3.3
 - 3.3.1 If an event as described in Clause 3.2 occurs, the Contractor shall take reasonable steps to minimise its effects.
 - 3.3.2 If the Contractor fails to comply with clause 3.2.1 (except where the event results from the Architect/Contract Administrator's instructions) or clause 3.3.1, the Architect/Contract Administrator shall take this into consideration when determining an application for a Revision of Time and/or additional payment arising from the event.

Improvements and Cost Savings

- 3.4 The Contractor may propose changes to the Works that will improve quality and/or reduce the Contract Price. In such circumstances the Customer may:
 - 3.4.1 seek the Architect/Contract Administrator's advice on the proposed changes
 - 3.4.2 accept the proposed changes and have the Architect/Contract Administrator issue the necessary instructions to implement them.
- 3.5 Any cost savings resulting from the changes shall be divided equally between the Parties.

4. Assignment and Health and Safety

- 4.1 Neither Party shall assign its burdens, rights or benefits under the Contract without informing the other.
- 4.2 The Contractor shall obtain written consent from the Customer before it assigns any of its burdens, rights or benefits.
- 4.3 The Parties shall comply with all health and safety regulations, including making any appointments or submissions required under such regulations.
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5. Architect/Contract Administrator

- 5.1 The Architect/Contract Administrator shall administer the Contract, issuing instructions and certificates and taking decisions.
- 5.2 The Architect/Contract Administrator shall:
- 5.2.1 give the Contractor two free copies of the Contract Documents
 - 5.2.2 issue any updates promptly.
- 5.3 The Architect/Contract Administrator may:
- 5.3.1 visit the Site (including off-site locations in connection with the Works)
 - 5.3.2 inspect the Works
 - 5.3.3 reject defective work.

Instructions

- 5.4 The Architect/Contract Administrator may issue the following instructions:
- 5.4.1 Change to Works Instructions.
 - 5.4.2 Instructions for dealing with Items of Interest found on the Site.
 - 5.4.3 Instructions on tests and inspections of products or any work, including instructions rejecting defective work and/or products.
 - 5.4.4 Instructions on postponing the Works or Sections of the Works.
 - 5.4.5 Instructions to remove any person from the Works who is not doing his or her job properly or who constitutes a hazard.
 - 5.4.6 Instructions to resolve any inconsistency in the Contract Documents or in a previous instruction.
 - 5.4.7 Instructions requiring further documents.
 - 5.4.8 Instructions on any clause of the Contract to enable good administration.
- 5.5 The Architect/Contract Administrator may instruct that work be uncovered and inspected/ tested.
- 5.5.1 If work that is not in accordance with the Contract is found, the Contractor shall bear the costs of the instruction and of correcting the defects.
 - 5.5.2 If all work is in accordance with the Contract, the costs resulting from the instruction shall be added to the Contract Price.
 - 5.5.3 The Architect/Contract Administrator may accept work not in accordance with the Contract and adjust the Contract Price accordingly.

- 5.6** All instructions from the Architect/Contract Administrator shall be in writing. The Contractor shall comply with instructions immediately.
- 5.7**
- 5.7.1** If the Architect/Contract Administrator gives an oral instruction due to urgent circumstances, it shall confirm the instruction in writing to the Contractor promptly.
- 5.7.2** If the Architect/Contract Administrator does not confirm the instruction in writing promptly, the Contractor shall issue a written record of the oral instruction to the Architect/Contract Administrator.
- 5.7.3** Except where clause 5.7.4 applies, a written record under clause 5.7.2 shall be the record of the Architect/Contract Administrator's instruction unless the Architect/Contract Administrator amends it in writing within 5 days of receiving it.
- 5.7.4** The Architect/Contract Administrator may give an instruction that oral instructions do not take effect until confirmed in writing by the Architect/Contract Administrator.
- 5.8** If the Contractor fails to comply with an Architect/Contract Administrator's instruction, the Architect/Contract Administrator may issue the Contractor with a 7-day notice to comply. If the Contractor fails to comply within the 7-day period then the Architect/Contract Administrator may advise the Customer to employ and pay other contractors to carry out the instructions and:
- 5.8.1** the Customer shall have the right to employ other contractors to carry out the instruction
- 5.8.2** the Contractor shall cooperate with the new contractors
- 5.8.3** the new contractors shall have access to the Site
- 5.8.4** the Contractor shall be responsible for all costs and expenses incurred by the Customer.

