

SUB-CONTRACTOR'S PERIOD AGREEMENT

AGREEMENT SCHEDULE

1. DATE / / 20

AN AGREEMENT DATED

2. PRINCIPAL CONTRACTOR

NAME Stroud Homes Brisbane South Pty Ltd

ADDRESS 128 Melrose Place

SUBURB New Beith

STATE QLD

POSTCODE 4124

ABN 84 606 215 909

ACN 606 215 909

WORK 07 5540 3949

FAX N/A

EMAIL admin@stroudhomes.com.au

PRINCIPAL CONTRACTOR'S LICENCE NUMBER 15010388

HIA MEMBER NUMBER 538807

3. TRADE

CONTRACTOR NAME Jaron May

ADDRESS 47-59 Munroe Drive

SUBURB Woodhill

STATE QLD

POSTCODE 4285

ABN 31-656-038-809

ACN 656-038-809

WORK 0416-436-381

FAX

EMAIL TimelesstonesPainting@Gmail.com

4. In consideration of:

- a) the **trade contractor** agreeing to quote for **trade works** whenever asked by the **principal contractor**; and
- b) the **principal contractor** agreeing to pay the **trade contractor**, the sum of \$1.00, the parties agree that the Sub Contractor's Period Agreement conditions overleaf are deemed to be incorporated into each **trade contract** for a period of 12 months from the date of this agreement, or as otherwise determined by the **principal contractor** at the absolute discretion of the **principal contractor**.

5. The **trade contractor** acknowledges and agrees that:

- a) the **principal contractor** has not made any representation; and
- b) The **trade contractor** has not relied on any representation made by the **principal contractor**, as to the availability of work or the number of **purchase orders** that will be issued by the **principal contractor**.

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6. The parties agree that for each **trade contract** the scope of the **trade works**, the commencement and completion dates of the **trade works** and the price of **trade works** will be set out, at the absolute discretion of the **principal contractor**:
 - a) in a quote from the **trade contractor** that is accepted by the **principal contractor**; or
 - b) in a **purchase order** issued by the **principal contractor** that is accepted by the **trade contractor**; or
 - c) As otherwise evidenced in writing and signed by the parties.
 - d) By commencing work, the **trade contractor** has acknowledged acceptance of the **purchase order** including the price as nominated and the works required by that **purchase order**.
7. The parties agree that this agreement does not form a contract to carry out **trade works**. The obligation to carry out work arises on the formation of a **trade contract** as described in paragraph 6 above.
8. "Defects liability period" in a **trade contract** means a period of 12 months from the practical completion of the work under the head contract. For the purposes of this **trade contract**, the term Defects liability period has the same meaning as it does in the *Queensland Building and Construction Commission Act 1991* and its subordinate and associated legislation and policies.
9. In the event that the **trade contractor** acknowledges acceptance of a **purchase order** or commences the **trade works**, it shall be a substantial breach of this **Subcontractors Period Agreement** not to complete those **trade works** in a reasonable time frame. Such time frame shall be determined by the **principal contractor** at the absolute discretion of the **principal contractor**.
10. If the **trade contractor** fails to complete the **trade works** by the **completion date**, then the **trade contractor** shall pay to the **principal contractor** the sum of \$50.00 per calendar day for each day the **trade contractor** takes to complete the **trade works** after the **completion date**. Such payments will be at the sole discretion of the **principal contractor**.

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11. INFORMATION TO BE COMPLETED BY TRADE CONTRACTOR

LICENCE NO 15-000-349
(if required)

PUBLIC LIABILITY INSURANCE

Company: NRMA

Policy No: BP 515-7397

Current to: 01/01/2023

WORKERS COMPENSATION INSURANCE

Company: WorkCover Queenslad

Policy No: WSB211252887

Current to: 01/07/2023

PERSONAL SICKNESS AND ACCIDENT INSURANCE

Company: NRMA

Policy No: BP 515-7397

Current to: 01/01/2023

ABN NO: 31-656-038-809

ARE YOU REGISTERED FOR GST? YES / ~~NO~~

THE PARTIES AGREE that the Sub Contractor's Period Agreement conditions referred to above are those that appear on the next page (see Conditions).



