# CPCCBC4016A
# ADMINISTER A CONSTRUCTION CONTRACT

## THEORY EXAM INSTRUCTIONS

- This exam will occur under standard assessment conditions.
  - An oral examination may be allowed under certain circumstances. Answers will be documented and FT003 (Oral examination declaration form) must be completed.
- Participants must provide enough detail in their responses to demonstrate their knowledge and skills.
- Please fill in the details below, providing your name, signature and date of assessment.
  - Your signature acknowledges that this is your own work.
- If a participant initially answers a question incorrectly but modifies their response, they must follow the instructions below:
  - If a participant changes their response in writing, they must put their initials next to the written change.
  - If a participant changes their response verbally, this must be noted on the exam paper by the assessor.



Participant name ______________________________

Participant signature ______________________________

Assessor name ______________________________

Assessor signature ______________________________



Date ______________________________

| Number of questions | Number of questions answered correctly | Satisfactory? | |
|---|---|---|---|
| | | Yes | No |
| 43 | | | |

Q1. **Identify the various types of building and construction contracts and explain when it is appropriate to apply each type of contract.**

**Answer**

Whether building a house for a homeowner, or working in the commercial sector on high rises, you need a contract between yourself and your client or subcontractor. This includes head contracts, subcontracts and sub-subcontracts (i.e. contracts between subcontractors). If any of your jobs involve domestic building work priced at over $3,300, you need to use a written contract. If the work is over $20,000, you must also ensure your client is given a signed copy of a QBCC-approved Consumer Building Guide. The types of contracts include:

- building a new detached (house) dwelling (including a duplex);
- building a structure associated with a home such as a shed, garage, carport, retaining structure, driveway, fence, workshop, swimming pool or spa;
- removing or re-siting a dwelling intended to be used as a residence;
- renovating, extending, altering, improving (including painting and installing services) or repairing a home, duplex or unit;
- refitting a kitchen or bathroom; and
- landscaping, paving, site work, etc.

You can order contract documents from the QBCC at the following address; https://www.qbcc.qld.gov.au/sites/default/files/Contract%20Order%20Form.pdf

**Answer**

❑

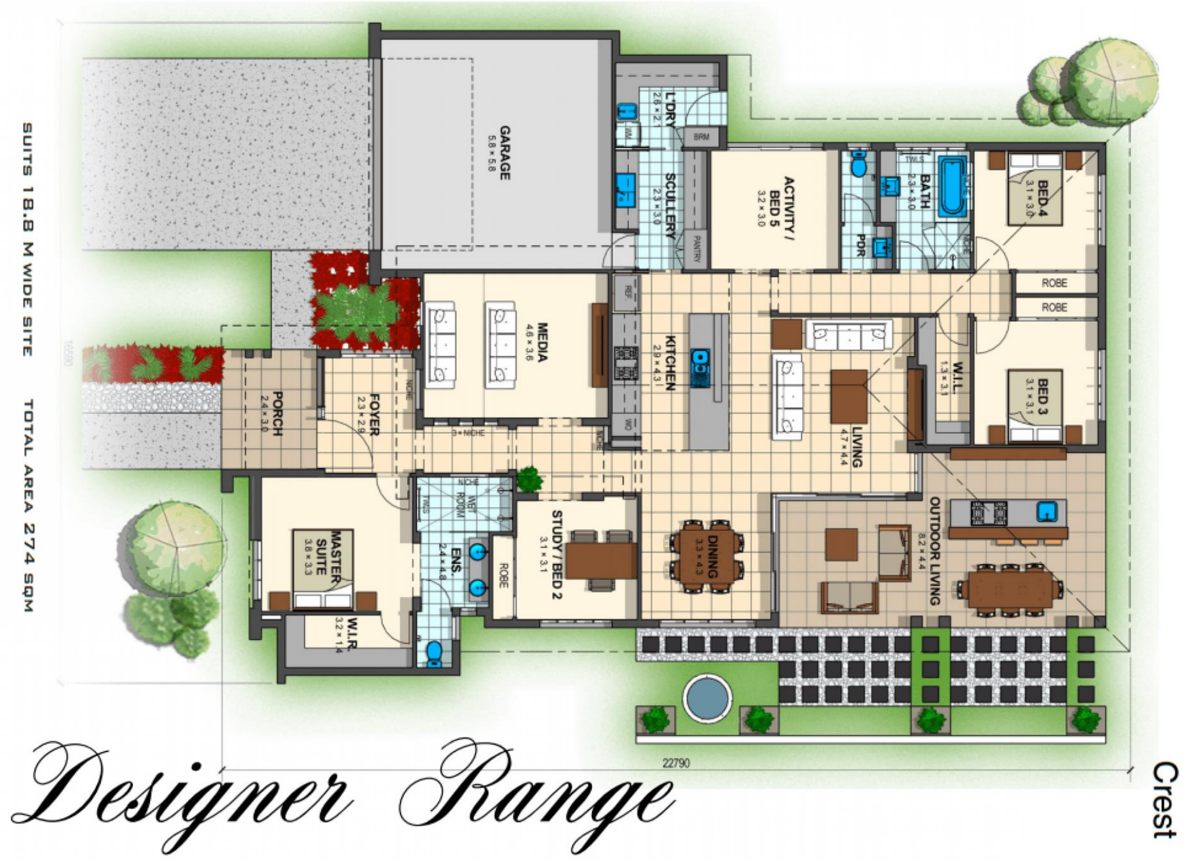
Typical Contract Documentation includes:

- New Home Construction Contract for the construction of an entire home
- Level 1 - Renovation, Extension and Repair Contract (PDF) for renovations, extensions and routine repairs on existing homes for contracts $3,301 to $19,999
- Level 2 - Renovation, Extension and Repair Contract (PDF) for renovations, extensions and routine repairs on existing homes for contracts $20,000 and over
- Contract for Demolition of Residential Premises (PDF) for demolishing homes severely damaged by natural disaster
- Consumer Building Guide (PDF)

Subcontracts include:

- Major Subcontract
- Minor Subcontract
- Period Minor Works Subcontract.

Q2. **Use the drawings you completed in the assessment for *CPCCBC4014A* (from the floor plan below) and the listed task requirements to prepare the new dwelling contract documentation for the client's signature.**




**TASK REQUIREMENTS**

You are to download the contract documents from the Queensland Building and Construction Commission (QBCC) website at:
http://www.qbcc.qld.gov.au/sites/default/files/QBCC_New_Home_Construction_Contract.pdf

Your should:

a) Analyse the various types of building and construction contracts you will need and then apply the appropriate application of each type of contract;
b) Identify and apply legislative requirements relating to building and construction contracts.
c) Identify and apply essential terms and elements of a valid contract;
d) Analyse the importance of identifying an intention to create legal relations;
e) Identify and analyse rights and liabilities of parties under a contract;
f) Identify and apply common building contract terms and procedures;
g) Identify and analyse circumstances that bring about a breach of contract;
h) Accurately select the contract, appropriate for the type of construction;
i) Accurately identify and prepare the range of documents collectively make up a contract;
j) Accurately identify and apply requirements associated with an offer and acceptance of a contract;
k) Confirm the capacity of the parties to form a binding agreement in the form of a contract; and
l) Identify and apply factors associated with the parties' consenting to a contract.

**Answer**

Assessor's discretion ❑

Q3. **How should you handle any customer complaint?**

**Answer**

Dealing with a complaint is never easy, but if viewed positively, it can be seen as a way to avoid a repeat of the problem. The goal should be to quickly reach a resolution by trying to understand the customer's point of view. Don't be afraid of complaints. For each customer whose complaint is handled well, most will remain loyal and recommend to others.

Tips to avoid complaints

- Identify the problem and record complaints – even if they are verbal;
- Act promptly and stay calm;
- Decide what can be done and do what you say you're going to do;
- Do not make unrealistic promises.
- Arrange a second opinion to confirm your view.

Q4. **What does the 'cooling off' period refer to when undertaking domestic building work with a total contract price of $20,000 or more?**

**Answer**

A client may withdraw from the contract within five business days of receiving copies of the signed contract (including any plans and specifications) and the QBCC Consumer Building Guide which must be provided by the building contractor before the client/s you sign the contract. However, there are costs for home owners in withdrawing (generally $100 plus any out-of-pocket expenses reasonably incurred by the contractor up to the time of withdrawal). The client must also advise the contractor in writing.