Change to Works Instruction

- 5.9** Within 10 days of receiving a Change to Works Instruction, the Contractor shall calculate the effect (if any) of the instruction on the Contract Price and/or the Date for Completion, and submit details to the Architect/Contract Administrator. After this period the right to a Revision of Time and/or additional payment will be lost.
- 5.10**
- 5.10.1** If the Contractor submits a calculation in accordance with clause 5.9, the Architect/Contract Administrator and the Contractor shall aim to agree any Revision of Time and/or additional payment promptly.
- 5.10.2** If the Architect/Contract Administrator and the Contractor are unable to agree or the Contractor failed to submit the calculation within the time specified in clause 5.9, the Architect/Contract Administrator shall determine the appropriate adjustment to the time and/or Contract Price, based on the Contractor's Programme (if applicable) and any figures included in the Contract Documents or, if none are applicable, current reasonable rates and prices.

Inconsistency in the Contract Documents

- 5.11** If the Contractor finds any inconsistency in the Contract Documents and/or an instruction, or thinks that a Contract Document or instruction is inconsistent with the law, it shall inform the Architect/Contract Administrator immediately and the Architect/Contract Administrator shall issue instructions to resolve the issue.
- 5.12** If the Contractor must comply with a law whilst waiting for the Architect/Contract Administrator's instructions under clause 5.11, the Contractor shall take the minimum level of action required to comply with the law until the instructions are received.

6. Liability and Insurance

Contractor's Liability

6.1 The Contractor's liability includes:

- 6.1.1 loss of or damage to the Works
- 6.1.2 loss of or damage to products and equipment
- 6.1.3 death of or bodily harm to any person working for the Contractor, arising in connection with the Works during the course of their employment
- 6.1.4 loss of or damage to property due to the negligence of the Contractor in carrying out the Works
- 6.1.5 death of or bodily harm to a third party caused by the Works.

Customer's Liability

6.2 The Customer's liability includes:

- 6.2.1 damage to existing structures and fixtures
- 6.2.2 damage to neighbouring property caused by the nature of the Works and not due to the negligence of the Contractor in carrying out the Works.

Insurance

- 6.3 6.3.1 Without limiting their liabilities under clauses 6.1 and 6.2, the Parties shall maintain insurance policies in respect of their liabilities as set out in items L, M and N of the Contract Details.
 - 6.3.2 The Contractor shall take out its insurance policies in the joint names of the Parties.
- 6.4 Not later than 10 days before the Start Date, and after that on request, the Contractor shall provide the Architect/Contract Administrator with evidence of up-to-date and adequate insurance. If evidence is not provided, the Customer may take out relevant insurance policies and deduct the cost of the premiums from payments due to the Contractor.
- 6.5 If selected in item N of the Contract Details, the Contractor will provide, before the Start Date, evidence of an insurance backed guarantee covering the Contract Price. The guarantee shall be:
 - 6.5.1 issued by an organisation acceptable to the Customer
 - 6.5.2 for the benefit of the Customer
 - 6.5.3 become effective if the Contractor ceases to trade.
- 6.6 Any payment made under any insurance policy for a claim related to the Works shall be given to the Customer to be used for the Works.

7. Contract Price and Payment

- 7.1 At the frequency specified in item O of the Contract Details, the Architect/Contract Administrator shall issue the Parties with a Payment Certificate. The Payment Certificate shall state the total value of work carried out in accordance with the Contract to date, plus any payments due, minus:
 - 7.1.1 the total payment already certified
 - 7.1.2 any applicable Retention
 - 7.1.3 any notified payments
 - 7.1.4 any deductions required in accordance with the Contract.

- 7.2 The Retention percentage shall be 5%; this shall be reduced to 2.5% after Practical Completion is certified and all Retention shall be released in the final Payment Certificate.
- 7.3 7.3.1 The Contractor shall issue the Customer with an invoice based on the Payment Certificate.
- 7.3.2 The Customer shall pay the invoice within 14 days of receipt.
- 7.4 If the Architect/Contract Administrator has not issued a Payment Certificate in time or the Contractor thinks it is due a payment, the Contractor shall submit an application for payment to the Architect/Contract Administrator stating the amount it considers due and how the amount was calculated.
- 7.5 Within 10 days of receiving an application for payment, the Architect/Contract Administrator shall issue the Parties with a Payment Certificate, even if the amount due to the Contractor is zero or negative.
- 7.6 If the Customer wants to deduct from a payment an amount not stated in the Payment Certificate or the Contractor's application for payment, it shall inform the Contractor at the time of making the deduction, stating the amount that it wishes to deduct and the reason for doing so.
- 7.7 7.7.1 The Contractor shall issue the Customer with a valid VAT invoice for every Payment Certificate.
- 7.7.2 The Customer shall pay the VAT invoice promptly.