Principal Contractor's Signature



Trade Contractor's Signature

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SPECIAL CONDITIONS

The **principal contractor** relies on the following special conditions:

- a) Further to paragraph 6 (c) above, the **trade contractor** acknowledges that **purchase orders** provided by the **principal contractor**, which are in accordance with the rates that are previously agreed between the parties, satisfy any conditions of this contract which may be contained with paragraphs 6 (a) and (b) above. Further the parties agree that the rates may be changed from time to time as may be agreed between the parties.
- b) The **trade contractor** acknowledges and agrees that they have been provided with and have read the non-conforming work event flow chart which is attached to this Sub Contractor's Period Agreement as **Annexure A**. The **trade contractor** further acknowledges and agrees that the **principal contractor** can and will take the actions nominated in the non-conforming work event flow chart against the **trade contractor**. The **trade contractor** further acknowledges that it will comply with all notice served upon it by the **principal contractor** in relation to the non-conforming work event flow chart.
- c) In the event that the **trade works** of the **trade contractor** are found to be unsatisfactory **base works** (refer clause 3 of the Conditions of Contract) or is a non-conforming work event, then the **principal contractor** shall be able to direct the **trade contractor** to return to rectify the unsatisfactory **base works**, or rectify the **trade works** which are the subject of the non-confirming work event. In the event the **trade contractor** fails to rectify the **base works** or the **trade works** which are the subject of the non-confirming work event, as directed by the **principal contractor**, the **trade contractor** agrees that the **principal contractor** shall deduct the amount of the rectification of the **base works**, or the **trade works** which are the subject of the non-conforming work event, from the **trade contractor's** next payment. Such deduction is acknowledged by the **trade contractor** to be due and owing, as a debt to the **principal contractor**. The debt, due and owing, shall include the legal and **administrative costs** of the **principal contractor**. The **trade contractor** acknowledges that any amount due to the **principal contractor** under this condition may be deducted from any amount which is or may become owing under this Subcontractors Period Agreement. The **trade contractor** further agrees that the ability of the **principal contractor** to deduct the amount of the rectification of the **base works** survives the relevant **purchase order** and survives this Subcontractors Period Agreement. Further, the **trade contractor** shall indemnify and hold harmless the **principal contractor** in respect of any claims, whatsoever, which might arise from the unsatisfactory **base works** or **trade works** of the **trade contractor**.
- d) The **trade contractor**, by commencing works, shall be deemed to have accepted the **base works**. By accepting the **base works** the **trade contractor** shall be responsible for any defect rectification as a consequence of that acceptance.
- e) The **trade contractor** agrees that in the event the **principal contractor** is required to recover the debt due and owing via litigation in the Court of competent jurisdiction, then upon the provision of a signed affidavit, from the proper officer of the **principal contractor**, and an executed copy of this Subcontractor's Period Agreement, then the **principal contractor** shall be entitled to a default judgment from the Court for the amount of the debt due and owing to the **principal contractor**.

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- f) The **trade contractor** warrants that all of its subcontractor's, employees or agents are appropriately qualified and have the necessary skill and experience to complete the task for which the **trade contractor** has engaged them. The **trade contractor** will indemnify and hold harmless the **principal contractor** for any consequences whatsoever which may arise from the **trade contractor's** failure to comply with this condition.
- g) In relation to any **purchase order** raised by the **principal contractor** in favour of the **trade contractor** under this agreement, the **trade contractor** upon request may view the **head contract** at the office of the **principal contractor** at a time subject to the absolute discretion of the **principal contractor**.
- h) The **trade contractor** acknowledges that by commencing the **trade works** on any site, they agree to be bound to all the terms and conditions of this Subcontractors Period Agreement.

