



The home of building

Period Subcontract - Basic

FOR RESIDENTIAL & COMMERCIAL BUILDING WORK IN **QUEENSLAND**

Period Subcontract Agreement - Basic

SCHEDULE

(PSC-1) (03/2021.1)

Period Subcontract Number	45678	Dated	01/07/2022
Subcontract Period	from 01/07/2022	to	01/07/2023

BETWEEN

ITEM 1 - CONTRACTOR (Clause 1)

Name	A. Rolley and Sons Pty Ltd		
Trading as	A. Rolley and Sons Pty Ltd		
ABN	91 119 231 337	QBCC licence number	1098669
Is the Contractor a member of Master Builders Queensland?			☒ Yes ☐ No

AND

ITEM 2 - SUBCONTRACTOR (Clause 1)

Name	Joes Blocks & Bricks		
Trading as	Joes Blocks & Bricks		
ABN	12 123 456 789	QBCC licence number	123456
Is the Subcontractor a member of Master Builders Queensland?			☐ Yes ☐ No

ITEM 3 - SCHEDULE OF RATES (Clause 3(b))

NB: Attach additional documents, if necessary

Supply and installation of 120mm x 2800mm bricks at \$1.80 per brick

ITEM 4 - SUBCONTRACTOR'S MARGIN (Clause 1)

Subcontractor's Margin (if nothing stated, 20%)	20%
---	-----

ITEM 5 - PROGRESS CLAIMS (Clause 18(a))

Progress Claims are to be submitted

(a) on **Completion**

OR

(b) each	☐ Week ☐ Fortnight ☐ Month
on the	As per work order Day of the period

ITEM 6 - PAYMENT PERIOD (Clause 1)

Time for payment of a Progress Claim or a Final Claim after the Submission Date	10 Business Days
If nothing stated, 25 Business Days	

ITEM 7 - SPECIAL CONDITIONS (Clause 27)

Are there any special conditions forming part of the Subcontract ?	☒ Yes ☐ No
(If yes, complete Part A of the Annexure)	

ANNEXURE

PART A - SPECIAL CONDITIONS (Clause 27) (Item 7)

Special Condition No.	General Condition affected	Details
001	Item 3	Lintels, Props, mixers, shower, disposal ,material items and any other materials or equipment required to complete works to be supplied by subcontractor

Any Special Conditions in addition to, or in amendment of, the General Conditions must be set out above.
(Number each Special Condition - e.g. SC1, SC2 - or, if applicable, refer to the specific clause in the General Conditions affected).

AGREEMENT

The **Contractor** and the **Subcontractor** agree that the **Subcontractor** is to carry out and complete the **Subcontract Works**, and the **Contractor** is to pay the **Subcontractor** the **Subcontract Price**, as adjusted under the **Subcontract**, for the **Subcontract Works** in accordance with the provisions of the **Subcontract**.

Signed by, or for and on behalf of, the CONTRACTOR

Name	A. Rolley and Sons Pty Ltd		
Trading as	A. Rolley and Sons Pty Ltd		
Address	37 Ascot Way Little Mountain QLD 4551		
ABN	91 119 231 337	QBCC licence number	1098669
Phone 1	+61404007974	Phone 2	+61754996811
Email address	admin@arolleyandsons.com.au	Facsimile number	

Signature

Printed name

LAURA SNOW

Date

/ /

Signed by, or for and on behalf of, the SUBCONTRACTOR

Name	Joes Blocks & Bricks		
Trading as	Joes Blocks & Bricks		
Address	123 Smith Street Summer Hill NSW 2130		
ABN	12 123 456 789	QBCC licence number	123456
Phone 1		Phone 2	
Email address		Facsimile number	

Signature

Printed name

JOES SMITH

Date

/ /

© Copyright Queensland Master Builders Association. All rights are reserved. No part of this publication may be reproduced, copied, stored in a retrieval system, distributed or transmitted in any form, or by any means, including photocopying, scanning or other mechanical or electronic methods without the prior written permission of the copyright holder.

General Conditions - Period Subcontract Agreement - Basic

1	DEFINITIONS
	<i>NOTE: In the Subcontract, certain words and phrases used throughout are defined, and are shown in bold when used (e.g. Contractor).</i>
	In the Subcontract , except where the context otherwise requires:
Act	means the <i>Queensland Building and Construction Commission Act 1991</i> ;
Annexure	means the Annexure to the Schedule of the Subcontract ;
Appendix	means the Appendix to the Work Order ;
Business Day	means a Day that is not a Saturday or Sunday, a public holiday in the place in which any relevant act is to be or may be done, or any day occurring within the period 22 December to 10 January;
Completion	means that stage of the Subcontract Works when the Subcontract Works are completed in compliance with the Subcontract , including all Drawings and Specifications, without any defects or omissions other than minor defects or minor omissions that do not prevent the Subcontract Works from being used for their stated purpose; and all testing, certificates, and other documents required under the Subcontract have been provided to the Contractor ;
Construction Works Policy	means a policy of insurance providing indemnity to the Subcontractor , the Contractor , and the Subcontractor's subcontractors against liability for physical loss, destruction or damage to the Subcontract Works , or to materials and goods on or adjacent to the Land ;
Contractor	means the person stated in Item 1 of the Schedule and includes the Contractor's permitted assignees and transferees;
Date for Completion	means the date stated in Item 6 of the Work Order by which the Subcontract Works are to be brought to Completion , as adjusted from time to time under the Subcontract ;
Date of Completion	means the date on which the Subcontract Works reach Completion ;
Date of the Formation of the Subcontract	means the date calculated in accordance with Clause 2;
Days	means calendar days;
Defects Liability Period	means the period commencing on the Day following the Date of Completion , and ending on the last Day of the period stated in Item 7 of the Work Order after the Date of Completion ;
Direction	includes, but is not limited to, any agreement, approval, authorisation, certificate, decision, demand, determination, explanation, instruction, notice, order, permission, rejection, request, or requirement;
Due Date for Payment	for a Progress Claim or a Final Claim is the time stated in Item 6 of the Schedule after the Submission Date ;
Land	means the land described in Item 5 of the Work Order on which the Subcontract Works are to be carried out;
Latent Condition	means any physical condition, including artificial things, on or around the Land , including surface and subsurface conditions, which differ materially from the physical conditions reasonably expected by a competent subcontractor at the Date of the Formation of the Subcontract ;
Schedule	means the Schedule contained in the Subcontract ;
Schedule of Rates	means the rates stated in Item 3 of the Schedule to be applied to the Subcontract Works carried out by the Subcontractor if Item 3(b) of the Work Order is selected;
Site	means that part of the Land necessary to be occupied and used by the Subcontractor for the construction of the Subcontract Works ;
Statutory Requirements	includes, but is not limited to, any legislation, delegated (including, but not limited to, subordinate) legislation, permit, approval, or other law or legal requirement, and any Direction from, or requirement of, a local government or other entity having jurisdiction over the carrying out of the Subcontract Works ;
Subcontract	means the Subcontract Terms , a Work Order executed by both parties and anything else annexed to, or incorporated by reference into, the Subcontract ;
Subcontract Period	means the period stated in the Schedule ;
Subcontract Price	means the amount worked out in accordance with Clause 2(a) or 2(b), as applicable, as adjusted from time to time under the Subcontract ;