Final Contract Price

- 7.8 7.8.1 No later than 90 days after the end of the Defects Fixing Period, the Contractor shall submit its calculation of the final Contract Price, along with relevant supporting documentation, to the Architect/Contract Administrator.
- 7.8.2 The Contractor and the Architect/Contract Administrator shall aim to agree the final Contract Price within 90 days of the Contractor's submission.
- 7.8.3 If the Architect/Contract Administrator and the Contractor are unable to agree the amount or the Contractor did not make its submission in time, the Architect/Contract Administrator shall prepare and issue a final Payment Certificate showing the final Contract Price, how it was calculated and the Party owed the payment, no later than 90 days after the Contractor's submission period specified in clause 7.8.1.
- 7.8.4 If the Architect/Contract Administrator fails to comply with clause 7.8.3, the Contractor may issue an application for final payment, showing the final Contract Price, the amount it considers due and how it was calculated.
- 7.9 7.9.1 Within 14 days of receiving the final Payment Certificate or application for final payment, the Party indicated as owing on the certificate shall pay the amount due.
- 7.9.2 If the Party indicated as owing on the Payment Certificate considers that a lesser amount or no amount is due then, at least 5 days before the payment is due under clause 7.9.1, it shall issue a notice to the other Party indicating the amount it thinks is due and how this amount was calculated. The owing Party shall pay this amount by the date identified under clause 7.9.1.

8. Contractor's Right to Suspend

- 8.1 8.1.1 If the Customer fails to pay an amount that is due in accordance with the Contract, or the Architect/Contract Administrator fails to issue a Payment Certificate within 10 days of the application under clause 7.5, the Contractor may issue the Customer with a 7-day notice of its intention to suspend some or all of its obligations under the Contract.

- 8.1.2 The notice shall state the amount owed and the date that the suspension will take effect.
 - 8.1.3 If the Customer fails to make payment within the 7-day period, the Contractor may suspend some or all of its obligations.
- 8.2 If the Contractor suspends some or all of its obligations following the procedure in clause 8.1 then it shall be entitled to a Revision of Time, reasonable expenses and costs resulting from the suspension.

9. Risks, Force Majeure, Revision of Time, Additional Payment and Practical Completion

Customer's Risks

- 9.1 The Customer's risks include:
- 9.1.1 claims, proceedings and losses caused by the Customer or its employees/agents, or arising from the Customer or its employees/agents using or occupying the Works
 - 9.1.2 an error in the design of the Works prepared by the Customer
 - 9.1.3 damage caused by: fire; lightning; explosion; storm; flood; escape of water from any water tank, apparatus or pipe; earthquake; aircraft and other aerial objects.
- 9.2 A Customer's risk may entitle the Contractor to an application for a Revision of Time.

Contractor's Risks

- 9.3 The Contractor's risks are all construction-related risks that are not the Customer's risks or Force Majeure.
- 9.4 A Contractor's risk shall be the liability of the Contractor and does not give rise to any entitlements.

Force Majeure

- 9.5 Force Majeure is an exceptional event or circumstance which:
- 9.5.1 is beyond the control of the Parties
 - 9.5.2 is not caused by or the responsibility of either Party
 - 9.5.3 neither Party could have reasonably provided for when entering the Contract
 - 9.5.4 having occurred, neither Party can avoid.
- 9.6 Force Majeure includes:
- 9.6.1 war, hostilities (whether war is declared or not), invasion and acts of foreign enemies
 - 9.6.2 rebellion, terrorism, revolution, insurrection, military or usurped power, and civil war
 - 9.6.3 riot, commotion, disorder and strike or lockout by people other than the Contractor's personnel and other employees
 - 9.6.4 use of munitions of war, explosive materials, ionising radiation and contamination by radioactivity, except as may be attributed to the Contractor's use of such munitions, explosives or radiation.
- 9.7 If Force Majeure occurs, the Parties shall inform the Architect/Contract Administrator and each other promptly. If necessary, the Architect/Contract Administrator shall instruct the Contractor to stop work.
- 9.8 Force Majeure may entitle the Contractor to an application for a Revision of Time.