SUBCONTRACT PERIOD AGREEMENT CONDITIONS

1. TRADE WORKS

- a) The **trade contractor** must carry out and complete the **trade works**:
 - i) in a proper, skilful and tradesperson like manner to the satisfaction of the **principal contractor** acting reasonably;
 - ii) in accordance with the plans, the specifications and the law; and
 - iii) within the reasonable time frames as may be directed by the **principal contractor**.
- b) If the **trade contractor** discovers any inconsistency, ambiguity or discrepancy in or between the plans and the specifications, the **trade contractor** must immediately seek the **principal contractor's** direction as to the interpretation to be followed.
- c) The **trade contractor** must supply everything necessary to carry out the **trade works**.
- d) The **trade contractor** may employ or engage others to carry out some or all of the **trade works**. Use of sub-contractors does not relieve the **trade contractor** from liability under this **trade contract**.
- e) The **trade contract** warrants that they will complete all the **trade works** which are subject of the purchase order for the amount nominated on the purchase order,

2. VARIATIONS

- a) The **trade contractor** must not under any circumstances:
 - i) make any changes or variation to the **trade works** to be performed by the **trade contractor** under the **scope of works**;
 - ii) carry out any extra work; or
 - iii) leave any detail of the **trade works** unfinished, unless so directed in writing by the **principal contractor**.
- b) The **principal contractor** may, by giving a written direction, require the **trade contractor** to carry out a variation, which is necessary for completion of the works under the **head contract**.
- c) The price of a variation is to be that agreed by the parties in the form of a **purchase order** issued by the **principal contractor** (refer paragraph 6 of the Agreement Schedule).
- d) The **trade contractor's** agreed contract price is to be adjusted by the amount of the variation. The **principal contractor** shall issue a separate purchase order for the **trade contractor** to claim the amount of the variation.
- e) In the event that the **trade contractor** undertakes any additional works or makes changes to the **trade works** without the written approval of the **principal contractor**; the **principal contractor** shall back charge and deduct the amount of the rectification of the **trade works** from the **trade contractor** next payment. The amount of the back charge shall be a debt due and owing to the **principal contractor** by the **trade contractor** including the legal and administrative costs of the **principal contractor**. (Refer to Special Condition (e) above).

3. ACCEPTANCE OF BASE WORK

- a) Unless sub-clause 3(b) applies, on commencing to carry out the **trade works** the **trade contractor** is:
 - i) Deemed to have accepted the **base work** as satisfactory; and
 - ii) is not entitled to payment or compensation for additional work carried out as a

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result of unsatisfactory **base work** or for conditions which differ materially from those which should have been observed or anticipated by a prudent, competent and experienced contractor.

- b) On commencing to carry out the **trade works**:
 - i) the **trade contractor** agrees and accepts the obligation to fully inspect and satisfy itself of the condition of the **base works** and all **site** conditions, risks, contingencies, and other circumstances which might affect its carrying out of the **trade works**; and
 - ii) if the **trade contractor** considers the **base works** are unsatisfactory or conditions at the **site** prevent it from commencing the **trade works**, then it must immediately give the **principal contractor** written notice. The **principal contractor** agrees to promptly give the **trade contractor** a written instruction concerning the time for commencement of the **trade works**.

4. WARRANTIES

The **trade contractor** warrants that:

- a) the **trade works** will be carried out in a proper, skilful and tradesperson like manner and in accordance with the purchase **order**;
- b) any materials supplied by the **trade contractor** will be suitable, new and free of defects; and
- c) it holds all licences and insurances required to carry out the **trade works**.

5. DEFECTS LIABILITY PERIOD

- a) The **trade contractor** must, at its own cost, make good any work that does not conform with the requirements of this **trade contract** before the end of the defect liability period.
- b) The **principal contractor** may, in writing, direct the **trade contractor** to correct, remove or replace any non-conforming work before or during the defect liability period.
- c) If the **trade contractor** does not comply with such a direction, the **principal contractor** may have that work carried out by others and the cost will be a debt due and payable by the **trade contractor** to the **principal contractor**. Such debt shall include the **principal contractor's** legal and **administrative costs**. (refer clause e of the Special Conditions)
- d) In addition to exercising other rights and remedies, the **principal contractor** may offset such debt against a retention held and any amount due or which becomes payable to the **trade contractor** in connection with this **trade contract**.
- e) The **trade contractor** warrants that it has read and understands the non-conforming work event flowchart which is attached as **Annexure A**. The **trade contractor** agrees that it is bound by the process of the flow-chart and agrees that in the event of a non-confirming work event it will act as required by the flow-chart. The **trade contractor** further agrees that the **principal contractor** is able to act in accordance with the non-confirming work event flow-chart and the **trade contractor** shall indemnify the **principal contractor** against its failure to comply with the non- conforming work event flowchart (see **Annexure A**).