**Q5. What are the consequences for a client not using a QBCC licensed contractor?**

**Answer**

Any person who engages an unlicensed contractor, then their building work may not be covered under the Queensland Home Warranty Scheme. It is important to always check the contractor's licence and licence history via QBCC's Online Licence Search.

**Q6. What is the Queensland Home Warranty Scheme?**

**Answer**

Residential construction work valued at more than $3,300 is covered by the Queensland Home Warranty Scheme. It provides protection for home owners against non-completion, defective work and subsidence for up to 6 years from completion, provided a licensed contractor performs the work. After the contract has been signed, the contractor must pay the insurance premium to Queensland Building and Construction Commission (QBCC), and the client should then receive a Certificate of Insurance and Policy Booklet within two weeks of the insurance payment.

**Q7. What are the consequences of Cost Plus and Construction Management contracts on Home Warranty Insurance protection?**

**Answer**

QBCC recommends home owners obtain formal legal advice before signing either of these types of contracts which reduce your Home Warranty insurance protection and often result in disputes and cost overruns.

Home Owners should visit the QBCC website for more details on the risks associated with these contracts.

Q8. **At the commencement of a contract valued over $20,000, what must the contractor give to the owner? What timeframes apply?**

**Answer**

For contracts priced at $20,000 or more, the contractor must give the owner a signed Commencement Notice within 10 business days of work commencing on site. It must state the date work started on site and the Date for Practical Completion.

Q9. **Where must the total contract price be stated?**

**Answer**

The total contract price must be stated on the first page of the contract schedule, along with a warning about any provisions that may cause the price to change. If the total contract price includes any allowances (items or services for which the price is not fixed at the time the contract is signed), these allowances must be stated in the contract schedule.

Q10. **What are the maximum deposits recommended and how should progress payments be scheduled?**

**Answer**

The maximum deposit allowed is:

- 10% where the total contract price is under $20,000 or
- 5% where the price is $20,000 or more.
- 20% for a contract of any price where the value of the work to be performed off-site is more than 50% of the total contract price.

Owners and contractors are free to determine the number and timing of progress payments (if any) for their particular project, provided these payments are proportionate to the value of work performed on site (e.g. no home owner should pay more than 50% before half of the work has been completed).

Q11. **Who has responsibility of building inspections and approvals?**

**Answer**

Building inspections and approvals are the responsibility of a building certifier. Mandatory building inspections may be required at certain stages of construction. Home Owners and contractors can check the certifier's licence via QBCC's Online Licence Search.

Q12. **Identify and describe the term used to describe circumstances such as:**

- **Where there has been a change to the materials used or**
- **A change to the scope of the work to be performed under the contract?**

**Answer**

These would be known as 'variations'. Variations are frequently the cause of cost overruns and building disputes. Variations must be detailed in writing and copied to the owner by the contractor within five business days after agreement, and before any of the variation work commences.

Q13. **How do you reduce the risk of dispute?**

**Answer**

To reduce the risk of a dispute, both the contractor and home owner should:

- Carefully read and understand the contract.
- Check any associated plans and specifications before signing.
- Discuss questions with contractor and seek legal advice if needed.

Q14. **What is the process for dispute resolution?**

**Answer**

If a dispute with the contractor occurs, firstly the client should advise their contractor in writing giving them a reasonable time to respond. If this doesn't resolve the problem, the home owner can explore QBCC's free Early Dispute Resolution (EDR) service and their legal options. It's critical that the home owner engages a practising solicitor before terminating the contract. Incorrect termination may have serious legal and financial consequences and reduce the Home Owner's Home Warranty protection.

Q15. **When might an extension of time (EOT) apply? How is it approved?**

**Answer**

The contract must state the Date for Practical Completion for a project, or how the date is to be determined (e.g. 180 days from commencement). The Act sets out circumstances in which a contractor may seek to extend this date (e.g. if the client/home owner approve a variation to the contract which involves extra work, or the work is interrupted by more rain than could have been anticipated). The contractor must give the client/home owner a written EOT claim that the client/homeowner should carefully consider (not unreasonably reject) and respond to promptly in writing. If the client/home owner approves the claim, the Date for Practical Completion will be extended by the period claimed, however, if they do not approve the claim, the extension is deemed 'disputed'.