Subcontract Terms	means these general conditions, any special conditions set out in Part A of the Annexure , any special conditions set out in Part B of the Appendix , the Schedule , the Drawings, the Specifications, and anything else annexed to, or incorporated by reference into, the Subcontract Terms ;
Subcontract Works	means the whole of the work to be carried out by the Subcontractor under the Subcontract , a description of which is contained in Item 4 of the Work Order and includes Variations to the Subcontract Works .
Subcontractor	means the person stated in Item 2 of the Schedule and includes the Subcontractor's permitted assignees and transferees;
Subcontractor's Margin	means the margin stated in Item 4 of the Schedule to be applied in accordance with the Subcontract ;
Submission Date	means the date on which the Subcontractor submits (as the case may be) a Progress Claim or the Final Claim to the Contractor ;
Tribunal	means the Queensland Civil and Administrative Tribunal established under the <i>Queensland Civil and Administrative Tribunal Act 2009</i> ;
Variation	whether agreed by the parties, deemed under the Subcontract , or otherwise, means to vary the Subcontract Works by changing the nature or scope of the work that the Subcontractor is required to carry out under the Subcontract , including the omission of work from the Subcontract Works , or changing the manner or sequencing in which the Subcontractor is required to carry out the work under the Subcontract ; and
Work Order	means a document called a "Work Order" issued from time to time by the Contractor to the Subcontractor that contains project specific details and forms part of the Subcontract .

2 SUBCONTRACT FORMATION

- a) Date of the Formation of the Subcontract
 - i) The **Subcontract Terms** covers work yet to be agreed and does not guarantee continuity of work or any work during the **Subcontract Period** or at any time to the **Subcontractor**.
 - ii) The **Subcontract Terms** is an agreement to agree the conditions of a contract and a **Subcontract** will be formed on each occasion on which the **Contractor** and the **Subcontractor** execute a **Work Order** that has been issued pursuant to the **Subcontract Terms**.
 - iii) A **Work Order** signed by the **Contractor** may be issued from time to time to the **Subcontractor** under the **Subcontract Terms** and is to be read in conjunction with the **Subcontract Terms**.
 - iv) If a **Work Order** is executed by the parties pursuant to the **Subcontract Terms**, the **Date of the Formation of the Subcontract** is the date of execution of that **Work Order** by both parties.
- b) If Item 3(a) of the **Work Order** is selected, the **Subcontract Price**, at the **Date of the Formation of the Subcontract**, is the amount stated in Item 3(a) of the **Work Order**.
- c) If Item 3(b) of the **Work Order** is selected, the **Subcontract Price**, at the **Date of the Formation of the Subcontract**, is the amount calculated based on the **Schedule of Rates** stated in Item 3 of the **Schedule** for the **Subcontract Works**. The **Subcontract Price** will be adjusted to be the amount calculated based on the rates or prices for each section or item of work in the **Schedule of Rates** and the measured quantity of each section or item of work actually carried out under the **Subcontract**.

3 DISCREPANCIES AND AMBIGUITIES

- a) If either party finds any discrepancy or ambiguity in the **Subcontract**, that party must notify the other party in writing. The parties agree to consult with each other in an attempt to resolve the discrepancy or ambiguity. Failing resolution, the discrepancy or ambiguity is to be resolved in accordance with Clause 3(b), or if that Clause does not resolve the discrepancy or ambiguity, then in accordance with Clause 23. If the resolution of the discrepancy or ambiguity causes the **Subcontractor** to incur more or less cost than the **Subcontractor** could reasonably have anticipated at the **Date of the Formation of the Subcontract**, the difference is to be valued under Clause 17.

- b) Subject to Clause **3(a)**, any discrepancy or ambiguity in or between any documents comprising the **Subcontract** is to be resolved by adopting the following order of precedence:
- i) any special conditions set out in Part B of the **Appendix**;
 - ii) any special conditions set out in Part A of the **Annexure**;
 - iii) these general conditions;
 - iv) the **Work Order** (other than as set out in Clause **3(b)(i)**);
 - v) the Drawings;
 - vi) the Specifications; and
 - vii) any other subcontract documents.
- c) Where any discrepancy exists between figured and scaled dimensions, the figured dimensions prevail.

