

1. MEANINGS

1.1 THESE SPECIAL CONDITIONS

- > Apply where the Queensland Government C7830 General Conditions of Contract applies to the project; and
- > Take precedence over the Subcontract Conditions to the extent of any inconsistency.

1.2 IN THESE SPECIAL CONDITIONS

- > **Administrator** means the Main Contractor's Representative stated in the Subcontract Conditions or, if there is no Main Contractor's Representative stated in the Subcontract Conditions, the Contractor.
- > **Practical Completion** means the stage in the execution of the Work under the Subcontract when:
 - » the Works are complete except for minor omissions and minor defects:
 - which do not prevent the Works from being reasonably capable of being used for their intended purpose; and
 - which the Administrator determines the Subcontractor has reasonable grounds for not promptly rectifying;
 - rectification of which will not prejudice the convenient use of the Works;
 - » those tests which are required by the Subcontract to be carried out and passed before the Works reach Practical Completion have been carried out and passed;
 - » documents and other information required under the Subcontract which, in the opinion of the Administrator, are essential for the use, operation and maintenance of the Works have been supplied;
 - » all certificates required by the Subcontract and all approvals, consents and permissions from all authorities have been provided to the Administrator; and
 - » the Subcontractor has done everything which it is required to do as a condition precedent to Practical Completion.

2. DESIGN BY SUBCONTRACTOR

2.1 DEFINITIONS

- > This clause 2 applies where the Subcontractor is required to design a Defined Part or to the extent that the Subcontractor has design responsibilities under the Subcontract.
- > The parties agree that the Contractor or the Administrator (as the case may be) may act in its absolute discretion when exercising any of its rights under clause 2.
- > Unless the context requires otherwise, in this clause 2 and any other part of the Subcontract relating to work to be designed by the Subcontractor:
 - » **Contractor's Requirements** means the written summary or outline of the Contractor's requirements for the Defined Part described in the Subcontract or in any relevant design provided by the Contractor.
 - » **Defined Part** means that part of the Work under the Subcontract which is to be designed and constructed by the Subcontractor, including all necessary interfaces with the remainder of the Work under the Subcontract.

- » **Designer's Certificate** means a certificate in the form of Form C7859 in Annexure C.
- » **Designer's Deed of Covenant** means the deed between the Principal, the Contractor and the Contractor's Designer referred to in clause 2.4, in the form of Form C7854 in Annexure D.
- » **Drawings** means:
 - the Contractor's standard drawings attached or referred to in the Subcontract, as amended or updated from time to time by the Contractor;
 - the drawings attached or referred to in the Subcontract;
 - any modification of such drawings notified to the Subcontractor by the Administrator; and
 - such other drawings as may from time to time be supplied to the Subcontractor by the Administrator, or the use of which has been permitted by the Administrator, for the purposes of the Subcontract.
- » **Specifications** means:
 - the Contractor's standard specifications attached or referred to in the Subcontract, as amended or updated from time to time by the Contractor;
 - the specifications attached or referred to in the Subcontract;
 - any modification of such specifications notified to the Subcontractor by the Administrator; and
 - such other specifications as may from time to time be supplied to the Subcontractor by the Administrator, or the use of which has been permitted by the Administrator, for the purposes of the Subcontract.
- » **Subcontractor's Construction Drawings** means the drawings prepared by, or on behalf of, the Subcontractor which are necessary for the construction and/or installation of the Defined Part.
- » **Subcontractor's Construction Specifications** means the specifications prepared by, or on behalf of, the Subcontractor which are necessary for the construction and/or installation of the Defined Part.
- » **Subcontractor's Design** means the design for the Defined Part which has been accepted pursuant to clause 2.9(d) or is deemed to have been accepted pursuant to clause 2.11 and includes:
 - the Subcontractor's Construction Drawings, the Subcontractor's Construction Specifications and all other Drawings, Specifications, manuals, designs (including systems designs) and other information, calculations, samples, models, patterns and the like, and
 - any new software and any customised, modified or extended parts of any existing software (including associated data and documentation) required for the construction and/or installation of the Works or which the Subcontract requires the Subcontractor to create or cause to be created or to provide (in all forms, including electronic) and which has become the Subcontractor's Design in accordance with clause 2.8.
- » **Subcontractor's Designer** means the consultants and/or employees stated in the Contractor's Tender or any replacement Designer approved by the Administrator under clause 2.4, being the Designers engaged by the Contractor for the purpose of preparing the Contractor's Design and providing required Certificates.