6. INDEMNITY

- a) The **trade contractor** indemnifies the **principal contractor** against:

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- i) loss or damage to property (including the **trade works**);
 - ii) claims in respect of personal injury or death, arising out of, connected to or as a consequence of the **trade contractor**:
 - A) carrying out or failing to carry out the **trade works**; or
 - B) breaching this **trade contract**;
 - iii) any liability that the **principal contractor** may suffer or incur under a statutory warranty in connection with the **trade works**.
- b) The indemnity given under this clause is reduced to the extent that the loss or damage resulted from any act or omission of the **principal contractor** or their agents.

7. INSURANCE

- a) The **trade contractor** must take out prior to commencing, and maintain until completion of the **trade works**, the following:
 - i) workers compensation or any like insurance as required by law;
 - ii) public liability insurance to an amount not less than \$10,000,000; and
 - iii) except as set out below personal accident and disability insurance providing cover at least equivalent to that provided to an employee under insurance referred to in sub-clause 7(a)(i).
- b) Sub-clause 7(a)(iii) does not apply where the **trade contractor**:
 - i) does not personally carry out any part of the **trade works** on the **site**; or
 - ii) establishes, to the **principal contractor**'s satisfaction, that it is covered by workers compensation insurance taken out by the **principal contractor**.
- c) The **trade contractor** must, when asked by the **principal contractor**, produce evidence of the existence and currency of any insurances which might be required by the **principal contractor** at the absolute discretion of the **principal contractor**.
- d) In the event that the **trade contractor** relies upon sub-clause 7(b), the **trade contractor** shall indemnify and hold harmless on all occasions any failure to comply with sub-clause 7(a).
- e) The **principal contractor**, at its absolute discretion, shall be able to exclude a **trade contractor** from its building sites should the **trade contractor** fail to provide evidence of insurance to the satisfaction of the **principal contractor**.
- f) The **trade contractor** acknowledges that in the event it fails to strictly comply with this clause, the **principal contractor** is able, at its sole discretion, to retain an amount as a retention until such time as the **trade contractor** provides the **principal contractor** with a certificate of currency for all necessary insurances which are required or may be required by the **principal contractor**, at the sole discretion of the **principal contractor**.

8. HEALTH AND SAFETY

- a) In carrying out the **trade works**, the **trade contractor** and its agents and employees and subcontractors must observe all relevant workplace health and safety laws.
- b) The **trade contractor** must, whenever carrying out the **trade works**, ensure that:
 - i) no person (whether employed or not) is exposed to risk to their health and safety; and
 - ii) the **trade works** are carried out using an appropriate safety management system. The **trade contractor** is required to provide the **principal contractor** a copy of its safety management system. However, the **trade contractor** shall indemnify and

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hold harmless the **principal contractor** should the **trade contractor** fail to have a safety management system in place. The **trade contractor's** warranty of the **principal contractor** in this sub-clause shall not be reduced should the **principal contractor** not have requested a copy of the safety management system.

9. DAMAGE AND SITE CLEANING

- a) The **trade contractor** is responsible for:
 - i) any damage caused by the **trade contractor** and/or its agents or employees or subcontractor, will, upon being directed by the **principal contractor**, the **trade contractor** will either:
 - A) repair the damage caused; or
 - B) engage a suitably qualified **trade contractor** to repair the damage if the damage is outside the QBCC licence category of the **trade contractor**; and
 - C) It is the responsibility of the **trade contractor** to identify any damage which may exist on the premise prior to their commencing work. The **trade contractor** shall be solely responsible for any damage identified at the premises after the **trade contractor** has commenced and/or completed its **trade works**;
 - ii) keeping the **site** clean and tidy at all times; and
 - iii) the removal of its tools, plant and equipment, and if required the removal of any debris and/or waste, arising out of the **trade works**.
- b) If the **trade contractor** fails to comply with sub-clause 9(a) within a reasonable period (being not more than 2 business days) after being so directed by the **principal contractor**, the **principal contractor** may rectify the non-conforming work event and this cost becomes a debt due and payable by the **trade contractor** to the **principal contractor**. Such debt shall include the **principal contractor's** legal and **administrative costs**. (see Special Conditions above)
- c) The **trade contractor** acknowledges that failure to comply with this clause shall be deemed to be a non-conforming work event.