4 LATENT CONDITIONS

- a) The **Subcontractor** must, on becoming aware of a **Latent Condition**, promptly give to the **Contractor** a written notice describing the **Latent Condition**, the **Subcontractor's** estimate of the work required to overcome the **Latent Condition**, and the **Subcontractor's** estimate of the time required to overcome the **Latent Condition**. The **Subcontractor** must not carry out any work required to overcome the **Latent Condition** until directed to do so by the **Contractor**.
- b) Within two (2) **Business Days** after receiving a notice under Clause **4(a)** provided by the **Subcontractor**, the **Contractor** must give to the **Subcontractor** a written notice setting out full details of the work that the **Subcontractor** is required to carry out to remedy or otherwise overcome the **Latent Condition**, together with all necessary specifications, drawings and other design documents for that work. The **Subcontractor** must vary the **Subcontract Works** according to that notice and the **Variation** is to be valued in accordance with Clause **17**. If the **Contractor** fails to agree to a **Variation**, then the dispute arising as a result is to be resolved in accordance with Clause **23**.

5 STATUTORY REQUIREMENTS

- a) The **Subcontractor** must:
- i) comply with all **Statutory Requirements** relating to the **Subcontract Works**;
 - ii) obtain any consent, approval and permit that are expressly required to be obtained and paid for by the **Subcontractor** under the **Subcontract**; and
 - iii) give any notice or report, and pay any fee, in order to comply with this Clause.
- b) If the cost to the **Subcontractor** in complying with all **Statutory Requirements**, or in carrying out the **Subcontract Works**, increases after the date that is two (2) weeks prior to the **Date of the Formation of the Subcontract**, as a result of the introduction or increase of any fee, tax, duty, charge, levy, other impost or regulation, the amount of the increase is to be added to the **Subcontract Price**.

6 INSURANCE

- a) The **Subcontractor** must take out and maintain all policies of insurance, including, for example, WorkCover in respect of its workers, required to be taken out and maintained by the **Subcontractor** by a **Statutory Requirement** relating to the **Subcontract Works**.
- b) The **Contractor** must take out and maintain a **Construction Works Policy** for the full insurable value of the **Subcontract Works** from the date that is five (5) **Business Days** after the **Date of the Formation of the Subcontract**, but no later than two (2) **Business Days** prior to the date worked out in accordance with Clause **11(a)**, until the **Date of Completion**. The **Construction Works Policy** must note the **Subcontractor** and the **Contractor** as 'Insureds' under the policy.
- c) The **Subcontractor** must take out and maintain a public liability insurance policy for an amount not less than \$10 million per occurrence from the date that is five (5) **Business Days** after the **Date of the Formation of the Subcontract**, but no later than two (2) **Business Days** prior to the date worked out in accordance with Clause **11(a)**, until the expiry of the **Defects Liability Period**. The public liability insurance policy must cover the **Subcontractor** and the **Contractor** for their liabilities to third parties in respect of personal injury to, or death of, any person (other than liability which is required by law to be insured under a workers' compensation policy of insurance), and loss or damage to property except the **Subcontract Works**, arising out of, or in connection with, the **Subcontract Works**. The public liability insurance policy must note the **Subcontractor** and the **Contractor** as 'Insureds' under the policy.
- d) A party required to take out and maintain a policy of insurance under this Clause must:
- i) take out and maintain the policy of insurance with a reputable insurer; and
 - ii) if the other party gives a written notice requesting to view the policy of insurance, make available for the other party to view the current policy of insurance within five (5) **Business Days** after the giving of the notice.

7 WARRANTIES

- a) The **Subcontractor** warrants that the **Subcontractor** will carry out the **Subcontract Works**:
 - i) with reasonable care and skill;
 - ii) in accordance with the Drawings and the Specifications;
 - iii) with reasonable diligence; and
 - iv) in accordance with all relevant laws and legal requirements, including, for example, the *Building Act 1975* and the National Construction Code.
- b) The **Contractor** warrants that:
 - i) any Drawings or Specifications supplied by the **Contractor**, or any document which incorporates designs which were prepared under instruction, supervision or direction from the **Contractor** or from sketches supplied by the **Contractor**, do not infringe any copyright, moral right or other intellectual property right. The **Contractor** indemnifies the **Subcontractor** against all actions, proceedings, claims, demands, costs, losses, and damages in respect of any actual or alleged infringement of any copyright, moral right, or other intellectual property right by the **Subcontractor** as a result of the carrying out of the **Subcontract Works**; and
 - ii) any documents supplied by the **Contractor** relating to the **Subcontract Works** or data are, or will be, accurate, suitable for the purposes for which they will be used and appropriate in all respects for the **Land** (including the **Site**).
- c) Each party warrants that all materials supplied by it for use in the **Subcontract Works**:
 - i) will be good and, having regard to generally accepted practices or standards applied in the building industry for the materials, or the specifications, instructions or recommendations of manufacturers or suppliers of the materials, suitable for the purpose for which they are used; and
 - ii) unless expressly stated otherwise elsewhere in the **Subcontract** or the parties have agreed in writing otherwise, will be new.

8 INDEMNITY

- a) Insofar as this Clause applies to property, it applies to property other than **Subcontract Works**. The **Subcontractor** indemnifies, and will keep indemnified, the **Contractor** against:
 - i) any loss of or damage to the **Contractor's** client or the **Contractor's** property including existing property in or upon which the **Subcontract Works** is being carried out; and
 - ii) claims in respect of personal injury or death or loss of, or damage to, any other property, arising out of or as a consequence of the carrying out of the **Subcontract Works** and is due to the negligent act, omission or default of the **Subcontractor** or the **Subcontractor's** agents or contractors.
- b) The **Contractor** indemnifies, and will keep indemnified, the **Subcontractor** against any claim, demand, loss, damage, cost, expenses, or liability arising out of:
 - i) any negligent act or omission of the **Contractor** or the **Contractor's** consultants, agents or contractors;
 - ii) any breach of contract or statutory duty by the **Contractor** or the **Contractor's** consultants, agents or contractors; and
 - iii) damage which is the unavoidable result of the construction of the **Subcontract Works** in accordance with the **Subcontract**.
- c) Each party's liability under this Clause will be reduced proportionately to the extent that any negligent act, omission or default of the other party or any person other than the indemnified party for whom the other party is responsible may have contributed to such personal injury, death, loss or damage.
- d) Each party must take reasonable steps to mitigate any loss or damage caused, or contributed to, by the causes listed in this Clause.

