

HKIS QSD PQSL Series 2014
Walkthrough the Standard Form of Building Contract Clause by Clause - Session 1

by
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【SFBCwQ.2005】 【SFBCnQ.2006】	SFBCwQ.1986(2ndAmend.July1999)
Agreement & Schedule of Conditions of Building Contract for use in the Hong Kong Special Administrative Region, Private Edition – 【With Quantities, 2005 Edition】 【Without Quantities, 2006 Edition】	Agreement and Schedule of Conditions of Building Contract for use in Hong Kong, First RICS (HK Branch) Edition 1986 (with quantities) incorporating up to Second amendments published in July, 1999
【】 = text in “With Quantities” only 【】 = text in “Without Quantities” only 【】 = Essential amendments for Special Conditions 【】 = Alternative changes for Special Conditions 【】 = Desirable but not essential changes ## = note to pay attention to	
Agreement & Schedule of Conditions of	Agreement and Schedule of Conditions
Building Contract	of Building Contract
for use in the Hong Kong Special Administrative Region (Standard Form of Building Contract)	(Standard Form of Building Contract) for use in Hong Kong
Articles of Agreement	Articles of Agreement
This Agreement is made on the.....day of20..... Between of ('the Employer') and of ('the Contractor') # wording simplified. # # "the Contractor" instead of "the Main Contractor". #	Articles of Agreement made the.....day of.....19..... between of (or whose registered office is situate at) (hereinafter called 'the Employer') of the one part andof (or whose registered office is situate at)

[SFBCwQ.2005] [SFBCnQ.2006]	SFBCwQ.1986(2ndAmend.July1999)
<p>..... ('the Works') at and has had Tender Documents comprising:</p> <p>(a) a form of tender ('The Form of Tender'); (b) drawings ('the Contract Drawings'); (c) a specification ('the Specification') and (d) bills of quantities</p> <p>showing and describing the work to be carried out prepared by or under the direction of or at the request of the Architect;</p> <p># Take care when using words like "work", "works" and "Works". # # "comprising" is without "of". # # A definition of "Tender Documents" is introduced in the new Forms. # # The Form of Tender and the Specification are introduced in the new Forms. # # Drawings issued as part of the Tender Documents will become Contract Drawings. # # "under the direction of or at the request of" covers those prepared by other consultants. #</p>	<p>..... hereinafter called 'the Main Contractor') of the other part.</p> <p>Whereas the Employer is desirous of** (hereinafter called 'the Works') at and has caused Drawings and Bills of Quantities showing and describing the work to be done to be prepared by or under the direction ofofhis Architect, **** State nature of Intended Works.</p>
<p>[# Delete either 2A or 2B+2C according to the Footnote in the Form of Contract. #]</p>	
<p>[(2A)] and whereas the Contractor has, based on the Tender Documents, made in the Form of Tender his calculation of the sum that he will require for carrying out the Works by [pricing the bills of quantities;] [preparing and pricing the Schedule of Quantities and Rates;¹]</p> <p>[footnote ¹ Delete 2A if the Quantity Surveyor prepared the Schedule of Quantities and Rates]</p> <p>[# i.e. Keep 2A if the Contractor prepared the Schedule of Quantities and Rates. #]</p>	
<p>[(2B)] and whereas the Contractor has accepted a schedule of quantities and rates prepared by the Quantity Surveyor as the Schedule of Quantities prepared by himself;²]</p> <p>[footnote ² Delete 2B if the Contractor prepared the Schedule of Quantities and Rates]</p>	
<p>[(2C)] and whereas the Contractor has, based on the Tender Documents, made in the Form of Tender his calculation of the sum that he will require for carrying out the Works by pricing the Schedule of Quantities and Rates;³]</p> <p>[footnote ³ Delete 2C if the Contractor prepared the Schedule of Quantities and Rates]</p>	

<p style="text-align: center;">【SFBCwQ.2005】 【SFBCnQ.2006】</p> <p>【# i.e. Keep 2B and 2C if the Quantity Surveyor prepared the Schedule of Quantities and Rates (with or without quantities inserted) for the Contractor's use. It would read easier if 2B and 2C were combined into one article. #】</p>	<p>SFBCwQ.1986(2ndAmend.July1999)</p>
<p>【and whereas the Contractor has given a fully priced copy of the bills of quantities ('the Contract Bills') to both the Employer and the Architect;】</p> <p># "the Contract Bills" is defined here. "bills of quantities" are given in small letters. The fully priced bills of quantities will become the Contract Bills. #</p> <p>【(3) and whereas the Contractor has given to the Employer the Schedule of Quantities and Rates setting out the build up of the Contract Sum;】</p>	<p>And Whereas the Main Contractor has supplied the Employer with a fully priced copy of the said Bills of Quantities (which copy is hereinafter referred to as 'the Contract Bills')</p>