Q16. **When is the client/home owner required to pay the final contract payment?**

**Answer**

The Home Owner/Client is not required to pay the final contract payment until all of the contracted work has been completed in accordance with the contract, all legal requirements, and either without any defects or omissions, or with only minor defects or minor omissions that will not unreasonably affect occupation. If the home owner/client believes there are any minor defects or minor omissions, the contractor must give them a 'defects document' (listing agreed and non-agreed matters). This document should be compiled by the Home Owner/Client and the contractor during a handover inspection. The Home Owner/Client should also check their contract to see if it imposes any extra requirements on the contractor for practical completion.

Q17. **What are implied warranties?**

**Answer**

Under the Act, a range of warranties are deemed to be part of all regulated domestic building contracts. The warranty period is six years for structural defects and one year for all other defects.

Q18. **Explain the responsibilities of an Owner Builder.**

**Answer**

It is important that an Owner Builder understand their responsibilities and obligations as an owner builder. It will help to ensure that their project runs to plan. The Owner Builder must follow the conditions of their permit:

- They must only carry out work covered in the permit;
- Anyone they engage to carry out building work must be a licensed contractor;
- They cannot perform any occupational work such as plumbing, draining, gas fitting or pest control unless they have an occupational licence; and
- They must have the appropriate licence to perform any fire protection work higher than $1,100.

They must display an owner builder sign before work starts on their site. Failure to do so could mean a fine. The sign must:

- be clearly visible from the street
- show their owner builder permit number
- be made of weatherproof material
- be at least half a square metre in size
- be printed in letters at least 50mm high.

**Answer**

They or an appointed person must supervise the Owner Builder's worksite. They need to maintain quality control and oversee the standards of workmanship on their site. They are also responsible for carrying out safe work practices in accordance with Work Health and Safety (Qld) Act, policy and regulations.

They must deal effectively with problems on site including defective work. QBCC can't help Owner Builders resolve any issues if they get into a dispute with their contractor/s over defective work. They or their nominated site supervisor need to manage any problems with the contractors' work themselves, including paying to rectify any defective work, or completing unfinished work. An Owner Builder can apply to the Queensland Civil and Administrative Tribunal (QCAT) or seek independent legal advice for some assistance. If the Owner Builder and their contractor/s have a disagreement over payment or any of the conditions of the contract, they will need to get legal advice. They should also be aware that if they do not pay their subcontractors and suppliers, that they can use the Building and Construction Industry Payments Act 2004 (BCIPA) to resolve their payment dispute. The QBCC website has further information available for owner builders on their website.

Q19. **What is 'notifiable work', who is responsible and to whom does it apply?**

**Answer**

Notifiable work requires licensees to lodge a Form 4 – Notifiable work with the QBCC within 10 business days of completing the work. The Form 4 can be lodged:

- electronically, using the plumbing application service (PAS) for a $26.80 fee per form;
- manually, using the Form 4 – Notifiable work book, for a $36.20 fee per form;
- using local government login; and
- home owner search.

Further information can also be read on the plumbing application page on the QBCC website. Plumbers and drainers are required to give a copy of the Form 4 to their customers.

Notifiable work is the work a plumber or drainer can do without a local government permit or any need for mandatory inspections. Notifiable work includes most plumbing and drainage work performed in existing homes including:

- Kitchen and bathroom additions and renovations;
- Installing or replacing hot water heaters including electric, solar or heat pump hot water heaters;
- Installing additional fixtures such as toilets, showers and sinks; and
- Extending or altering pipe work.

**Answer**

Some plumbing and drainage work will also be able to be performed on commercial buildings. The Schedule of notifiable work as prescribed in schedule 2 of the Standard of Plumbing Drainage Regulation 2003 is available from the QBCC website. The QBCC also have further information about changes to the schedule of work/categories as fact sheets for:

- Notifiable work Schedule Category Comparison
- Examples of notifiable work
- What needs a Form 4?

For more information, there are fact sheet/s for viewing on the QBCC website including for:

- Consumers;
- Local government; and
- Licensees and industry.