9 CLEANING UP, PROTECTION OF PERSONS AND PROPERTY, AND DEFECTIVE WORK

- a) Insofar as it relates to the **Subcontract Works**, the **Subcontractor** must:
 - i) keep the **Site** and the **Subcontract Works** clean and tidy; and
 - ii) regularly remove rubbish and surplus material from the **Site**.
 The **Contractor** may, at any time, direct the **Subcontractor** to clean and tidy the **Site** or remove rubbish or surplus material from the **Site**.

- b) In carrying out the **Subcontract Works**, the **Subcontractor** must:
- i) provide all things and take all measures necessary to protect persons and property;
 - ii) avoid unnecessary interference with the passage of persons or anything used for transportation; and
 - iii) prevent nuisance and unreasonable noise and disturbance to persons or property.
- The **Contractor** may direct the **Subcontractor** to comply with this sub-Clause and may specify such measures as are reasonably necessary to so comply. The **Subcontractor** is bound to carry out all such measures as directed.
- c) If the **Subcontractor**, or the **Subcontractor's** agents or contractors, damage property, including but not limited to public utilities and services and property on or adjacent to the **Site**, the **Subcontractor** must promptly make good the damage and pay any compensation which the law requires the **Subcontractor** to pay.
- d) If the **Contractor** discovers material or work carried out by the **Subcontractor** which is not in accordance with the **Subcontract** ('defective work'), the **Contractor** may, at any time up to the expiration of the **Defects Liability Period**, direct the **Subcontractor** to remove, rectify, reconstruct, replace, or correct that part of the **Subcontract Works** that does not comply with the **Subcontract**, and the times within which the **Subcontractor** must do so. The **Subcontractor** must, at its own cost, comply with any **Direction** given by the **Contractor** in accordance with this sub-Clause within the timeframes provided in the **Direction** or, if no timeframes are provided, then within five (5) **Business Days**.
- e) If the **Subcontractor** fails to comply with any obligation imposed by this Clause, the **Contractor** may direct the **Subcontractor** to rectify the non-compliance and provide the time for rectification. If the **Subcontractor** fails to comply with such a **Direction** by the time stated in the **Direction** for rectification, the **Contractor** may perform that obligation on the **Subcontractor's** behalf or have that work carried out by other persons. The reasonable costs incurred by the **Contractor** in doing so may be recovered by the **Contractor** as a debt due and payable from the **Subcontractor** to the **Contractor**. The rights given to the **Contractor** by this Clause are in addition to any other right of the **Contractor**.

10 CARE OF THE SUBCONTRACT WORKS

- a) From the commencement of the **Subcontract Works** through to the **Date of Completion**, the **Subcontractor** is responsible for the care of the **Subcontract Works** including:
- i) all materials and plant which are the property of the **Subcontractor**, or the **Subcontractor's** agents or contractors, which are used or intended to be used for the purpose of carrying out the **Subcontract Works**; and
 - ii) all materials and plant entrusted to the **Subcontractor**, or the **Subcontractor's** agents or subcontractors, by the **Contractor** for the purpose of carrying out the **Subcontract Works**.

11 THE LAND

- a) The **Contractor** must provide to the **Subcontractor** access to the **Site**, and all reasonably required access to any existing buildings on the **Land** necessary to carry out the **Subcontract Works**, by:
- i) if a date is stated in Item 8(a) of the **Work Order**, the stated date; or
 - ii) if a time is stated in Item 8(b) of the **Work Order**, the end of the stated period commencing on the **Day** the **Contractor** provides notice to the **Subcontractor** of access to the **Site**.
- At all times after providing it to the **Subcontractor**, the **Contractor** must ensure that the **Subcontractor** continues to have such access.
- b) Access to the **Site**
- i) The party stated in Item 8 of the **Work Order** is responsible for providing and maintaining access to the **Site** for any persons, vehicles or machinery reasonably necessary for the carrying out of the **Subcontract Works**.
 - ii) If the party stated in Item 8 of the **Work Order** is the **Contractor**, and the **Site** becomes inaccessible due to any reason beyond the control of the **Subcontractor**, any costs incurred by the **Subcontractor** in obtaining sufficient access to the **Site**, together with the **Subcontractor's Margin**, is to be added to the **Subcontract Price**.

12 COORDINATION OF THE SUBCONTRACT WORKS

- a) The **Subcontractor** must permit the execution of the work on the **Site** by persons engaged by the **Contractor** and must co-operate with the **Contractor's** other subcontractors and with others engaged by the **Contractor** and, subject to the **Contractor** being responsible for the overall coordination of the work under the Head Contract, the **Contractor** and the **Subcontractor** agree to coordinate the execution of the **Subcontract Works** with the execution of the work under the Head Contract.

- b) The **Contractor** may direct in what order and at what time the various stages or parts of the **Subcontract Works** must be performed. If the **Subcontractor** cannot reasonably comply, the **Subcontractor** must promptly notify the **Contractor** in writing, giving reasons. If the **Direction** differs substantially from what a competent subcontractor would expect at the **Date of the Formation of the Subcontract**, and compliance with the **Direction** causes the **Subcontractor** to incur more or less cost than would otherwise have been incurred had the **Subcontractor** not been given the **Direction**, the difference is to be valued under Clause 17.