10. PAYMENT

- a) The **principal contractor** may, at its absolute discretion, require from the **trade contractor**, as a precondition to payment:
 - i) a signed statutory declaration that all its subcontractors, employees and agents have been paid all amounts, when due, for work commenced and/or completed under this **trade contract**;
 - ii) an appropriate statutory declaration regarding payment of all workers compensation premiums and payroll tax in connection with the **trade works**; and
 - iii) notify the **principal contractor** of any actions commenced against the **trade contractor** at law (including but not limited to the *Building Industry Fairness (Security of Payments) Act 2017*)
- b) Any payment, other than a final payment, by the **principal contractor** to the **trade contractor** is payment on account only and is not evidence of the value of work or that work has been satisfactorily carried out.
- c) A reference date as defined in the *Building Industry Fairness (Security of Payments) Act 2017* shall arise on the 15th of each named month and the last day of each named month. The **principal contractor** shall provide a **payment schedule** to the **trade**

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contractor within 15 business days of the date of receiving the **payment claim**.

- d) Any **payment claim** provided between the 1st day of the named month and 15th day of the named month shall have a **nominated date** of the 15th day of the named month;
- e) Any **payment claim** provided between the 16th day of the named month and the last day of the named month shall have a **nominated date** of the last day of the named month
- f) The **trade contractor** shall submit a **payment claim** on either the 15th or the last day of the named month ('**the nominated date**') and in relation to the relevant reference date and the **principal contractor** shall make payment within 15 days of the **nominated date** which is relevant to that **payment claim**, noting that only one payment claim is able to be submitted in relation to each reference date.
- g) The **trade contractor** shall give the **payment claim** to the **principal contractor** in the form which is directed by the **principal contractor**. The **principal contractor** shall be able to provide details of the form in which the **payment claim** is to be given, at its absolute discretion.
- h) The **trade contractor** agrees that the **principal contractor** shall be able to provide reasons for a non-payment, within a **payment schedule**, in accordance with the definitions contained below. The **trade contractor** further guarantees that they have read and understood both this term of the Subcontractors Period Agreement and the definitions below.

11. EXTENSION OF TIME

The **trade contractor** is entitled to an extension of time to complete the **trade works** as determined by the **principal contractor** acting reasonably if:

- a) the **trade works** are delayed by:
 - i) an act, default or omission of the **principal contractor** beyond the control of the **trade contractor**; or
 - ii) the execution of a **site** direction pursuant to sub-clause2(b); or
 - iii) an unforeseeable act, event or circumstance which was beyond the control and without the fault or negligence of the **trade contractor**, which by the exercise of reasonable diligence the **trade contractor** was unable to prevent and for which the **principal contractor** has received an extension of time under the **head contract**; and
- b) the **trade contractor** gives the **principal contractor** written notice claiming the extension of time as soon as possible but within no more than 5 business days of the cause occurring.
- c) Regardless of any provision contained in this clause under no circumstances shall the **trade contractor** be given an extension of time that the **principal contractor** has not been granted under the **head contract**.
- d) In the event that the **trade contractor** is responsible for delaying the **principal contractor** to the extent that the **principal contractor** is liable for liquidated damages under the **head contract**, the **trade contractor** shall fully indemnify the **principal contractor** for the costs incurred under the **head contract**.

12. FREEDOM OF ASSOCIATION AND COMPLIANCE WITH INDUSTRIAL LAWS

A party or its agent must not support an industrial organisation to:

- a) participate in any form of unauthorised industrial action or secondary boycott that affects the **trade works**; or
- b) except as required by law, demand or force any other person carrying out work on the **site** to:
 - i) join a union;
 - ii) make contributions to a specified superannuation fund; or
 - iii) Make payments for redundancy or long service leave into a specified fund.