Revision of Time

- 9.9** The Contractor may apply (with supporting documentation) for a Revision of Time if the Works are delayed due to any of the following:
- 9.9.1** the Architect/Contract Administrator issues a Change to Works Instruction
 - 9.9.2** the Customer defers access to the Site
 - 9.9.3** the Customer or its agents cause delay or disruption
 - 9.9.4** the Architect/Contract Administrator postpones the Works or part of the Works
 - 9.9.5** the Architect/Contract Administrator issues an instruction for any work or products to be inspected and/or opened up and no defective work or products are found
 - 9.9.6** the Architect/Contract Administrator issues an instruction resolving an inconsistency, unless the inconsistency is due to a document prepared by the Contractor
 - 9.9.7** the Architect/Contract Administrator issues instructions on Items of Interest
 - 9.9.8** the Contractor suspends some or all of its duties
 - 9.9.9** the action or omission of a utility company or statutory body
 - 9.9.10** the weather conditions are exceptionally adverse
 - 9.9.11** the Customer's risks and/or Force Majeure.
- 9.10**
- 9.10.1** If the event is a single event, the Contractor shall apply for the Revision of Time within 10 days of the event ending.
 - 9.10.2** If the event is a continuing event, the Contractor shall inform the Architect/Contract Administrator of the event within 10 days of it commencing and shall apply for a Revision of Time (with supporting documentation) within 10 days of the last element of the event.
 - 9.10.3** If the Contractor fails to apply within these periods, it will lose the right to a Revision of Time.
- 9.11**
- 9.11.1** The Architect/Contract Administrator and the Contractor shall aim to agree the Revision of Time promptly.
 - 9.11.2** If the Architect/Contract Administrator and the Contractor are unable to agree, or the Contractor did not apply in time, the Architect/Contract Administrator shall make a reasonable decision about the appropriate Revision of Time taking into consideration the Programme (if applicable) and any advance warning notices.
- 9.12** If a Revision of Time is granted, the Architect/Contract Administrator shall amend the Date for Completion and inform the Parties.

Additional Payment

- 9.13** If an event attributable to the Customer or its agents adds costs and expenses to the Works, the Contractor may apply for an adjustment to the Contract Price.
- 9.13.1** If the event is a single event, the Contractor shall apply for the additional payment within 10 days of the event ending.
 - 9.13.2** If the event is a continuing event, the Contractor shall inform the Architect/Contract Administrator of the event within 10 days of it commencing, and shall apply for the additional payment (with supporting documentation) within 10 days of the last element of the event.
 - 9.13.3** If the Contractor fails to adhere to these time periods, the right to the additional payment will be lost.

- 9.14** The Architect/Contract Administrator and the Contractor shall aim to agree the additional payment promptly. If the Architect/Contract Administrator and Contractor are unable to agree or the Contractor did not apply in time, the Architect/Contract Administrator shall make a reasonable decision. If necessary, the Architect/Contract Administrator shall amend the Contract Price and inform the Parties.

Practical Completion

- 9.15** For Practical Completion to occur, the following must apply:
- 9.15.1** no aspect of the Works or a Section of the Works shall be outstanding
 - 9.15.2** the Works shall be uncluttered and safe
 - 9.15.3** any requirements stated in the Contract Documents or required by law for Practical Completion shall have been satisfied.
- 9.16** When the Contractor thinks that Practical Completion of the Works or a Section of the Works has been achieved, it shall notify the Architect/Contract Administrator.
- 9.16.1** If the Architect/Contract Administrator agrees that Practical Completion has been achieved, it shall issue the Contractor with a Certificate of Practical Completion for the Works or a Section of the Works.
 - 9.16.2** If the Architect/Contract Administrator does not agree that Practical Completion has been achieved it shall inform the Contractor.