13 DELAYS AND EXTENSION OF TIME CLAIMS

- a) Subject to Clause 13(b), the **Subcontractor** is entitled to an extension of the **Date for Completion** if the progress of the **Subcontract Works** is delayed as a result of any of the following causes:
- i) a **Variation** of the **Subcontract Works** under the **Subcontract**;
 - ii) a **Latent Condition**;
 - iii) an act of prevention by the **Contractor** not otherwise covered by this Clause;
 - iv) inclement weather, or any conditions arising as a direct or indirect consequence resulting from inclement weather; or
 - v) any other cause not reasonably foreseeable at the **Date of the Formation of the Subcontract**, and beyond the reasonable control of the **Subcontractor**.
- b) If, at any time prior to the **Subcontract Works** reaching **Completion**, the **Subcontractor** believes that the progress of the **Subcontract Works** was, or will be, delayed as a result of a cause set out in Clause 13(a), the **Subcontractor** must, within 5 **Business Days** of the **Subcontractor** becoming, or ought reasonably to have become, aware of the cause and extent of the delay, give to the **Contractor** a written claim, signed by or on behalf of the **Subcontractor**, for a reasonable extension of the **Date for Completion** that sets out the cause and consequences of the delay.
- c) Within ten (10) **Business Days** after receiving the **Subcontractor's** written claim submitted in accordance with Clause 13(b), the **Contractor** must assess the claim and give written notice to the **Subcontractor**:
- i) accepting the claimed extension of the **Date for Completion**; or
 - ii) if the **Contractor** disputes the **Subcontractor's** entitlement to all or any part of the claimed extension of the **Date for Completion**, give the **Subcontractor** a written notice:
 - A) stating that the **Contractor** disputes the claimed extension of the **Date for Completion**;
 - B) setting out full details of the **Contractor's** reasons for the dispute; and
 - C) granting any part of the claimed extension of the **Date for Completion** that is not disputed by the **Contractor**.
- d) If the **Contractor** fails to give written notice in accordance with Clause 13(c), the **Contractor** is deemed to have accepted the **Subcontractor's** entitlement to, and granted, all of the claimed extension of the **Date for Completion**.
- e) Where the **Subcontractor** is not entitled to an extension of the **Date for Completion** under this Clause, the **Contractor** may nevertheless, at any time prior to the submission by the **Subcontractor** of a Final Claim and at the **Contractor's** sole discretion, extend the **Date for Completion** for any reason by giving the **Subcontractor** a written notice setting out the extension of the **Date for Completion**.

14 SUSPENSION OF THE WORKS

- a) If, at any time prior to the **Subcontract Works** reaching **Completion**, the **Contractor** is in substantial breach of the **Subcontract**, or fails to comply with an order of a Court or Tribunal given in favour of the **Subcontractor** in relation to any issue arising out of, or in connection with, the **Subcontract**, the **Subcontractor** may give a written notice to the **Contractor** describing each alleged breach of the **Subcontract** by the **Contractor** or the **Contractor's** failure, and stating the **Subcontractor's** intention to suspend the **Subcontract Works** unless the **Contractor** remedies the alleged breach or breaches or failure within five (5) **Business Days** after receiving the **Subcontractor's** notice.
- b) If the **Contractor** fails to remedy the breach or breaches or failure set out in a notice given to it by the **Subcontractor** in accordance with this Clause within the time stated in that notice, the **Subcontractor** may, without prejudice to any of the **Subcontractor's** other rights or remedies, suspend performance of the **Subcontract Works** by further written notice to the **Contractor**.
- c) The **Subcontractor** must recommence the carrying out of the **Subcontract Works** within five (5) **Business Days** of the alleged breach or breaches or failure being remedied by the **Contractor**.

15 COMPLETION

- a) The **Subcontractor** must bring the **Subcontract Works** to **Completion** by the **Date for Completion**.
- b) The **Subcontractor** must give a written notice to the **Contractor** when the **Subcontractor** believes that the **Subcontract Works** have reached **Completion**.

- c) If the **Contractor** disputes that the **Subcontract Works** have reached **Completion**, the **Contractor** must, within fifteen (15) **Business Days** after receipt of the notice under Clause 15(b), give the **Subcontractor** a written notice:
 - i) stating that the **Contractor** disputes that the **Subcontract Works** have reached **Completion**; and
 - ii) setting out full details of the further work that the **Contractor** believes is required to be carried out for the **Subcontract Works** to reach **Completion**.
- d) If the **Contractor** does not give the **Subcontractor** a notice in accordance with Clause 15(c), the **Subcontract Works** are deemed to have reached **Completion** on the date of the giving of the notice under Clause 15(b).

16 DEFECTS LIABILITY PERIOD

- a) If, after the **Subcontract Works** have reached **Completion** but prior to the expiration of the **Defects Liability Period**, the **Contractor** becomes aware of any defects in, or omissions from, the **Subcontract Works**, the **Contractor** must give the **Subcontractor** a written notice setting out full details of the defect or omission.
- b) Subject to reasonable access being provided, the **Subcontractor** must, within the **Defects Liability Period** and, if reasonably required by the **Subcontractor**, a further period of twenty (20) **Business Days** after the expiration of the **Defects Liability Period**, rectify any defects in, and omissions from, the **Subcontract Works** notified to the **Subcontractor** in accordance with Clause 16(a), during usual business hours and at no cost to the **Contractor**. If the **Contractor's** notification includes a time within which the defects must be rectified, and such time is reasonable in all of the circumstances, then the **Subcontractor** must complete such rectification within that time.
- c) If the **Subcontractor** fails to rectify the defects notified by the **Contractor** in accordance with Clause 16(a) within the time noted in the **Contractor's** notice, the **Contractor** may perform that obligation on the **Subcontractor's** behalf or have the rectification work carried out by other persons. The reasonable costs incurred by the **Contractor** in doing so may be recovered by the **Contractor** as a debt due and payable from the **Subcontractor** to the **Contractor**. The rights given to the **Contractor** by this Clause are in addition to any other right of the **Contractor**.