<p>【(4) and whereas the Architect has given each party one copy of the Articles of Agreement, the Appendix, the Conditions, the Contract Drawings, the Specification and 【the Contract Bills】 【the Schedule of Quantities and Rates】 each signed by or on behalf of the parties.</p> <p># The list is not comprehensive enough to cover the whole set of Contract Documents, e.g. the Form of Tender and tender correspondence are missing. #</p>	<p>And Whereas the said Drawings as enumerated within the Contract Bills (hereinafter referred to as 'the Contract Drawings') and the Contract Bills have been signed by or on behalf of the parties hereto.</p>
<p>Now it is agreed as follows</p>	<p>Now it is hereby agreed as follows:</p>
<p>Article 1 The Contractor will carry out and complete the Works in accordance with and subject to the Contract for the consideration stated in Article 2.</p> <p># As a promise, the term "will" is used in the Articles. As an obligation, the term "shall" is used in the Conditions of Contract. #</p> <p># "carry out" does not necessarily mean to include "complete". Therefore, both terms are used. Similarly style should be used in the Bills of Quantities and Specification. #</p> <p># "consideration" means the price to be paid. #</p>	<p>1. For the consideration hereinafter mentioned the Main Contractor will upon and subject to the Conditions annexed hereto carry out and complete the Works shown upon the Contract Drawings and described by or referred to in the Contract Bills and in the said Conditions.</p>
<p>Article 2 The Employer will pay to the Contractor the sum of Hong Kong Dollars(HK\$..... ) ('the Contract Sum') or such other sum that becomes payable in accordance with and subject to the Contract.</p> <p>【# The Contract Sum is adjustable even for lump sum contract. #】</p>	<p>2. The Employer will pay to the Main Contractor the sum of Hong Kong Dollars(HK\$..... ) (hereinafter referred to as 'the Contract Sum') or such other sum as shall become payable hereunder at the times and in the manner specified in the said Conditions.</p>
<p>Article 3 The Architect will be of</p> <p>alternatively: The Contract Administrator will be of The term 'the Architect' in the Contract shall read 'the Contract Administrator'. # Use this in case of no Architect. #</p>	<p>3. The term 'the Architect' in the said Conditions shall mean the said of..... or, in the event of his death or ceasing to be the Architect for the purpose of this Contract, such other person as the Employer shall nominate for that purpose, not being a person to whom the Main Contractor shall object for reasons considered to be sufficient by an arbitrator</p>

【SFBCwQ.2005】 【SFBCnQ.2006】	SFBCwQ.1986(2ndAmend.July1999)
	<p>appointed in accordance with clause 35 of the said Conditions. Provided always that no person subsequently appointed to be the Architect under this Contract shall be entitled to disregard or overrule any certificate or opinion or decision or approval or instruction given or expressed by the Architect for the time being.</p>
<p>Article 4 The Quantity Surveyor will be of</p>	<p>4. The term 'the Quantity Surveyor' in the said Conditions shall mean of..... or, in the event of his death or ceasing to be the Quantity Surveyor for the purpose of this Contract, such other person as the Employer shall nominate for that purpose, not being a person to whom the Main Contractor shall object for reasons considered to be sufficient by an arbitrator appointed in accordance with clause 35 of the said Conditions.</p>
<p>Article 5 (1) In the event of the person appointed to act as either the Architect or the Quantity Surveyor ceasing to act, the Employer shall will appoint a replacement as soon as practicable. # "will" should be used in keep the style of the Articles. # (2) If the Contractor objects to the person appointed to succeed either the Architect or the Quantity Surveyor, the Contractor has the right to refer his objection to an arbitrator under the Contract provided the reference to arbitration is made within 14 days of the appointment. # "object to" is a phrasal verb. # (3) The person appointed as the replacement to the Architect or the Quantity Surveyor shall continue to act pending the award of the arbitrator