2.2 SUBCONTRACTOR'S WARRANTIES

The Subcontractor warrants that:

- > it shall at all times be suitably qualified and experienced, and shall exercise due skill, care and diligence in the execution and completion of the design of the Defined Part;
- > the design of the Defined Part will be carried out and completed in accordance with the requirements of the Subcontract, and:
 - » such design will satisfy the Contractor's Requirements and be fit and adequate for the purposes stated in, or that can be reasonably implied from the Subcontract, and suitable and adequate for the site; and
 - » construction in accordance with such design will comply with the standards and other requirements specified by this Subcontract;
- > it will construct the Defined Part in accordance with the Subcontractor's Design:
 - » in a proper and workmanlike manner; and
 - » using material of the nature described in the Subcontract which is of merchantable quality fit and adequate for its intended purpose, or failing any specific description, then using material of the best quality available which is of merchantable quality and fit and adequate for its intended purpose;
- > the Defined Part will, when constructed:
 - » satisfy the Contractor's Requirements and be fit and adequate for the purposes stated in, or that can be reasonably implied from, the Subcontract and be suitable and adequate for the site; and
 - » comply with all the requirements of the Subcontract, including all legislative requirements and the requirements of all authorities; and
- > it will apply for, and obtain (or cause to be applied for and obtained) and will maintain, all certificates, licenses, consents, permits and other approvals of any authority necessary for:
 - » the execution of the Defined Part; and
 - » the occupation and use of the Defined Part.

2.3 SUBCONTRACTOR'S LIABILITIES, OBLIGATIONS AND WARRANTIES UNAFFECTED

The warranties in clause 2.2 shall remain unaffected, notwithstanding:

- > any design work in respect of the Defined Part may have been carried out by, or on behalf of, the Contractor;
- > any comment upon, response to, review or acceptance of, giving or withholding of permission to use, approval to proceed with, direction or query in relation to or request to vary any Subcontractor's Construction Drawing or Subcontractor's Construction Specification or any part of the quality assurance system (in so far as it relates to the Defined Part), by the Contractor, the Administrator or any agent, employee or consultant of the Contractor;
- > any acceptance of a Drawing or Specification pursuant to clause 2.9(d) or deemed acceptance pursuant to clause 2.11;

- > any variation directed or approved by the Contractor in accordance with the Subcontract; or
- > the provision of any warranty under clause 3 of these Special Conditions.

2.4 THE SUBCONTRACTOR'S DESIGNER AND DESIGNER'S DEED OF COVENANT

- > The Subcontractor shall engage the Subcontractor's Designer to assist the Subcontractor to carry out and complete the Subcontractor's Design and to assist the Subcontractor to discharge its other obligations under clause 2.6. The Subcontractor shall not terminate the engagement of the Subcontractor's Designer without the prior written consent of the Administrator.
- > Before commencing any Work under the Subcontract in respect of the Defined Part, the Subcontractor shall ensure that the Subcontractor's Designer takes out a professional indemnity insurance policy:
 - » for a total aggregate of not less than the sum stated in Item 14D of the main contract covering, among other things, Claims by the Contractor, its employees and agents and third parties against the Subcontractor or the Subcontractor's Designer or by any other person arising out of or incidental to any negligent act, error or omission by the Subcontractor or the Subcontractor's Designer in connection with the professional activities and duties of the Subcontractor or the Subcontractor's Designer, and
 - » which is maintained until the final certificate is issued under clause 37.4 of the Subcontract Conditions and, after that, time for the period stated in Item 14E of the main contract.
- > The Subcontractor shall, if requested by the Contractor, within five Business Days of the later of:
 - » the date of Subcontract; or
 - » the date the Subcontractor's Designer is engaged by the Subcontractor, complete and execute, and procure the Subcontractor's Designer to complete and execute, a Designer's Deed of Covenant and deliver it to the Administrator.
- > If having been requested by the Subcontractor to execute a Designer's Deed of Covenant, the Subcontractor's Designer fails to do so in the required Form and within the time period prescribed by this clause 2.4, the Subcontractor shall, provided it has obtained the prior written approval of the Administrator, terminate the engagement of the Subcontractor's designer and the Subcontractor shall nominate a further designer for the approval of the Administrator. If the Administrator approves the replacement designer, the provisions of this clause 2.4 shall apply with respect to that designer.