17 VARIATIONS

- a) The **Subcontractor** must not vary the **Subcontract Works** except as directed in writing by the **Contractor** or approved or permitted in writing by the **Contractor**.
- b) The **Contractor** may direct the **Subcontractor** to vary the **Subcontract Works** but the **Subcontractor** is bound only to carry out a **Variation** that is within the general scope of the **Subcontract**.
- c) Within fifteen (15) **Business Days** of receiving a **Direction** from the **Contractor** under Clause 17(b), or the **Subcontractor** receiving a **Direction** to vary the **Subcontract Works** that it reasonably believes to be a **Direction** from the **Contractor** under Clause 17(b), and before any work the subject of the **Variation** is started, the **Subcontractor** must provide the **Contractor** with a Variation Document that is:
 - i) readily legible;
 - ii) describes the **Variation** and sets out the details of the scope of work that is the subject of the **Variation**;
 - iii) states the date of the request for the **Variation**;
 - iv) states the **Subcontractor's** estimate of any period of delay to the progress of the **Subcontract Works** as a result of the **Variation**; and
 - v) states any adjustment to the **Subcontract Price** because of the **Variation**, or the method for calculating the adjustment.
- d) **Variations** must be valued:
 - i) if the parties agree to the price for, or the methodology for calculating the price for, the **Variation**, at the agreed price; or
 - ii) in the absence of agreement to the price for, or the methodology for calculating the price for, the **Variation**, at the reasonable value of the **Variation** (and which reasonable value shall be based on the **Schedule of Rates** if there is an applicable rate or price in the **Schedule of Rates**) plus the **Subcontractor's Margin**.
- e) If the **Variation** is a negative **Variation** that results in a reduction to the **Subcontract Price**, the **Subcontractor** is entitled to the **Subcontractor's Margin** on the negative **Variation** and the **Subcontractor's Margin** is to be added to the **Subcontract Price**.
- f) If the **Contractor** agrees to the **Variation**, the **Contractor** must give the **Subcontractor** written notice agreeing to the **Variation** within five (5) **Business Days** after receiving the Variation Document provided by the **Subcontractor** under Clause 17(c). If the **Contractor** does not agree to the **Variation**, or does not provide written notice pursuant to Clause 17(f), then the dispute arising as a result is to be resolved in accordance with Clause 23.

- g) The **Subcontractor** must not start to carry out any work the subject of a **Variation** until the **Subcontractor** receives the written notice from the **Contractor** under Clause 17(f) agreeing to the **Variation**.

18 PAYMENT

- a) The **Subcontractor** may submit Progress Claims to the **Contractor** on the following reference dates:
- the times stated in Item 5 of the **Schedule** (or, if any time stated in Item 5 of the **Schedule** is not a **Business Day**, the next **Business Day**) until the expiration of the **Defects Liability Period**;
 - on the **Subcontract Works** reaching **Completion**; and
 - on the expiration of the **Defects Liability Period** in accordance with Clause 18(b).
- and must set out:
- details of:
 - the work carried out by the **Subcontractor** to which the Progress Claim relates;
 - the amount that the **Subcontractor** claims for payment by the **Contractor** for that work; and
 - any other amount arising out of, or in connection with, the **Subcontract** that the **Subcontractor** claims for payment by the **Contractor**; and
 - the total amount that the **Subcontractor** claims for payment by the **Contractor**, and be in the form of a tax invoice.
- b) No later than ten (10) **Business Days** after the expiration of the **Defects Liability Period**, the **Subcontractor** may submit a Final Claim to the **Contractor** that sets out:
- the total amount of the progress claims submitted by the **Subcontractor** to the **Contractor** under Clause 18(a);
 - the total amount of the payments made by the **Contractor** to the **Subcontractor** under the **Subcontract** up to and including the date on which the **Subcontractor** submits the Final Claim;
 - details of:
 - any work carried out by the **Subcontractor** to which the Final Claim relates;
 - any amount that the **Subcontractor** claims for payment by the **Contractor** in respect of any such work; and
 - any other amount arising out of, or in connection with, the **Subcontract** that the **Subcontractor** claims for payment by the **Contractor**; and
 - the total amount that the **Subcontractor** claims for payment by the **Contractor** in the Final Claim, and be in the form of a tax invoice.
- c) Upon receipt of a Progress Claim or a Final Claim that complies with the requirements of Clause 18(a) or 18(b), as applicable, the **Contractor** must issue a Payment Schedule no later than fifteen (15) **Business Days** after the **Submission Date** of the Progress Claim or Final Claim that sets out the amount which the **Contractor** proposes to pay the **Subcontractor** ('Scheduled Amount'). If the Scheduled Amount is less than the amount of the Progress Claim or Final Claim, as applicable, the Payment Schedule must include reasons why the Scheduled Amount is less. The **Contractor** must pay to the **Subcontractor** the total amount of the Payment Schedule by no later than the **Due Date for Payment**.
- d) If the **Contractor** has not issued a Payment Schedule in accordance with Clause 18(c), the **Contractor** must pay to the **Subcontractor** the total amount of the Progress Claim or the Final Claim, as applicable, by no later than the **Due Date for Payment**.
- e) The **Subcontractor** is entitled to interest from the **Contractor** on any outstanding amount due under the **Subcontract** at the rate stated in s67P of the **Act** payable from the **Day** after the **Due Date for Payment** until the date of payment.
- f) Payment, other than payment of the Final Claim, is payment on account only.
- g) The **Contractor** may deduct from moneys owing to the **Subcontractor** under this Clause any money due to the **Contractor** from the **Subcontractor** whether under the **Subcontract**, another contract, or otherwise and whether in relation to the **Subcontract Works** or otherwise.
- h) In the event that the **Subcontract** is terminated for any reason, a reference date for the purposes of a Progress Claim pursuant to Clause 18(a) arises on the date of termination.