appointed under Article 5(2) but shall immediately cease to act if so directed by the arbitrator's award. In which case the Employer shall will appoint a further replacement as soon as practicable. (4) The Contractor shall have the right of objection under Article 5(2) to a further appointment of either the Architect or the Quantity Surveyor. (5) A person appointed as the replacement to the Architect or the Quantity Surveyor shall not be entitled to disregard or overrule any agreement, approval, certificate, confirmation, consent, decision, direction, dissent, instruction, notice, notification, opinion, request or requirement given or made by the person previously appointed save insofar as the Contract permits. # The Employer cannot therefore appointment a replacement to overrule decisions of the Architect or the Quantity Surveyor disliked by him. This would be for the Contractor's protection. However, this Article may also work in such a way to restrict the replacement from relaxing the predecessor's decisions. Therefore, a better Article would be that the replacement should not disregard</p>	

<p>【SFBCwQ.2005】 【SFBCnQ.2006】</p>	<p>SFBCwQ.1986(2ndAmend.July1999)</p>
<p>or overrule to the disadvantage of the Contractor. #</p>	
<p>Article 6 If a dispute arises under or in connection with the Contract, the parties agree to resolve the dispute in accordance with the dispute settlement procedures in clause 41.</p>	
<p>Attestation</p>	<p>**As Witness the hands of the said parties</p>
<p>*SIGNED AND SEALED as a deed / SIGNED by the Employer</p> <p># When an option is included for signing the Contract as a deed, the Employer would be tempted to demand for a deed. #</p> <p># According to the Limitation Ordinance (Chapter 347), actions founded on simple contract or on tort shall not be brought after the expiration of 6 years from the date on which the cause of action accrued, and actions founded upon a deed shall not be brought after the expiration of 12 years from the date on which the cause of action accrued. #</p> <p>..... (signature of signatory for the Employer) (signature of witness)</p> <p>..... (name and office held by signatory for the Employer) (name and occupation of witness)</p> <p># The way to sign and witness is clearer, but it is better to give an example to the Contract Parties when they are requested to sign. #</p> <p>(company seal to be impressed here if executed as a deed by a limited company)</p> <p># A company seal is no longer mandatory under the new Companies Ordinance (Cap. 622) which replaces the Companies Ordinance (Cap. 32) effective from 3 March 2014. #</p>	<p>Signed by the said</p> <p>..... </p> <p>In the presence of</p> <p>Name</p> <p>.....</p> <p>Address</p> <p>.....</p> <p>Description</p> <p>.....</p>
<p>*SIGNED AND SEALED as a deed / SIGNED by the Contractor</p> <p>..... (signature of signatory for the Contractor) (signature of witness)</p> <p>..... (name and office held by signatory for the Contractor) (name and occupation of witness)</p> <p>(company seal to be impressed here if executed as a deed by a limited company)</p>	<p>Signed by the said</p> <p>..... </p> <p>In the presence of</p> <p>Name</p> <p>.....</p> <p>Address</p> <p>.....</p> <p>Description</p> <p>.....</p>
<p>*delete as applicable</p>	<p>"" If the Contract is to be executed</p>

<p style="text-align: center;">[SFBCwQ.2005] [SFBCnQ.2006]</p>	<p>SFBCwQ.1986(2ndAmend.July1999)</p>
	<p>under seal, this Clause and the words following it must be altered accordingly.</p>
<p>The General Conditions</p>	
<p># The term "General Conditions" is introduced in the new Forms. #</p>	<p>The Conditions hereinbefore referred to:</p>
<p>1 Interpretation and definitions</p> <p># Entirely new clause added. #</p>	
<p><i>Governing law</i></p> <p>1.1 The Contract shall be governed by and construed according to the laws for the time being in force in Hong Kong.</p>	<p>35(5)**Whatever the nationality, residence or domicile of the Employer, the Main Contractor, any sub-contractor or supplier or the Arbitrator, and wherever the Works, or any part thereof, are situated, the law of Hong Kong shall be the proper law of this Contract and in particular (but not so as to derogate from the generality of the foregoing) the provisions of the Arbitration Ordinance or any statutory modification thereof for the time being in force shall apply to any arbitration under this Contract wherever the same, or any part of it, shall be conducted.</p>
<p><i>Singular, plural, masculine and feminine</i></p> <p>1.2 Words in the singular include the plural and vice versa, and words in the masculine include the feminine and the neuter.</p>	