2.5 THE SUBCONTRACTOR'S DESIGN

The Subcontractor shall ensure the design of the Defined Part is carried out and completed in accordance with the Subcontract and such that the Subcontractor's Design, the Subcontractor's Construction Drawings, the Subcontractor's Construction Specifications and the Defined Part:

- > are in accordance with the Contractor's Requirements;
- > are consistent with the Subcontractor's tender for the Defined Part (except to the extent that the Subcontractor's tender is inconsistent with the Contractor's Requirements or the other Subcontract documents or provides for standards of finish, workmanship or materials of a lesser standard than that required by the Contractor's Requirements or the other Subcontract documents, in which case the Subcontractor's Design shall be in accordance with the Contractor's Requirements and the other Subcontract documents); and
- > are sufficient to enable the Subcontractor to construct and complete the Defined Part.

2.6 SUBMISSION OF SUBCONTRACTOR'S CONSTRUCTION DRAWINGS, SPECIFICATIONS AND CERTIFICATES

The Subcontractor shall, in accordance with the documentation program required under clause 2.13, submit to the Administrator:

- > five copies of the Drawings and Specifications for the Defined Part or as otherwise specified; and
- > with the copies of the Drawings and Specifications for the Defined Part submitted under clause 2.6(a), five copies of a Designer's Certificate from the Subcontractor's Designer (signed by a principal of the Subcontractor's Designer).

2.7 NO OBLIGATIONS TO REVIEW OF CHECK DRAWINGS AND SPECIFICATIONS

- > Neither the Contractor nor the Administrator is required to review or check any Drawings or Specifications submitted by the Subcontractor under clause 2.6 or 2.10(a) or any reasons or supporting information submitted by the Subcontractor under clause 2.10(b):
 - » for errors, omissions or compliance with the Subcontract (including the Contractor's Requirements); or
 - » for any other purpose whatsoever.
- > The Subcontractor acknowledges that in considering and responding to any Drawings or Specifications submitted by the Subcontractor (if any such consideration occurs or response is given), the Contractor and the Administrator will be relying upon:
 - » the advice, skill and judgment of the Subcontractor and the Subcontractor's Designer;
 - » the Designer's Certificate provided under clauses 2.6 and 2.10(a);
 - » any reasons and supporting information given by the Subcontractor under clause 2.10(b); and
 - » the warranties given by the Subcontractor under the Subcontract.
- > No review of, comments upon, rejection of, or failure to review or comment upon or reject, any Drawings or Specifications submitted by the Subcontractor or any other direction by the Contractor or Administrator about such Drawings or Specifications forming part of the Subcontractor's Design will:

- » relieve the Subcontractor from, or alter or affect, the Subcontractor's liabilities or responsibilities whether under the Subcontract or otherwise according to law; or
- » prejudice the Contractor's rights against the Subcontractor whether under the Subcontract or otherwise according to law.

2.8 PERMISSION TO USE REQUIRED BEFORE CONSTRUCTION

The Subcontractor shall not commence construction of any part of the Defined Part unless and until Drawings and Specifications for that part of the Defined Part have been submitted under clause 2.6 or 2.10(a) and either:

- > the Administrator has accepted the Subcontractor may use those Drawings and Specifications for the construction of the Defined Part in accordance with clause 2.9(d); or
- > the Administrator is deemed to have accepted those Drawings or Specifications may be used by the Subcontractor for the construction of the Defined Part as provided in clause 2.11.

2.9 GIVING AND WITHHOLDING PERMISSION TO USE

Within 10 Business Days after the submission by the Subcontractor to the Administrator of:

- > Drawings and Specifications and the accompanying Designer's Certificate in accordance with clause 2.6;
- > resubmitted Drawings and Specifications and the accompanying Designer's Certificate in accordance with clause 2.10(a); or
- > reasons and supporting information in accordance with clause 2.10(b) concerning Drawings and Specifications for which the Administrator has previously withheld permission to use,

as the case may be, the Administrator may either:

- > give the Subcontractor notice in writing that it accepts use of the relevant Drawings and Specifications by the Subcontractor for the construction of the Defined Part; or
- > advise the Subcontractor in writing that it does not accept such Drawings or Specifications and give the Subcontractor brief reasons for withholding permission.