19 RIGHT TO TERMINATE SUBCONTRACT

- a) If the **Subcontractor**:
 - i) fails to proceed with the **Subcontract Works** with reasonable diligence or with reasonable care and skill; or
 - ii) has its Queensland Building and Construction Commission licence (if applicable) suspended; or
 if a party is in substantial breach of the **Subcontract**, the non-offending party may give the offending party a written notice by hand or registered "Priority" post:
 - iii) describing each alleged breach of the **Subcontract** by the offending party; and
 - iv) stating the non-offending party's intention to terminate the **Subcontract** unless the offending party remedies the alleged breach or breaches within ten (10) **Business Days** after receiving the notice given under this sub-Clause.
- b) Subject to Clause 19(d), if the offending party fails to remedy the breach or breaches set out in a notice given to it in accordance with Clause 19(a) within the time stated in that notice, the other party may, without prejudice to any other rights or remedies, terminate the **Subcontract** by further written notice to the offending party.
- c) If the **Subcontract** is terminated in accordance with Clause 19(b):
 - i) the rights and liabilities of the parties are the same as they would have been at common law had the offending party repudiated the **Subcontract** and the non-offending party elected to treat the **Subcontract** as at an end and recover damages; and
 - ii) if the offending party is the **Subcontractor**, the **Contractor** may engage another contractor to complete the **Subcontract Works**.
- d) If the **Subcontractor** is the offending party and is in substantial breach of the **Subcontract**, it may not terminate the **Subcontract** under this Clause. Subject to Clause 19(e), if the **Contractor** is the offending party and is in substantial breach of the **Subcontract**, it may not terminate the **Subcontract** under this Clause.
- e) The **Contractor** may terminate the **Subcontract** if the Head Contract is terminated for any reason and, if so, the **Subcontractor** is entitled to a reasonable remuneration for the unpaid value of that part of the **Subcontract Works** it carried out under the **Subcontract** up to, and including, the **Day** on which the **Subcontract** is terminated.

20 INSOLVENCY EVENT

- a) If the **Subcontractor** commits an act of bankruptcy, or is made bankrupt; makes a composition or other arrangement with creditors; assigns assets for the benefit of creditors generally; or being a company, becomes insolvent, enters into a deed of company arrangement, has a controller, administrator or receiver appointed, or is in liquidation; the **Contractor** may:
 - i) subject to Clause 20(c), immediately terminate the **Subcontract** on giving a written notice to the **Subcontractor** setting out the ground or grounds relied on by the **Contractor** for the termination; or
 - ii) immediately take out of the hands of the **Subcontractor** the whole or that part of the **Subcontract Works** not yet completed on giving a written notice to the **Subcontractor** setting out the ground or grounds relied on by the **Contractor** for that action. The **Contractor** may complete the work taken out of the hands of the **Subcontractor** itself or contract with others to do so.
- b) If the **Contractor** commits an act of bankruptcy, or is made bankrupt; makes a composition or other arrangement with creditors; assigns assets for the benefit of creditors generally; or being a company, becomes insolvent, enters into a deed of company arrangement, has a controller, administrator or receiver appointed, or is in liquidation; the **Subcontractor** may, subject to Clause 20(c), immediately terminate the **Subcontract** on giving a written notice to the **Contractor** setting out the ground or grounds relied on by the **Subcontractor** for the termination.
- c) If the **Subcontractor** or the **Contractor**, as applicable, is a company and enters into certain arrangements for the purpose of avoiding being wound up in insolvency or appoints an administrator, then the right to terminate the **Subcontract** pursuant to Clause 20(a) or Clause 20(b) may be limited by the *Corporations Act 2001* (Cth).

21 TERMINATION FOR UNLICENSED WORK

- a) If the **Subcontractor** is required by the **Act** to hold a licence and the **Subcontractor** does not hold a licence of the appropriate class issued by the Queensland Building and Construction Commission in accordance with the requirements of the **Act**, the **Contractor** may terminate the **Subcontract** immediately on giving written notice to the **Subcontractor** setting out the ground or grounds relied on by the **Contractor** for the termination.

22 NOTICES

- a) Unless expressly stated otherwise elsewhere in the **Subcontract**, the parties agree that any written notice, or other document, to be given by a party under the **Subcontract** may be given and received via email, and any written notice, or other document, to be given by a party under the **Subcontract** is deemed to have been given and received:
 - i) if delivered by hand to the other party, at the time of delivery;
 - ii) if the other party is a company and the notice is left at its registered office or a principal place of business, at the time that the notice is left at the registered office or principal place of business;
 - iii) if sent by registered "Priority" post to the other party at the address of the other party stated in the **Subcontract**, or another address notified by the other party in writing, at 9.00am on the date that is four (4) **Business Days** after the date of posting;
 - iv) if sent by email to the other party at the email address of the other party stated in the **Subcontract**, or another email address notified by the other party in writing, at the time when the email leaves the Information System used by the party that sent the email.