<p><i>Method of reference to clauses and Articles</i></p> <p>1.3 Unless stated otherwise a reference in the Articles, the Conditions or the Appendix to any clause means that clause of the Conditions and a reference to an Article means that Article of the Articles of Agreement.</p> <p># When an Article number is referred to, "Article" instead of "article" is used. When a clause number is referred to, "clause" instead of "Clause" is used. #</p>	
<p><i>Articles of Agreement, Conditions and Appendix to be read as a whole</i></p> <p>1.4 The Articles of Agreement, the Conditions and the Appendix are to be read as a whole. Therefore, unless stated otherwise, each one must be read subject to any relevant qualification or modification in any other one.</p>	
<p><i>Clauses divided into sub-clauses to be read as a whole</i></p> <p>1.5 Where a clause is divided into sub-clauses, the clause is to be read as a whole, and each sub-clause shall relate to the others as if there was no division between them.</p> <p># A typical example of a divided clause which should be read as if there</p>	

<p style="text-align: center;">【SFBCwQ.2005】 【SFBCnQ.2006】</p>	<p style="text-align: center;">SFBCwQ.1986(2ndAmend.July1999)</p>
<p>was no division within it is the definition of "Variation" below. #</p>	
<p><i>Definitions</i></p> <p>1.6 The following words and phrases in the Articles of Agreement, the Conditions and the Appendix shall have the meanings given below unless the context in which they appear requires otherwise or the Articles, the Conditions or an item or entry in the Appendix provides otherwise:</p>	
<p><i>Appendix:</i> the Appendix to the Conditions.</p>	
<p><i>Architect:</i> the person named as the Architect in Article 3, or any successor appointed under Article 5.</p>	<p>(Article)</p> <p>3. The term 'the Architect' in the said Conditions shall mean the said of..... or, in the event of his death or ceasing to be the Architect for the purpose of this Contract, such other person as the Employer shall nominate for that purpose, not being a person to whom the Main Contractor shall object for reasons considered to be sufficient by an arbitrator appointed in accordance with clause 35 of the said Conditions. Provided always that no person subsequently appointed to be the Architect under this Contract shall be entitled to disregard or overrule any certificate or opinion or decision or approval or instruction given or expressed by the Architect for the time being.</p>
<p><i>Articles or Articles of Agreement:</i> the Articles of Agreement to which the Conditions are annexed.</p>	
<p><i>Commencement Date:</i> the date stated in the Appendix for the commencement of the Works.</p> <p># This is a new term introduced in the new Forms, but has problem. Since "the Works" should include every work or services making up the Works, therefore, commencement of off-site preparation immediately after the award of the Contract can also be regarded as the commencement of the Works. Therefore, a definition of "the commencement of the Works" should be given to avoid doubt. The "official" commencement of the Works can be defined to mean the Date of the Letter of Acceptance, the Date of Possession, the date of commencement of work on site, the date of issue of a certain Government consent, etc. The other provisions of the Forms should be checked to see where "Commencement Date" is used to ensure compatibility with the definition. "commencement of work on site" should be used where appropriate to distinguish it from "commencement of the Works". #</p>	
<p><i>communication:</i> the giving, submitting or issuing of, without limitation, any agreement, approval, authorisation, certificate, confirmation, consent, decision, delegation, direction, dissent, determination, endorsement, instruction, notice, notification, opinion, request,</p>	

<p style="text-align: center;">【SFBCwQ.2005】 【SFBCnQ.2006】</p> <p>requirement or statement.</p> <p># "without limitation" is used instead of the other style of "including, but not being limited to, ...". #</p>	<p>SFBCwQ.1986(2ndAmend.July1999)</p>