2.10 WHERE PERMISSION TO USE IS WITHHELD

If the Administrator advises the Subcontractor under clause 2.9(e) that it does not accept the Drawing or Specification, the Subcontractor shall either:

- > amend the Drawing or Specification and resubmit it to the Administrator together with an accompanying Designer's Certificate in accordance with clause 2.6; or
- > submit written reasons and supporting information to the Administrator stating why use of the Drawing or Specification should be accepted.

2.11 DEEMED PERMISSION TO USE

If within 10 Business Days after submission by the Subcontractor to the Administrator of:

- > a Drawing or Specification and the accompanying Designer's Certificate in accordance with clause 2.6;
- > a resubmitted Drawing or Specification and the accompanying Designer's Certificate in accordance with Clause 2.10(a); or
- > reasons and supporting information in accordance with clause 2.10(b) concerning a Drawing or Specification for which the Administrator has previously withheld permission to use,

as the case may be, the Administrator has not responded to the Subcontractor as provided in clause 2.9(d) or 2.9(e), then upon the expiration of the relevant 10 Business Day period, the Administrator shall be deemed to have accepted the use of the relevant Drawing or Specification by the Subcontractor for the construction of the Defined Part to the extent that the document complies with the requirements of the Subcontract.

2.12 DOCUMENTS BECOME PART OF THE SUBCONTRACTOR'S DESIGN

A Drawing or Specification submitted under clause 2.6 or resubmitted in accordance with clause 2.10(a) shall become part of the Subcontractor Design;

- > when the Administrator has accepted that Drawing or Specification may be used by the Subcontractor for the construction of the Defined Part pursuant to clause 2.9(d); or
- > where such acceptance is deemed to have occurred to have occurred pursuant to clause 2.11.

2.13 DOCUMENTATION PROGRAM

- > The Subcontractor shall, as part of the program which it is obliged to provide pursuant to the Subcontract, submit a documentation program to the Administrator setting out the order in which and times by which Drawings and Specifications for the construction of the Defined Part are to be completed and submitted to the Administrator.
- > The Subcontractor shall ensure that the documentation program provides for, and makes due allowance for, those Drawings and Specifications to be prepared and supplied to the Administrator within the time required by and at a rate consistent with the maintenance of progress of the Defined Part in accordance with the program (provided that no more than a reasonable number of Drawings or Specifications are to be submitted to the Administrator on any one day).

2.14 NO DEPARTURE FROM SUBCONTRACTOR'S DESIGN

- > The Subcontractor shall carry out and complete the Defined Part strictly in accordance with the Subcontractor's Design.
- > The Subcontractor shall not depart from, or change, the Subcontractor's Design unless the departure or change (including a departure or change required by a variation directed by the Administrator under the Subcontract):
 - » is not inconsistent with the Contractor's Requirements or any other Subcontract requirements, and
 - » will not materially affect the design and construction of the Defined Part.

- > Where there is any departure or change to the Contractor's Design pursuant to clause 2.14(b), the Subcontractor shall prepare Drawings and Specifications in relation to the departure or change in accordance with clause 2.5 and submit them, together with relevant Designer's Certificates, in accordance with clause 2.6 and the Administrator shall be deemed to have accepted those Drawings and Specifications in accordance with clause 2.11.
- > If any departure or change to the Subcontractor's Design is inconsistent with the Contractor's Requirements or any other Subcontract requirements or will materially affect the Defined Part, the Subcontractor shall resubmit Drawings and Specifications in relation to the departure or change in accordance with clause 2.6 and clauses 2.6 to 2.12 shall apply in respect of those resubmitted Drawings and Specifications.

2.15 COPYRIGHT IN DESIGN

- > The Subcontractor warrants that:
 - » it and/or the Subcontractor's Designer owns the copyright in all of the Drawings and Specifications prepared by them for the purposes of the construction of the Defined Part; and
 - » it has the right and the authority to grant the licence mentioned in clause 2.15(b).
- > The Subcontractor hereby grants to the Contractor an irrevocable royalty-free licence to use the documents mentioned in clause 2.15□» for the Work under the Subcontract, for any subsequent operation, maintenance, repairs, additions or alterations of or to the Defined Part and for any other purpose including other non-related projects. This licence will survive the breach, repudiation, rescission, frustration, cancellation, termination, completion or any other discharge of the Subcontract and any takeover of the whole or any part of the Work under the Subcontract.
- > Where the Contractor uses any of the documents mentioned in clause 2.15□» other than for the purposes of this Subcontract or in connection with the Work Under the Subcontract, it does so at its own risk.