Guidelines for licensees and local governments are available from the QBCC website to assist plumbers and drainers and local governments understand their roles and responsibilities in relation to the notifiable work reforms: The guidelines include PDF document guidelines for:

- Plumbers and Drainers; and
- Local governments.

**Answer**

Plumbers and drainers who undertake notifiable work for, or on behalf of, a public sector entity are not required to pay a lodgement fee to the QBCC where a Form 4A is being used. A public sector entity includes organisations such as a local government, State government department, public hospital or public school. Licensees performing notifiable work for public sector entities may now complete a Form 4A – Notifiable work for public sector entities where the public sector entity has agreed to this method of lodgement.

To help ensure that the health and safety standards currently enjoyed by Queenslanders remain high, the QBCC and local governments will work together to audit licensees and plumbing work respectively, to ensure that plumbers and drainers are complying with their obligations.

The QBCC may approve an audit program to monitor lodgement of Form 4s.  a list of approved audit programs is available from the QBCC website. The new legislation also simplifies various categories of plumbing and drainage work. The previous category of 'other minor work' has been renamed and expanded to 'minor work'. Minor work must be undertaken by an appropriately licensed person and does not need to be notified to the QBCC. Any work not included in the schedules of notifiable work, minor work or unregulated work will be 'compliance assessable work' and will be subject to local government compliance assessment (through a Form 1 process) and inspection requirements apply.

Q20. **What is the difference between the Prime Cost Item Schedule and the Provisional Sum Schedule in a contract? Give one example to help explain your answer.**

**Answer**

A Prime Cost Items Schedule sets out items which the Owner has not finally selected, or for which the contractor is not reasonably able to determine the cost at the date of signing the contract and which the Contractor cannot therefore price accurately as at that date. An example/s might be kitchen cabinets design, finish and bench tops not determined by the client.

Provisional Sum Schedule is one that sets out items of work under a contract, the extent of which is not fully known at the date of the contract and which the contractor despite making all reasonable enquiries can't price accurately as at that date. An example might be excavating for the foundations which may not be possible based on uncertainties of what may be found in the ground (very large boulders) and other unknown underground installations and therefore is listed in the Provisional Sum Schedule based on these unknowns despite other relevant information available like contour survey, soil testing and other engineering and geotechnical information until the actual excavation occurs and is completed and then the real cost is known.

Q21. **What does Section 109 of the *Queensland Building and Construction Commission Act 1991* provide to the consumer/client?**

**Answer**

Under Section 109 the client/consumer has the right to "reasonable access" at any time. They may not enter the site unless they or someone who accompanies them has a Site Safety Induction Card (White Card). The right to access the site is restricted to the site only. Access to the building after lock-up must be arranged with the Builder.

Q22. **What are some of the preliminary contracts that a builder could ask a client to sign prior to signing the main contract?**

**Answer**

- A preliminary agreement;
- A quote;
- An order;
- A preliminary contract estimate;
- A provisional quote to build on their land;
- An authorized tender acceptance;
- A contract request; or
- An authority to proceed.

Q23. **What are liquidated damages in terms of a signed building contract?**

**Answer**

This is a nominated amount of money that is payable to the client if the builder breaches the contract, such as not completing the works by an agreed date. The liquidated damages clause can never cover losses such as rent, travel and other out of pocket expenses.

Q24. **What contract documentation would you review to identify any unusual aspects related to materials and installations for a low rise construction project?**

**Answer**

The documentation to be referred to and read would include the plans and drawings as well the specifications for the project.

Q25. **Where would you find any possible penalties associated with a build?**

**Answer**

In the specification and the contract under liquidated damage clauses.

Q26. **What is the Australian Standard Contracts - AS2124 and AS4000 series?**

**Answer**

The AS2124 and AS4000 series Australian Standard Contracts are designed for use on major building and engineering projects where a 'superintendent' is engaged to administer the contract who is an independent professional (or a firm of consultants) or an employee of the principal. The contract price may be calculated as a lump sum or re-measurement (schedule of rates/bill of quantities) or a combination of these. When the AS4000 contract series was released the AS2124-1992 edition was intended to discontinue but remains currently available as a publication for Australian Standard Contracts.