<p><i>Completion Date</i>: the date stated in the Appendix by which the Works or a Section are to be completed or such later date to be fixed by the Architect under clause 25.</p> <p># While "Date for Completion" can mean a target date to be achieved, and "Date of Completion" can mean the actual date achieved, "Completion Date" would more likely mean "Date of Completion" based on the ordinary sense of the term. Here, it means the original Date for Completion or the extended Date for Completion. Therefore the simplified term actually complicates the use. Terms like "original", "contract", "revised", "extended", "actual" or "certified" may need to be added to clarify the meaning. #</p>	<p>21(1) ... complete the same on or before the Date for Completion stated in the said appendix subject nevertheless to the provisions for extension of time contained in clauses 23 and 33(1)(c) of these Conditions.</p>
<p><i>Conditions</i>: the Conditions of Agreement and Schedule of Conditions of Building Contract for use in the Hong Kong Special Administrative Region, Private Edition – 【With Quantities and any Special Conditions.】 【Without Quantities and any special Conditions.】</p> <p># "Conditions" is defined in include any special Conditions as well. Therefore, it would be proper to say "Conditions" or "General Conditions and Special Conditions", but not "Conditions and Special Conditions". #</p>	
<p><i>Contract</i>: the Articles of Agreement, the Appendix, the Form of Tender submitted by the Contractor, the Employer's letter of acceptance of the Contractor's tender and any correspondence between the parties expressed to form part of the Contract, the Special Conditions, if any, the Conditions, the Contract Drawings, the Specification and 【the Contract Bills】 【the Schedule of Quantities and Rates】 .</p> <p># This actually gives a definition of the Contract Documents as well. #</p> <p># "the Conditions" here should have been "the General Conditions". #</p>	
<p>【<i>Contract Bills</i>]: the priced bills of quantities referred to in the third and fourth recitals of the Articles and submitted by the Contractor with his tender, or a certified true copy of those bills of quantities.】</p> <p># It does not appear necessary to include the phrase regarding a certified true copy. #</p>	<p>(Recital) And Whereas the Main Contractor has supplied the Employer with a fully priced copy of the said Bills of Quantities (which copy is hereinafter referred to as 'the Contract Bills')</p>
<p><i>Contract Drawings</i>: the drawings referred to in the first and fourth recitals of the Articles and enumerated as such in 【the Contract Bills or】 the Specification.</p>	<p>(Recital) And Whereas the said Drawings as enumerated within the Contract Bills (hereinafter referred to as 'the Contract Drawings') and the Contract Bills have been signed by or on behalf of the parties hereto.</p>
<p><i>Contract Sum</i>: the sum stated in Article 2, or such other sum that becomes payable in accordance with the Contract.</p>	<p>(Article) 2. The Employer will pay to the Main Contractor the sum of Hong Kong Dollars (HK\$..... ) (hereinafter referred to as 'the Contract Sum') or such other sum as shall become payable hereunder at the times and in the</p>

<p style="text-align: center;">[SFBCwQ.2005] [SFBCnQ.2006]</p>	<p>SFBCwQ.1986(2ndAmend.July1999)</p>
	<p>manner specified in the said Conditions.</p>
<p><i>Contractor</i>: the person named as the Contractor in the Articles.</p>	<p>Articles of Agreement ... hereinafter called 'the Main Contractor') ...</p>
<p><i>Contractors' All Risks Insurance of the Works</i>: insurance which provides cover against physical loss of or damage to the Works, temporary works and materials and goods, as described in clause 22.</p> <p># "Contractors' All Risks" with the apostrophe after "s". #</p> <p># Note "loss of or damage to" as a standard phrase. #</p>	
<p><i>Date for Possession of alternatively: Date for Entering the Site</i>: the date or dates for the possession of alternatively: for entering the whole or parts of the Site stated in the Appendix under the reference to clause 23.1.</p> <p># "Date for Entering the Site" or "Site Access Date" should be used when possession of the Site is not given to the Contractor, e.g. for maintenance repair or renovation of existing buildings. #</p>	
<p><i>Date of Substantial Completion</i>: the date stated in the Substantial Completion Certificate for the Works or a Section, issued by the Architect under clauses 17.1 and 17.2.</p>	
<p><i>day</i>: a calendar day and includes Sundays and other days which are general holidays by virtue of the General Holidays Ordinance (Chapter 149, Laws of Hong Kong).</p> <p># According to the Ordinance, every Sunday is a general holiday (公眾假期). #</p> <p># Statutory holidays (法定假日) are fixed by the Employment Ordinance (Chapter 57) and are different from general holidays. #</p> <p># "Public holidays" is a common term meaning general holidays but is not used in the Ordinance. #</p>	