2.16 CONDITIONS PRECEDENT TO ISSUE OF CERTIFICATE OF PRACTICAL COMPLETION

The Subcontractor shall, as a condition precedent to the issue of the Certificate of Practical Completion, hand over the following to the Administrator:

- > three sets of as-constructed Subcontractor's Construction Drawings and Subcontractor's Construction Specifications in a form and containing such details as may be required by the Administrator; and
- > a Designer's Certificate certifying that the as-constructed Subcontractor's Construction Drawings and the Subcontractor's Construction Specifications comply with the requirements of the Subcontract and the Subcontractor's Design.

2.17 AMBIGUITIES AND DISCREPANCIES IN THE SUBCONTRACTOR'S DESIGN

Where the ambiguity or discrepancy is:

- > in the Subcontractor's Design or any Drawing or Specification produced by the Subcontractor in respect of a Defined Part (including in or between any of the Subcontractor's Construction Drawings or the Subcontractor's Construction Specifications); or
- > between the Subcontractor's Design or any Drawing or Specification produced by the Subcontractor in respect of a Defined Part (including any Subcontractor's Construction Drawings or the Subcontractor's Construction Specifications) and the Contractor's Requirements,

such ambiguity or discrepancy shall be at the Subcontractor's risk and the direction shall not entitle the Subcontractor to any extra payment or an extension of time.

2.18 AVAILABILITY OF DOCUMENTS

- > While Work under the Subcontract is being performed, one complete set of Drawings, Specifications and other written information supplied by the Contractor, the Administrator and the Subcontractor shall be kept by the Subcontractor at the site or other location approved in writing by the Contractor and shall be available at all times for reference by the Contractor, the Administrator and any persons nominated in writing by either of them.
- > During the manufacture or assembly of any significant part of the Work under the Subcontract away from the part of the site where the Works are to be constructed, a set of the Drawings and written information relevant to that part of the work shall be kept by the Subcontractor at the place of manufacture or assembly and shall be available for reference by the Contractor, the Administrator and any person nominated in writing by either of them.

2.19 CONFIDENTIAL INFORMATION

- > Drawings, specifications and other information, samples, models, patterns and the like, supplied by either the Subcontractor or the Contractor and marked or otherwise identified as confidential, shall be regarded as confidential and shall not be disclosed to a third party except with the prior agreement of the other party to the Subcontract.
- > If required in writing by a party, the other party shall enter into a separate agreement not to disclose to anyone else any confidential matter even after the issue of the final certificate pursuant to clause 37.4 of the Subcontract Conditions or the earlier termination of the Subcontract.

3. LEGISLATIVE REQUIREMENTS

3.1 LICENCES, REGISTRATIONS, PERMITS, APPROVALS AND CERTIFICATES

- > The Subcontractor shall obtain and hold, and ensure that its agents and employees, obtain and hold, all of the licences, registrations, permits, approvals and certificates that they are required under all legislative requirements in order to carry out the Work under the Subcontract and in respect of the use and occupation of the Works.
- > The Subcontractor shall give the Contractor copies of documents issued to the Subcontractor by any authority in respect of the Work under the Subcontract and, in particular, any approvals of work.

3.2 INDUSTRIAL MATTERS

- > The Subcontractor shall comply with the provisions of the industrial awards and agreements that from time to time are applicable to the performance of the Work under the Subcontract. Without limiting the generality of the foregoing, the Subcontractor shall ensure that its secondary subcontractors enter into an agreement to comply with the provisions of the said industrial awards and agreements prior to their employment on the site.
- > The Subcontractor warrants that the labour rates and conditions upon which the Subcontract Sum has been calculated are based on the provisions of the applicable industrial awards and/or agreements.
- > The Subcontractor is not entitled to make any Claim in connection with its compliance with this clause 3.2 or any increase in labour costs.

3.3 THE QUEENSLAND CODE AND GUIDELINES

3.3.1. DEFINITIONS

- > For the purposes of this clause 3.3:
 - » **Queensland Guidelines** means the Queensland Government's Implementation Guidelines to the Queensland Code of Practice for the Building and Construction Industry (as published by the Department of Justice and Attorney-General); and
 - » **Queensland Code** means the Queensland Code of Practice for the Building and Construction Industry.
- > If applicable, in addition to terms defined in the Subcontract, terms used in this clause 3.3 have the same meaning as is attributed to them in the Queensland Guidelines and Queensland Code.