Early Use and Partial Possession

- 9.17** The Customer may request to use part(s) of the Works or part(s) of a Section of the Works for storage or other purposes. If the request does not interfere with carrying out the Works, the Contractor shall grant the request. The Customer shall then be responsible for the insurance implications of such use.
- 9.18**
- 9.18.1** The Customer may request to take over any part(s) of the Works or part(s) of a Section of the Works before the Architect/Contract Administrator certifies Practical Completion. If doing so does not interfere with the rest of the Works, the Contractor shall grant the request. The Architect/Contract Administrator shall then issue the Parties with a notice clearly identifying the area(s) to be taken over and the date of takeover.
 - 9.18.2** The part(s) of the Works/Section(s) identified in the Architect/Contract Administrator's notice shall be viewed as having achieved Practical Completion. The Defects Fixing Period for the relevant part(s) shall start from the date of takeover.

10. Liquidated Damages and Defects Fixing Period

Liquidated Damages

- 10.1** If the Contractor fails to achieve Practical Completion of the Works or a Section of the Works on the relevant Date for Completion, the Customer may, on the advice of the Architect/Contract Administrator, deduct Liquidated Damages at the rate stated in item I of the Contract Details.

Defects Fixing Period

- 10.2** The Defects Fixing Period shall start after the Architect/Contract Administrator has issued to the Parties a Certificate of Practical Completion for the Works or a Section of the Works, and shall last for the period stated in item J of the Contract Details.
- 10.3**
- 10.3.1** The Contractor shall remedy all defects identified during the Defects Fixing Period.
 - 10.3.2** When the Architect/Contract Administrator is satisfied that all defects are fixed, it shall notify the Parties accordingly.

- 10.3.3** If the Contractor fails to fix any defects identified during the Defects Fixing Period, then the Architect/Contract Administrator shall issue the Contractor with a notice to fix the defects.
- 10.3.4** If the Contractor fails to comply with a notice under clause 10.3.3 promptly, the Customer may employ others to fix the defect and any resulting costs or expenses shall be the responsibility of the Contractor.

11. Priority of Contract Documents, Governing Law, Rights of Third Parties, Severability, Communication and Notices, and Calculation of Periods

Priority of Contract Documents

- 11.1** All parts of the Contract, including the Contract Documents, shall be read together as a whole; however in all circumstances the Agreement, Contract Details and these Contract Conditions shall take precedence over all other Contract Documents.
- 11.2** If the Parties have set out an order of priority for the Contract Documents in item F, that priority shall apply subject to clause 11.1.

Governing Law, Rights of Third Parties and Severability

- 11.3** The Contract is governed by the law of England and Wales.
- 11.4** The Contract does not limit other legal remedies available to the Parties.
- 11.5** The Contract is not a contract between the Contractor and the Architect/Contract Administrator.
- 11.6** Third parties have no rights under the Contract unless specifically stated in the Contract.
- 11.7** If any court finds that some of the clauses in the Contract are unenforceable, the other clauses shall remain in force.
- 11.8** A reference to legislation or regulations includes any amendment, update or replacement of that legislation and also includes similar legislation or regulations in other parts of the UK.
- 11.9** Any change to the Contract that the Parties agree shall be written down and signed by both Parties.

Communication and Notices

- 11.10** Subject to clause 11.12, all communication, notification and notices under the Contract shall be in writing and, unless specifically stated in the Contract, shall be issued to the Parties with a copy to the Architect/Contract Administrator.
- 11.11**
- 11.11.1** The Parties shall set out communication (including electronic communication) procedures for the Contract at the pre-start meeting under clause 3.1 and the Architect/Contract Administrator shall confirm these.
 - 11.11.2** If the Parties fail to carry out their obligations under 11.11.1 then the Architect/Contract Administrator shall issue instructions on the required communication procedures.
- 11.12** All notices relating to suspension and/or termination of the Contract shall only be effective from the date of delivery. Such notices are to be sent to the Parties by recorded delivery to the addresses stated in items A and B of the Contract Details (or, if these addresses have been amended by notice, to the addresses stated in the relevant notices).

Calculation of Periods

- 11.13** In calculating a period under the Contract, a day shall be a calendar day and a date shall be a calendar date. When a period is calculated, it shall exclude public holidays.

12. Cancellation and Termination

Cancellation

- 12.1** The Customer may cancel the Contract within 14 days of signing it. The Contractor shall refund any payments received from the Customer.
- 12.2** If, within 14 days of signing the Contract, the Customer agrees in writing for the Contractor to provide services and/or goods, the Customer shall be liable for their cost.