<p><i>Defects Liability Period</i>: the period stated in the Appendix under the reference to clause 17.3, commencing on the day after the Date of Substantial Completion of the Works or a Section or the day after the Relevant Date of a Relevant Part.</p> <p># Note the words "commencing on the day after". The finish date is to be defined in the Appendix. The Defects Liability Periods of different Sections or Parts may be defined to end on different dates relative to their own or on the same date relative to the last Section. #</p>	
<p><i>Defects Rectification Certificate</i>: a certificate issued by the Architect to the effect that all defects, shrinkages and other faults have been rectified in accordance with the Contract, as described in clauses 17.4 and 17.5.</p> <p># A shorter term used in place of "Certificate of Completion of Making Good Defects". It is better to define that they are synonymous to relieve the problem of people keeping using the old terms when using the new Forms. #</p>	
<p><i>direct loss and/or expense</i>: the monetary consequences that flow naturally without other intervening cause and independently of special circumstances because of the direct consequences of a qualifying event and which are not otherwise reimbursed to the Contractor.</p>	

【SFBCwQ.2005】 【SFBCnQ.2006】	SFBCwQ.1986(2ndAmend.July1999)
<p># A definition introduced in the new Forms. #</p> <p># Hadley v. Baxendale: "Where two parties have made a contract which one of them has broken, the damages which the other party ought to receive in respect of such breach of contract should be such as may fairly and reasonably be considered either [1] arising naturally, i.e. according to the usual course of things from such breach of contract itself, or [2] such as may reasonably be supposed to have been in the contemplation of both parties at the time they made the contract, as the probable result of the breach of it." "[1]" and "[2]" inserted. #</p>	
<p><i>Domestic Sub-Contractor</i>: a person, other than a Nominated Sub-Contractor, to whom the Contractor sub-lets any part of the Works and includes a labour only sub-contractor.</p> <p># A term introduced in the new Forms. #</p>	
<p><i>Employer</i>: the person named as the Employer in the Articles.</p>	<p>Articles of Agreement ... hereinafter called 'the Employer') ...</p>
<p><i>Engineer</i>: a person engaged as a member of the Employer's design team for the design and supervision of one or more of the geotechnical, civil, structural or building services elements of the Works, as referred to in clause 1.7.</p> <p># A role introduced in the new Forms. #</p>	
<p><i>Excepted Risks</i>:</p> <p>(a) Any consequence of war (whether war be declared or not) in which Hong Kong is actively engaged, the invasion of Hong Kong, acts of terrorists in Hong Kong, civil war, rebellion, revolution or military or usurped power in Hong Kong, riot, commotion or disorder in Hong Kong other than amongst the employees of the Contractor or any person for whom the Contractor is responsible;</p> <p>(b) the Architect's design of the Works insofar as damage, loss or injury is the direct consequence of the design;</p> <p># Note the word "direct". #</p> <p>(c) a cause due to any neglect or default of the Architect, the Employer or any person for whom the Architect or the Employer is responsible;</p> <p># When including Excepted Risks as a listed event for extension of time, item (c) should be excluded to avoid unexpected duplication with other listed events which are in effect falling within the meaning of item (c). #</p> <p>(d) ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel, radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof; and</p> <p>(e) pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds.</p>	<p>20[A](1) Without prejudice to his obligations under clause 1 of these Conditions, the Main Contractor shall in the joint names of the Employer and the Main Contractor insure against loss or damage by ... riot and civil commotion ...</p>
<p><i>Final Certificate</i>: the certificate issued by the Architect stating the Final Contract Sum and the total of the amounts of Interim Certificates to be set off against that sum, as described in clause 32.8.</p>	
<p><i>Final Contract Sum</i>: the sum resulting from the adjustment of the Contract Sum in accordance with the Contract.</p>	

[SFBCwQ.2005] [SFBCnQ.2006]	SFBCwQ.1986(2ndAmend.July1999)
<i>Form of Tender:</i> the form of tender referred to in the first recital of the Articles as being part of the Tender Documents.	