3.3.2. PRIMARY OBLIGATION

- > The Subcontractor shall comply with, and meet any obligations imposed by, the Queensland Code and Queensland Guidelines.
- > The Subcontractor shall notify the Building Construction Compliance Branch (**BCCB**) (or nominee) and the Contractor of any alleged breaches of the Queensland Code and Queensland Guidelines and of voluntary remedial action taken within 24 hours of becoming aware of the alleged breach.
- > Where the Subcontractor is authorised to engage a secondary subcontractor and it does so, the Subcontractor shall ensure that any secondary subcontract imposes on the secondary subcontractor equivalent obligations to those in this clause 3.3, including that the secondary subcontractor shall comply with, and meet any obligations imposed by, the Queensland Code and the Queensland Guidelines.
- > The Subcontractor shall not appoint or engage another party in relation to the Work under the Subcontract where that appointment or engagement would breach a sanction imposed on the other party in relation to the Queensland Code or Queensland Guidelines.

3.3.3. ACCESS AND INFORMATION

- > The Subcontractor shall maintain adequate records of compliance with the Queensland Code and Queensland Guidelines by it, its secondary subcontractors and related entities.
- > The Subcontractor shall allow, and take reasonable steps to facilitate, Queensland Government authorised personnel (including personnel of the BCCB) to:
 - » enter and have access to sites and premises controlled by the Subcontractor, including any site at which the Work under the Subcontract is being carried out;
 - » inspect any work, material, machinery, appliance, article or facility;
 - » access information and documents;
 - » inspect and copy any record relevant to the Work under the Subcontract;
 - » have access to personnel, and
 - » interview any person.
- > As is necessary for the authorised personnel to monitor and investigate compliance with the Queensland Code and Queensland Guidelines by the Subcontractor, its secondary subcontractors and related entities.
- > The Subcontractor, and its related entities, shall agree to, and comply with, a request from Queensland Government authorised personnel (including personnel of the BCCB) for the production of specified documents by a certain date, whether in person, by post or electronic means.

3.3.4. SANCTIONS

- > The Subcontractor warrants that at the time of entering into this Subcontract, neither it, nor any of its related entities, are subject to a sanction in connection with the Queensland Code or Queensland Guidelines that would have precluded it from tendering for work to which the Queensland Code and Queensland Guidelines apply.
- > If the Subcontractor does not comply with, or fails to meet any obligation imposed by, the Queensland Code or Queensland Guidelines, a sanction may be imposed against it in connection with the Queensland Code or Queensland Guidelines.
- > Where a sanction is imposed:
 - » it is without prejudice to any rights that would otherwise accrue to the parties;
 - » the State of Queensland (through its agencies, Ministers and the BCCB) is entitled to:
 - record and disclose details of non-compliance with the Queensland Code or Queensland Guidelines and the sanction, and
 - take them into account in the evaluation of future expressions of interest or tender responses that may be lodged by the Subcontractor, or its related entities, in respect of work to which the Queensland Code and Queensland Guidelines apply.

3.3.5. COMPLIANCE

- > The cost of ensuring the Subcontractor's compliance with the Queensland Code and the Queensland Guidelines, including in respect of any positive steps it is obliged to take to meet its obligations under the Queensland Guidelines shall be borne by the Subcontractor. The Subcontractor is not entitled to make a Claim for reimbursement or an extension of time from the Contractor or the State of Queensland for such costs.
- > Compliance with the Queensland Code and Queensland Guidelines does not relieve the Subcontractor from responsibility to perform the Work under the Subcontract and any other obligation under the Subcontract, or from liability for any defect in the Works or from any other legal liability, whether or not arising from its compliance with the Queensland Code and Queensland Guidelines.
- > Where a change in the Subcontract or the Work under the Subcontract is proposed, and that change would, or would be likely to, affect compliance with the Queensland Code and Queensland Guidelines, the Subcontractor shall immediately notify the Contractor (or nominee) of the change, or likely change and specify:
 - » the circumstances of the proposed change;
 - » the extent to which compliance with the Queensland Code and Queensland Guidelines will, or is likely to be, affected by the change; and
 - » what steps the Subcontractor proposes to take to mitigate any adverse impact of the change,

and the Contractor will direct the Subcontractor as to the course it must adopt within five Business Days of receiving notice.