23 RESOLUTION OF DISPUTES

- a) If a dispute or difference (together referred to as a 'dispute') arises out of, or in connection with, the **Subcontract**, either party may give the other party a written notice of dispute setting out the details of the dispute, including any amount in dispute. Notwithstanding the giving of a notice of dispute, the parties must, subject to the **Subcontract**, continue to perform the **Subcontract**.
- b) Within five (5) **Business Days** after receiving the notice of dispute, the parties must arrange, and participate in, a 'without prejudice' conference between them, or their authorised representatives, in an attempt to resolve the dispute. By agreement between the parties, a dispute arising out of, or in connection with, the **Subcontract** may be referred to Master Builders Queensland for a 'without prejudice' conference at any time provided that one of the parties is a member of Master Builders Queensland. If the party given the notice of dispute fails to participate in a 'without prejudice' conference within fifteen (15) **Business Days** after the giving of the notice of dispute, or the parties cannot resolve the dispute within ten (10) **Business Days** after the 'without prejudice' conference, then either party may commence legal proceedings in relation to any part of the dispute.
- c) Neither party may commence legal proceedings in relation to a dispute unless the parties have undertaken the processes set out in this Clause and those processes have failed to resolve the dispute, or one of the parties attempted to follow these processes and the other party has failed to participate.
- d) Nothing in this Clause will prejudice the right of a party to institute legal proceedings to:
 - i) enforce payment under Clause 18; or
 - ii) for injunctive or declaratory relief in relation to any matter arising out of, or in connection with, the **Subcontract**.
- e) Nothing in this Clause prevents either party from seeking to resolve a dispute through any other means that is able to function concurrently with the dispute resolution process, including through the exercise of any right under the laws governing Security of Payment in the state or territory where the **Subcontract Works** are being carried out.

24 GOODS AND SERVICES TAX

- a) For the purposes of the **Subcontract**, the terms "ABN", "GST", "GST law", "registered", "tax invoice" and "taxable supply" have the meanings given to them in *A New Tax System (Goods and Services Tax) Act 1999* (Cth). The **Subcontractor** warrants that the **Subcontractor** is the holder of any ABN stated in the **Schedule** and is registered and will continue to be registered until the expiration of the **Defects Liability Period**. The **Subcontract Price** excludes GST unless noted otherwise. Where the **Subcontract Works**, or any part of the **Subcontract Works**, constitute a taxable supply, the **Subcontractor** must comply in every respect with GST law.

25 HEALTH, SAFETY & ENVIRONMENTAL PROTECTION

- a) Unless otherwise agreed by the parties, the **Contractor** is the 'principal contractor' (as defined) under the *Work Health and Safety Act 2011* for the purposes of the **Subcontract Works**.

- b) Without limiting the obligations of the **Contractor** pursuant to the *Work Health and Safety Act 2011*, the **Subcontractor**, in respect of the **Subcontract Works**, must ensure that:
- i) any person carrying out any part of the **Subcontract Works** complies with all relevant **Statutory Requirements** and the **Contractor's** Work Health and Safety Management Plan in respect of work, health and safety, and environmental protection;
 - ii) every obligation holder (whether an employer, self-employed person, or other person conducting a business or undertaking) conducting a business or undertaking that includes the carrying out of high risk construction work on behalf of the **Subcontractor** for the purposes of carrying out the **Subcontract Works**, provides the **Contractor** with a copy of their Safe Work Method Statements prior to commencing work;
 - iii) all common plant, plant, housekeeping, inductions, hazardous substances, work at height, falling objects, and the like which are required to be identified and managed by any **Statutory Requirement** are identified and managed to prevent or minimise exposure to the risk of injury or illness; and
 - iv) every obligation holder provides adequate information, instruction, training and supervision to prevent or minimise exposure to the risk of fatality, injury or illness.
- c) The **Contractor** may exclude or remove from the **Site** any person (including, but not limited to, the **Subcontractor**, the **Subcontractor's** officers, employees, consultants, agents and contractors) whose acts, omissions or other conduct in the **Contractor's** opinion does not meet the requirements of the **Contractor's** Work Health and Safety Management Plan for the **Site**.

26 MISCELLANEOUS

- a) The parties acknowledge that the terms of their contract are fully set out in the **Subcontract**, and may not be altered, varied, deleted or otherwise affected by reference to any prior representations, conditions or agreements, whether written or verbal. Neither party may assign the **Subcontract**, or any right, benefit, obligation, liability or interest under the **Subcontract**, without the prior written consent of the other party. Unless expressly stated otherwise elsewhere in the **Subcontract**, none of the provisions of the **Subcontract**, or any entitlement, remedy, obligation or liability arising out of, or otherwise in connection with, the **Subcontract**, may be waived, discharged or released for any reason whatsoever except with the prior written consent of the parties.
- b) The **Subcontract** applies to all of the **Subcontract Works** whether undertaken by the **Subcontractor** prior to, or after, the **Date of the Formation of the Subcontract**.
- c) The **Subcontractor** may subcontract any part of the **Subcontract Works** with the prior written consent of the **Contractor**, which must not be unreasonably withheld, but is not relieved in doing so from any obligation or liability under the **Subcontract** or the **Act** for the work that is the subject of any such subcontract.
- d) The **Subcontract** is governed by, and is to be construed in accordance with, the laws of the State of Queensland in the Commonwealth of Australia.
- e) If any provision of the **Subcontract** is void, voidable, unenforceable or illegal, or has the effect of making another provision of the **Subcontract** void, unenforceable or illegal, it is to be read down so as to be valid and enforceable or, if it cannot be so read down, the provision (or where possible the offending words) is to be severed from the **Subcontract** without affecting the validity, legality or enforceability of the remaining provisions (or parts of those provisions) which continue to have effect.
- f) The **Subcontract** may be executed in counterparts. A counterpart may be a copy of the **Subcontract** printed from a facsimile or email transmission. All counterparts together are taken to constitute one instrument and will not be binding until executed counterparts are exchanged. A copy of the **Subcontract** which has been executed by a party may be relied upon by a party to the same extent as if it was an original of the **Subcontract** executed by the party.
- g) If the time for making any payment or doing any other act required or permitted by the **Subcontract** falls on a **Day** that is not a **Business Day**, then the time for making the payment or doing the act is deemed to be the next **Business Day**.

27 SPECIAL CONDITIONS

Any special conditions set out in Part A of the **Annexure** or Part B of the **Appendix** form part of the **Subcontract**. The special conditions prevail over these general conditions to the extent of any inconsistency.