Q27. **How does the Queensland Building and Construction Commission (QBCC) regulate the Queensland building industry?**

**Answer**

- Through licensing contractors;
- Educating contractors about their legal rights and responsibilities;
- Educating consumers about their rights and obligations;
- Handling disputes fairly and equitably;
- Protecting homeowners against loss through the Queensland Home Warranty Scheme; and
- Implementing and enforcing legislative reforms and, where necessary, prosecuting people not complying with the law.

Q28. **What industry legislation should builders and trade contractors have a good understanding of?**

**Answer**

- Queensland Building & Construction Commission Act 1991 (QBCC)
- Queensland Civil Administrative Tribunal Act (QCAT)
- Building Act 1975 & Regulations
- Building and Construction Industry Payments Act 2004 (BCIPA)
- Work Health & Safety Act 2011 (WHS Act)

Q29. **What supporting documents should you be aware of and include in your contracts with the consumer?**

**Answer**

Termite Management Documentation, Engineering Specification Confirmation, Foundation Maintenance Declarations, Site Conditions Report, Soil and Sedimentation Reports, Traffic Management Plan, Underground and Over Ground Services (including Sewer, Power, Gas, Water, Stormwater and Telecommunications) and Cooling off period.

Q30. **What are the four (4) essential elements of an agreement for it to be regarded as a contract?**

**What is the consequence if any essential element is missing?**

**Answer**

a) Offer

b) Acceptance

c) Intention of legal consequences

d) Consideration

If any one of them is missing, the agreement is not considered to be legally binding.

Q31. **When would an offer be considered to have lapsed?**

**Answer**

When the time for acceptance expires or if the offer is withdrawn before it is accepted; or after a reasonable time in the circumstances; generally the greater the value of the contract, the longer the life of the offer.

Q32. **What is able to be 'accepted'? What happens to the offer if new terms are suggested?**

**Answer**

The Offer is accepted exactly as offered (without conditions).

New terms suggested are regarded as a counter offer which can be accepted or rejected; once a final offer is accepted the negotiation ends and therefore establishes the terms and conditions of the contract; and acceptance of the contract must conform with the method prescribed by the 'Offerer' for it to be effective.

Q33. **What does it mean when a contract is supported by valuable consideration?**

**Answer**

It means that one party promises to do something in return for a promise from another party and consideration is what each party gives to the other as the agreed price for the other's promises and usually the consideration is the payment of money

Q34. **Identify the term for each of the definitions listed in the table below.**

**Answer**

| Term | Definition |
|---|---|
| Addition | Any construction or change to a building or facility that increases its external dimensions and cubic contents. |
| Arbitration | A procedure for resolving disputes that involves less formality than a court hearing. An arbitrator's decision is final and cannot be appealed. |
| Building inspections | Assists builders, contractors and owners by ensuring that construction projects meet building regulations and codes of practice. Inspections assess design documentation and make on-site inspections during building work. |
| Certificate of final inspection | Demonstrates that a building, other than a dwelling has been inspected and passed. |
| Compliance | The achievement of performance criteria described in a regulation or other statutory requirement. This is usually demonstrated by a compliance or approval certificate. |
| Contract | An agreement entered into between two or more parties that involves an exchange or specified goods and/or services for specified financial reimbursement or other considerations. |
| Domestic dwelling | One or more buildings which in association constitute a single dwelling being a detached house or one or more attached dwellings. |
| Owner-builder | A person who carries out domestic building work on his her own land, who is not in the business of building. |
| Private building surveyor | Independent professionals with the same power to issue building permits and occupancy permits as municipal building surveyors. |
| Qualified person | A person accepted by the appropriate authority as qualified to design, construct (or install) or supervise the erection of, buildings or services; usually recognised by a certificate of registration. |
| Site coverage | That part of an allotment which is covered by buildings, expressed as a percentage of the area of the allotment. |

| | |
|---|---|
| Warranty | A minor clause in a contract the remedy for breach of which is damages for any loss. Also, a promise to repair or replace defective goods. |

Q35. **Explain the terms listed in the table below.**

**Answer**

| Term | Definition |
|---|---|
| Minor breach | The non-breaching party cannot sue for specific performance but actual damages. |
| Material breach | Any failure to perform that permits the other party to the contract to either compel performance, or collect damages because of the breach. |
| Fundamental breach | A breach that permits the aggravated party to terminate performance of the contract. In addition that party is entitled to sue for damages. |