4. SUPPLIERS' AND MANUFACTURERS' WARRANTIES

- > The Subcontractor shall:
 - » procure and deliver to the Contractor, prior to the end of the defects liability period, a completed and executed warranty in the form of Form C7858 in Annexure E from the supplier or manufacturer of the materials of goods;
 - » in respect of any other goods or materials incorporated into the Works, assign to the Contractor the benefit of any warranty which applies after the end of the defects liability period.
- > The provision of an executed warranty pursuant to clause 4(a) shall not:
 - » affect the warranties given by the Subcontractor under the Subcontract;
 - » relieve, limit or exclude any of the Subcontractor's liabilities or obligations under the Subcontract; or
 - » modify, limit or exclude any of the Contractor's rights or remedies against the Subcontractor whether under the Subcontract or otherwise.

5. ACCELERATION

- > Where the Subcontractor is entitled to an extension of time to the Date for Practical Completion under clause 6.2, the Administrator may, instead of granting a reasonable extension of time under clause 6.2, direct the Subcontractor in writing to accelerate the performance of the Work under the Subcontract so as to overcome the whole or part of the delay which gave rise to the entitlement to an extension of time and the Subcontractor shall comply with that direction.
- > If the Administrator directs the Subcontractor under this clause 5 to accelerate the performance of the Work under the Subcontract so as to overcome the whole of the delay in question, the Subcontractor shall no longer be entitled to any extension of time for that delay.
- > If the Administrator directs the Subcontractor under this clause 5 to accelerate the performance of the Work under the Subcontract so as to overcome part only of the delay in question, the Subcontractor shall no longer be entitled to any extension of time for that part of the delay, but the Administrator shall grant a reasonable extension of time under clause 6.2 for the balance of the delay.
- > No direction by the Administrator shall constitute, or be regarded as, a direction under this clause 5 unless it is in writing and expressly states that it is a direction under clause 5.
- > If compliance with a direction to accelerate given under clause 5 causes the Subcontractor to incur more or less cost than otherwise would have been incurred had the Subcontractor not been given the direction, the difference shall be valued under clause 36.4 of the Subcontract Conditions.
- > The Contractor may prior to giving a direction under this clause 5, provide a written notice of a proposed variation and in that case:
 - » the Subcontractor shall advise the Administrator whether the proposed variation can be effected and if the variation can be effected, the Subcontractor shall:
 - advise the Administrator of the effect which the Subcontractor anticipates that the variation will have on the construction program and time for Practical Completion; and
 - provide an estimate of the cost (including delay costs, if any) of the proposed variation;
 - » if the Subcontractor incurs additional costs in complying with the requirements of clause 5(f), a valuation shall be made under clause 36.4 of the Subcontract Conditions.

6. TIMES FOR COMMENCEMENT AND PRACTICAL COMPLETION

6.1 TIME FOR COMMENCEMENT OF WORK ON THE SITE

- > The Subcontractor shall give the Administrator 5 Business Days' notice of the date upon which the Subcontractor proposes to commence work on the site.
- > The Administrator may reduce the period of notice required.

- > The Subcontractor shall commence work on the site within 10 Business Days after the Contractor has given the Subcontractor possession of sufficient of the site to enable the Subcontractor to commence work.
- > The Administrator may extend the time for commencement of work on the site.

6.1 DATE/TIME FOR PRACTICAL COMPLETION

- > The Subcontractor shall execute the Work under the Subcontract to Practical Completion by the Date for Practical Completion.
- > Upon the Date of Practical Completion, the Subcontractor shall give possession of the site and the Works to the Contractor.
- > The Subcontractor may, if it chooses, accelerate progress at its own cost and reach Practical Completion before the Date for Practical Completion, but if it does choose to accelerate, then:
 - » neither the Contractor, the Administrator, nor any other person for whom the Contractor is responsible, will be obliged to do or refrain from doing anything to enable the Subcontractor to reach Practical Completion before the Date for Practical Completion; and
 - » the time for performance of the Contractor's and the Administrator's obligations shall not be affected by the Subcontractor's decision to accelerate.