Termination by the Customer

- 12.3** If the Contractor:
- 12.3.1** abandons the Works
 - 12.3.2** fails to proceed regularly and diligently
 - 12.3.3** consistently fails to comply with instructions
 - 12.3.4** is in material breach of the Contract
- then the Architect/Contract Administrator may issue the Contractor with a notice of intention to terminate, referring to this clause and stating the reason.
- 12.4** If the Contractor has not remedied the default within 14 days of receiving the notice, the Customer may end the Contractor's employment under the Contract by issuing a notice of termination.

Termination by the Contractor

- 12.5** If the Customer fails to pay the Contractor when payment is due, or is in material breach of the Contract then the Contractor may issue the Customer with a 14-day notice of its intention to terminate, referring to this clause and stating the default.
- 12.6** If the Customer fails to remedy the default within 14 days of receiving the notice, the Contractor may terminate its employment under the Contract by issuing a notice of termination.

Termination due to Insolvency

- 12.7** If a Party is declared insolvent or bankrupt under any applicable law, the other Party may terminate the Contractor's employment immediately by issuing the insolvent Party with a notice of termination.

Termination by Either Party

- 12.8** Either Party may terminate the Contractor's employment under the Contract if any event not caused by (and not the responsibility of) the Parties has prevented the Contractor carrying out the Works for a continuous period of 60 days.

Payment on Termination

- 12.9** If the Contractor's Employment is terminated, the Contractor shall be entitled to the unpaid balance of the value of the work properly done, adjusted as follows:
- 12.9.1** If the Customer has terminated the Contractor's employment other than for a reason under clause 12.8 then the Customer shall be entitled to payment for the cost and expenses incurred in employing another contractor to complete the Works and to any other reasonable costs and expenses incurred due to the termination.
 - 12.9.2** If the Contractor has terminated the Contractor's employment other than for a reason under clause 12.8 then it shall be entitled to payment for the costs and losses it incurred because of the termination and all payments due under the Contract.

- 12.10** Subject to clause 12.11, the balance shall be due for payment within 14 days of either the Contractor making an application for payment or the Architect/Contract Administrator certifying the final payment due (whichever occurs first). The Customer shall be entitled to apply its rights under clause 7.6.
- 12.11** If the Customer terminates the Contractor's employment then clause 12.10 shall not apply until the Works are completed or, if the Works have been discontinued, until 180 days after termination.

Access to the Site and Security on Termination

- 12.12** If the Contractor's employment under the Contract is terminated for any reason, the Contractor shall:
- 12.12.1** lose its right to access the Site
 - 12.12.2** remove all its materials and equipment within a reasonable time
 - 12.12.3** no longer be responsible for the security of the Site.

13. Dispute Resolution

- 13.1** If the Parties disagree on any issue arising from or connected with the Contract, they shall meet and negotiate to resolve the disagreement. If the Parties are unable to agree, the dispute resolution options selected in item P of the Contract Details shall apply.
- 13.2** If mediation is selected then all disputes shall first be referred to the Mediator identified in item P.
- 13.3** If adjudication is selected then, subject to clause 13.2, all disputes shall be referred to the Adjudicator identified in item P for an interim and binding decision.
- 13.4** If arbitration is selected then, subject to clauses 13.2 and 13.3, all disputes may be referred to the Arbitrator(s) identified in item P for final and binding resolution.
- 13.5** If arbitration has not been selected then, subject to clauses 13.2 and 13.3, all disputes shall be referred to the appropriate court for a final and binding decision.

Optional Clauses

A1. Programme

- A1.1** If item Q is selected in the Contract Details then, at least 21 days before the Start Date, the Contractor shall submit a Programme to the Architect/Contract Administrator as described in that item.
- A1.2** If financial consequences have been selected for failure to submit a Programme, the Customer, on the advice of the Architect/Contract Administrator, may withhold 10% of the amount shown as due on the first Payment Certificate until the Contractor submits a Programme. On the advice of the Architect/Contract Administrator the Customer may also withhold 5% of the amount shown as due on subsequent Payment Certificates until the Contractor issues an updated Programme as required.
- A1.3** If non-financial consequences have been selected for failure to submit a Programme, the Contractor shall not start work on Site until a valid Programme has been submitted in accordance with item Q. The Contractor shall be responsible for any resulting delay or costs.