<i>Hong Kong:</i> the Hong Kong Special Administrative Region.	
<i>Interim Certificate:</i> a certificate issued by the Architect stating the amount of an interim payment due to the Contractor, as described in clause 32.1.	
<i>Limit of Retention:</i> the amount stated in the Appendix under the reference to clause 32.4 as the limit to the amount of Retention to be held by the Employer on the payment for the Contractor's work in progress.	
<i>Nominated Sub-Contract:</i> the sub-contract between the Contractor and a Nominated Sub-Contractor.	
<i>Nominated Supply Contract:</i> the supply contract between the Contractor and a Nominated Supplier.	
<i>Nominated Sub-Contractor:</i> a sub-contractor nominated by the Architect under clause 29 to carry out work forming part of the Works.	
<i>Nominated Supplier:</i> a supplier nominated by the Architect under clause 29 to supply materials or goods for incorporation into the Works.	
<i>parties:</i> the Employer and the Contractor.	
<i>Period of Interim Certificates:</i> the period stated in the Appendix under the reference to clause 32.1 as the interval between the issuing of Interim Certificates.	
<i>person:</i> an individual, firm, partnership, or body corporate.	
<i>person for whom the Contractor is responsible:</i> the Contractor's servants or agents, sub-contractors, suppliers, persons employed or engaged in connection with the Works and persons who may properly be on the Site upon or in connection with the Works other than the Employer or any person for whom the Employer is responsible. # "servants" means "employees". "engaged" does not equal to "employed". #	
<i>person for whom the Employer is responsible:</i> the Employer's servants or agents and the persons listed in clause 30.1.	
<i>Postpone:</i> to defer the commencement of operations on an activity. # "postpone" refers to commencement. #	
<i>Prime Cost Sum:</i> a sum either provided in the Contract Bills or arising as described in clause 29.1 for work to be carried out by a Nominated Sub-Contractor or for materials or goods to be obtained from a Nominated Supplier. # Note "or arising" as alternatives. #	
<i>Provisional Item:</i> an item of work identified as provisional in the Contract [Bills] to be carried out by the Contractor if instructed to do so by the Architect under clause 13.2. # "Provisional Item" and "Provisional Quantities" are treated as two separate things here, while "Provisional Quantities" is usually taken to	

<p style="text-align: center;">【SFBCwQ.2005】 【SFBCnQ.2006】</p>	<p style="text-align: center;">SFBCwQ.1986(2ndAmend.July1999)</p>
<p>refer also to those items with a unit of "Item". #</p>	
<p><i>Provisional Quantities</i>: an estimated quantity of work identified as provisional in the Contract 【Bills】 , where the actual quantity could not be accurately determined when the 【bills of quantities were】 【 Contract was】 prepared, to be carried out by the Contractor if instructed to do so by the Architect under clause 13.2.</p>	
<p><i>Provisional Sum</i>: a sum provided in the Contract 【Bills】 for work or for costs, which could not be entirely foreseen, defined or detailed when the 【bills of quantities were】 【 Contract was】 prepared, to be paid to the Contractor if instructed by the Architect under clause 13.2 to carry out such work or incur such costs.</p>	
<p><i>Quantity Surveyor</i>: the person named as the Quantity Surveyor in Article 4, or any successor appointed under Article 5.</p>	
<p><i>Relevant Date</i>: the date upon which the Employer took possession of a Relevant Part under clause 18.</p>	
<p><i>Relevant Part</i>: the part of the Works or part of a Section taken possession of by the Employer under clause 18 before Substantial Completion of the Works or that Section.</p>	
<p><i>Retention</i>: the sum calculated in accordance with clause 32.4 and retained by the Employer from the gross valuation of the Contractor's work in progress included in an Interim Certificate.</p>	
<p><i>Retention Percentage</i>: the percentage entered in the Appendix under the reference to clause 32.4, used to calculate the Retention in accordance with the rules set out in that clause.</p>	
<p><i>Section</i>: a part of the Works for which a separate Completion Date is stated in the Appendix where the Contract provides for sectional completion of the Works.</p>	