6.2 EXTENSION OF TIME FOR PRACTICAL COMPLETION

- > Within 5 Business Days of it becoming evident to the Subcontractor that anything, including an act or omission of the Contractor, the Administrator or the Contractor's employees, consultants, other subcontractors or agents, may delay the Work under the Subcontract, the Subcontractor shall notify the Administrator in writing with details of the possible delay and the cause. The notice shall be endorsed 'Subcontractor's Notice of Possible Delay under clause 6.3'.
- > When it becomes evident to the Contractor that anything which the Contractor is obliged to do or provide under the Subcontract may be delayed, the Contractor shall give notice to the Administrator who shall notify the Subcontractor in writing of the extent of the likely delay.
- > If the Subcontractor is, or will be delayed in, reaching Practical Completion by a cause described in the Subcontract Conditions and within 10 Business Days after the commencement of that cause the Subcontractor gives the Administrator a written claim for an extension of time for Practical Completion endorsed 'Subcontractor's Extension of Time Claim Under Clause 6.3' and setting out the facts on which the claim is based, the Subcontractor shall be entitled to an extension of time for Practical Completion.

7. CERTIFICATES AND PAYMENTS

7.1 PAYMENT CLAIMS

- > As a condition precedent to the Subcontractor's entitlement to deliver a payment Claim, the payment Claim shall include evidence of conformance of the Work under the Subcontract, including that:
 - » the Work under the Subcontract has been completed in accordance with the provisions of the Subcontract in respect to quantity, quality and any other relevant requirements;
 - » the Work under the Subcontract has been inspected and tested in accordance with the requirements of the Subcontract;
 - » inspection and test results has been analysed to demonstrate compliance with the Subcontract;
 - » a conformance report has been submitted to the Administrator on completion of the relevant work and prior to substantial progress on subsequent work.

7.2 CERTIFICATES

- > Where the relevant evidence of conformance has not been submitted due only to the normal delays involved in processing, testing, analysis and reporting, the Subcontractor may include that completed work for which evidence of conformance will be submitted in the following month. In this case, the Subcontractor shall submit with its payment Claim, a statement which lists the relevant completed work and certifies that evidence of conformance will be presented to the Administrator no later than the end of the calendar month following the month of the relevant payment Claim.

8. PAYMENT OF WORKERS AND SUBCONTRACTORS

- > Upon entry into the Subcontract, the Contractor shall establish a payment recording system for the Subcontractor as set out in an appropriate form approved by the Principal.
- > The recording system shall record all details of transactions with the Subcontractor including, at least, details of claims for payment, payments made, retention and securities held in cash or unconditional undertakings or any other form.
- > The record of payment system shall be:
 - » kept by the Contractor until the final certificate is issued by the Administrator; and
 - » provided to the Administrator for inspection and copying upon reasonable notice in writing.

- > The Subcontractor shall deliver to the Administrator with each payment claim, a statutory declaration, in the form of Form C7850 in Annexure A, sworn by the Subcontractor, or where the Subcontractor is a corporation, by a representative of the Subcontractor who is in a position to know the facts attested to, stating that the Subcontractor has been paid all that is due and payable to the Subcontractor up to the date of submission by the Subcontractor of a payment claim in respect of the Work under the Subcontract and that all its employees who at any time have been engaged on Work under the Subcontract by the Subcontractor have been paid all moneys due and payable to them up to the date of submission by the Subcontractor of a payment claim, in respect of their employment on the Work under the Subcontract. The Administrator may also request reasonable supporting documentary evidence of those matters.
- > Before the payment of any money to the Subcontractor by the Contractor, the Administrator may also require the Subcontractor to deliver to the Administrator a statutory declaration, in the form of Form C7851 in Annexure B, by any secondary subcontractor, or where the secondary subcontractor is a corporation, by a representative of the secondary subcontractor who is in a position to know the facts attested to, stating that all secondary subcontractors of the Subcontractor have been paid all that is due and payable to them up to the date of submission by the Subcontractor of a payment claim in respect of the Work under the Subcontract and that all employees who have been engaged by the Subcontractor have been paid all moneys due and payable to them up to the date of submission by the Subcontractor of a payment claim in respect of their engagement on the Work Under the Contract. The Administrator may also request reasonable supporting documentary evidence of those matters.

If the Subcontractor provides to the Administrator satisfactory proof of the maximum amount due and payable to workers and secondary subcontractors by the Subcontractor, the Contractor shall not be entitled to withhold any amount in excess of the maximum amount.

ANNEXURE A – STATUTORY DECLARATION

[INSERT FORM C7850]

ANNEXURE B – STATUTORY DECLARATION

[INSERT FORM C7851]

ANNEXURE C – DESIGNER’S CERTIFICATE

[INSERT FORM C7859]

ANNEXURE D – DESIGNER’S DEED OF COVENANT

[INSERT FORM C7854]

ANNEXURE E – WARRANTY

[INSERT FORM C7858]