A2. Contractor Design

- A2.1** If item R is selected in the Contract Details then the Contractor shall:
- A2.1.1** design the parts of the Works described in item R of the Contract Details and integrate that design into the Works
 - A2.1.2** use reasonable skill, care and diligence to the standard that a professional designer competent in designing Works of a similar nature would use
 - A2.1.3** ensure that its design is in accordance with the Customer's specification as stated in the Contract Documents.
- A2.2** At least 21 days before carrying out any part of the Works listed under item R, the Contractor shall submit details of its design to the Architect/Contract Administrator for comment.
- A2.3** If the option 'Contractor's design to be fit for purpose' is selected within item R then clause A2.1.2 shall not apply and the Contractor's design shall be fit for the purpose indicated in the Contract Documents.
- A2.4** The Contractor is not liable for design provided by the Customer or the Customer's agents but shall notify the Architect/Contract Administrator of any discrepancies it finds in such designs.
- A2.5** The Contractor retains the intellectual property rights in its design and grants the Customer irrevocable licences and permissions to use the design for the Works and related purposes.
- A2.6** The Contractor shall compensate the Customer for all claims in respect of the Contractor's design.
- A2.7** The Contractor shall ensure that there is adequate professional indemnity insurance for its design responsibilities, as set out in item L of the Contract Details.
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A3. Completion in Sections

- A3.1** If item S is selected in the Contract Details then the Works shall be divided into Sections as described in the schedule under that item.
- A3.2** The start date for each Section shall be as stated on the schedule under item S; if no date is stated, the Section start date will be the Start Date specified in item G.
- A3.3** The Date for Completion for each Section is stated on the schedule under item S.
-

A4. Milestone Payment

- A4.1** If item T is selected in the Contract Details then, once the Architect/Contract Administrator is satisfied that a milestone shown in the schedule of milestones under item T has been achieved it shall issue a Payment Certificate in accordance with clause 7.
-

A5. Required Specialists

- A5.1** If item U is selected in the Contract Details then the following clauses shall apply:
- A5.1.1** The Contractor shall be given reasonable advance notice of the Required Specialists and is deemed to be satisfied with their suitability.
 - A5.1.2** Subject to clause A5.1.1, the Contractor shall, at the Start Date or thereafter as appropriate, employ the Required Specialists to undertake the part(s) of the Works described in item U.

- A5.1.3 The Contractor is solely responsible for all the work, services and performance of the Required Specialists, including any design undertaken by them.
 - A5.1.4 If the Contractor terminates the employment of a Required Specialist, it shall notify the Architect/Contract Administrator and the Architect/Contract Administrator shall issue appropriate instructions regarding a replacement.
 - A5.1.5 The Contractor shall be entirely responsible for any delay or additional costs arising from the termination and replacement of a Required Specialist.
-

A6. Customer Acting as Contract Administrator

- A6.1 If item V is selected in the Contract Details then the Customer shall act as the Contract Administrator for the Works. The Customer shall carry out all duties and bear all the responsibilities of the Architect/Contract Administrator's role under the Contract.
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A7. New Building Warranty

- A7.1 If item W in the Contract Details is selected then the Contractor shall provide the Customer with a New Building Warranty, as set out in that item, before Practical Completion.
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A8. Risks Register

- A8.1 If item X is selected in the Contract Details then the Architect/Contract Administrator shall maintain a Risks Register, which shall contain the identified risks and risks mitigation procedure set out by the Parties under clause 3.1.
-

A9. Rules for Valuation of Revision of Time and Additional Payment

- A9.1 If item Y is selected in the Contract Details then the Parties shall set out the rules that the Architect/Contract Administrator shall follow in evaluating an application for a Revision of Time and reviewing an application for additional payment.

Appendix

Notice of Cancellation

The Customer has the right to cancel the Contract, for any reason, by sending (including by email) a notice of cancellation to the Contractor within 14 days of signing the Agreement.

The notice of cancellation may be worded as follows:

Dear [Contractor's name]

Notice of Cancellation

The Customer, [Customer's name], hereby gives notice that the RIBA Domestic Building Contract 2014 entered into with the Contractor, [Contractor's name or name of business], on [date stated at end of Agreement section], is cancelled.

Yours sincerely

[Customer's signature]

[Date]

Specimen contract - not for use