<p><i>Site</i>: the land and other places provided by the Employer for the purpose of carrying out the Works.</p>	
<p><i>Special Condition</i>: a condition of contract expressly referred to as a Special Condition of Contract, which adds to or amends the Conditions and is annexed to the Conditions.</p>	
<p><i>special delivery</i>: a communication which is either delivered by courier or sent by registered post or recorded delivery.</p>	
<p><i>Specialist Contractor</i>: a person, not being a statutory undertaker or utility company as referred to in clause 6.4(1), engaged by the Employer to carry out work directly connected with or ancillary to but not forming part of the Works, as described in clause 30.</p> <p># A term introduced in the new Forms. Sometimes called "Direct Contractor" or "Separate Contractor" or "Separate Specialist Contractor". #</p> <p># A statutory undertaker or utility company may or may not be regarded as a Specialist Contractor, depending on their role, as defined by clause 6.4(1). #</p>	
<p><i>Specialist Works</i>: work directly connected with or ancillary to but not forming part of the Works, to be carried out by a Specialist Contractor.</p>	
<p><i>Specification</i>: the specification referred to in the first and fourth recitals</p>	

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<p>of the Articles which describes, without limitation, the types, standards and quality of the materials and goods to be used, the standard and quality of workmanship required, the manner in which work processes are to be carried out, the performance requirements and other matters and things relating to the construction of the Works.</p>	
<p><i>Specified Perils:</i> fire, lightning, explosion, storm, tropical cyclone, flood, bursting or overflowing of water tanks, apparatus or pipes, earthquake, aircraft and other aerial devices or articles dropped from them.</p> <p># Care should be exercised to ensure that the use of the term "Specified Perils" elsewhere would not have unexpected consequences, e.g. some perils can be caused by the Contractor or persons for whom he is responsible; Specified Perils are listed events for extension of time purposes but storm and tropical cyclone as Specified Perils would duplicate other listed events. #</p>	
<p><i>Standard Conditions of Nominated Sub-Contract:</i> the Standard Form of Sub-Contract for use where the sub-contractor is nominated under the Standard Form of Building Contract.</p>	
<p><i>Standard Conditions of Nominated Supply Contract:</i> the Standard Form of Supply Contract for use where the supplier is nominated under the Standard Form of Building Contract.</p>	
<p><i>sub-contractor:</i> a person who enters into a sub-contract with the Contractor to carry out work forming part of the Works and includes a Domestic Sub-Contractor and a Nominated Sub-Contractor.</p>	
<p><i>Substantial Completion:</i> the state of completion where the Works or a Section have been substantially completed to the Architect's satisfaction and have passed the required inspections and tests, as referred to in clauses 17.1 and 17.2.</p> <p># "Substantial Completion" used in place of "Practical Completion" with no particular reason. It is better to define that they are synonymous to relieve the problem of people keeping using the old terms when using the new Forms. #</p> <p># "and have passed the required inspections and tests" is a special introduction. #</p>	
<p><i>Substantial Completion Certificate:</i> a certificate issued by the Architect stating the date when in his opinion the Works or a Section have reached Substantial Completion.</p>	
<p><i>substantially completed:</i> the state of completion where the Works or a Section may not be absolutely completed or entirely free from defects but have reached the stage where they can be taken over and used by the Employer for their intended purpose and where the unfinished items of work and the remaining defects then patent are only of a minor nature and extent and their completion or rectification will not unreasonably interfere with or interrupt the taking over of the Works or Section.</p> <p># A rather full definition introduced in the new Forms. #</p>	