Q36. **Who are the parties that need to be consulted with for binding agreements to be confirmed?**

**Answer**

- Buyer's advocates: A licensed estate agent who acts for a buyer instead of a seller.
- Legal practitioners: They hold a current practising certificate and have professional indemnity insurance and can advise on terms and conditions that need to be included in a contract and perform legal work and provide legal advice to their client
- Conveyancers: Persons other than legal practitioners who can undertake property conveying work and legal work or give legal advice

Q37. **What is consent?**

**Answer**

Consent is an act of reason and deliberation when a person who possesses and exercises sufficient mental capacity to make an intelligent decision demonstrates consent by performing an act recommended by another. Consent is implied in every agreement.

Q38. **When might 'apparent consent' be negated?**

**Answer**

Apparent consent may be negated because of mistake, fraud, innocent misrepresentation, duress or undue influence, all of which may be defences to the enforcement of the contract.

Q39. **A construction contract can be terminated for 'cause' or for 'convenience'. Explain these two terms.**

**Answer**

A termination for cause occurs when one party stops work because of a deficiency in performance by the other party. Because the contract is terminated as a result of a party's own poor performance, the law typically provides the terminated party with little recourse in the event of a termination for cause.

A termination for convenience occurs when the owner stops work for reasons other than a deficiency in performance by the contractor. Because a termination for convenience is not the result of poor performance, the law may provide the aggrieved contractor with significant rights against the breaching owner.

Q40. **What does repudiation mean?**

**Answer**

Repudiation is a term used to describe the rejection of a proposal or idea. It occurs when a party to a contract is unwilling, or exhibits behaviour which suggests that they are unwilling to perform their contractual obligations, the innocent party has the right to terminate the contract due to repudiation. There are two broad situations where a breach via repudiation can occur, one, where a party to the contract repudiates the whole contract by an act or deed and two, where a party to the contract breaks the terms of the agreement.

Q41. **Explain the concept ‘conditions for completion at the cost of the contractor’.**

**Answer**

Defects after completion means the Contractor must make good defects or omissions in the work under the Contract which become apparent within 6 months of the Date of Practical Completion. 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.

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 the relevant condition during normal business hours.

Q42. **What does ‘abandonment of contract’ mean?**

**Answer**

Abandonment can have different meanings. One type of abandonment is contract abandonment, where the parties both have conducted themselves in such a way that the original contract is no longer valid. Both parties may mutually agree to do this, or it can become part of a claim. Another type of abandonment is where a contractor fails to perform the work on a project by either not starting the project in a reasonable amount of time, or not completing the work, or failing to resume work in a reasonable amount of time. Abandonment of a construction project without legal excuse is a cause for disciplinary action to occur.

Q43. **Throughout the building schedule, progress payments are made when each new stage is ready to commence.**

**Nominate the recommended stages and percentages for these progress payments on a typical new residential housing building project.**

**Answer**

1. Deposit: 5% (Contract Sum)
2. Base stage: 15%
3. Frame stage: 20%
4. Enclosed stage: 25%
5. Fixing stage: 20%
6. Practical completion: Balance

Q44. **Which section of the *Subcontractors' Charges Act 1974* (Qld) address vexatious notices of claim?**

**Answer**

Section 22

Q45. **Describe the circumstances in which a person is deemed to give notice of a claim of charge without unreasonable grounds.**

**Answer**

If the person knows, or ought reasonably to know, that the amount of the claim exceeds, to an unreasonable extent in the circumstances of the claim, the amount actually payable to the person.

Q46. **Who should you consult if you are considering ousting a contractor from a building site?**

**Answer**

A legal advisor

Q47. **What document should you refer to if you are considering ousting a contractor from a building site?**

**Answer**

You should apply the dismissal procedure delineated in the contract.

Q48. **Contract Cost Adjustment Provisions address risk by providing mechanisms for adjusting contract payment to reflect changes in costs.**

**What can cost adjustment apply to?**

**Answer**

Labour and materials

Currency exchange rates for goods purchased in foreign currency

Other costs, including duties and taxes, or shipping and transport.

Q49. **What document will outline the time extensions you are entitled to over the contract period?**

**Answer**

These will be outlined in the general contract conditions.