13. DEFAULT

The **trade contractor** is in default of this Subcontract Period Agreement if it:

- a) is in substantial breach of this Subcontract Period Agreement;
- b) it is a substantial breach of this Subcontract Period Agreement if:
 - i) the **trade contractor** undertakes works on the site outside the **purchase order** and without the express agreement of the **principal contractor**;
 - ii) does not have all insurances required by the **principal contractor**;
 - iii) abandons the **site** and/or refuses to attend the site to complete the **trade works**;
 - iv) allows the consumption of drugs and/or alcohol on the **site**;
 - v) does not enforce the use of appropriate PPE on the **site**;
 - vi) fails to remedy a non-conforming work event in accordance with the requirements set out in Annexure A;
 - vii) invoicing for works which have not been completed;
 - viii) allows or is engaged in bullying behaviour on the **site**; or
 - ix) is otherwise in substantial breach of this Period Subcontract Agreement.
- c) becomes insolvent, bankrupt or makes an assignment of that party's estate for the benefit of creditors;
- d) makes an arrangement or composition with its creditors;
- e) being a company, goes into liquidation;

In the event of a default, the **principal contractor** will:

- f) Provide the **trade contractor** with notification of the substantial breach of the Subcontractors Period Agreement;
- g) At the absolute discretion of the **principal contractor**, the **principal contractor** may elect to:
 - i) Terminate this agreement and seek any costs associated with that termination as a debt due and owing from the **trade contractor**; or
 - ii) Provide the **trade contractor** with a period of time of not less than five (5) business days to remedy the substantial breach of contract

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14. SUSPENSION

- a) If work under the **head contract** has been suspended, the **principal contractor** may, by giving written notice to the **trade contractor**, immediately suspend the **trade works**. Such suspension shall not entitle the **trade contractor** to any damages related to that suspension.
- b) If the **principal contractor** fails to make payment to the **trade contractor** as required by this **trade contract**, the **trade contractor** may suspend the **trade works** where and to the extent permitted by the relevant **Security of Payment Legislation**.

15. ENDING THIS TRADE CONTRACT

If a party remains in default 5 working days after the other party has given it written notice requiring the default to be remedied then, without prejudice to any other rights or remedies, the other party may, by giving a further written notice, end this **trade contract**.

16. HEAD CONTRACT ENDED

If the **head contract** is ended for any reason, the **principal contractor** may, by giving written notice to the **trade contractor**, end the relevant **purchase order** and the **trade contractor** is:

- a) entitled to be paid for **trade works** carried out prior and up to the date of termination; but
- b) not entitled to make any claim for loss of profit.

17. ADMINISTRATION

The **trade contractor** or its representative must:

- a) attend **site** or **trade contractor** meetings if called on to do so;
- b) observe all directions given by the **principal contractor** under this **trade contract**; and
- c) co-operate with the **principal contractor**, all other workers and other contractors on the **site**.

18. INTELLECTUAL PROPERTY RIGHTS

- a) **Intellectual property rights** in any plans, designs or other documentation supplied by the **principal contractor** to the **trade contractor** remains with the **principal contractor**.
- b) The **trade contractor** must not reproduce or use any plans, designs or other documents, in whole or in part, other than for the purpose of completing the **trade works**.

19. DEFINITIONS

In this **trade contract**:

“**administration costs**” means the sum of \$200.00 plus GST for administrative works undertaken by the **principal contractor**;

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"**base work**" means the **site** conditions including work carried out by others on or over which the **trade contractor** is to carry out the **trade works**;

"**completion date**" means the date by which the **principal contractor** determines that the **trade works**, the subject of a **purchase order**, are to be completed by;

"**head contract**" means the contract between the **principal contractor** and its client which includes the **trade works** as part of its scope of work;

"**intellectual property rights**" means any patent, registered design, trademark or name, copyright or other protected right;

"**payment claim**" has the same meaning as the relevant Security of Payment Legislation;

"**payment schedule**" has the same meaning as the relevant Security of Payment Legislation;

"**practical completion**" has the same meaning as the head contract.

"**purchase order**" means the order given to the **trade contractor** by the **principal contractor** including but not limited to:

- a. Purchase order;
- b. Architectural plans;
- c. Engineering plans;
- d. Colour selection documents; and
- e. Specification.

"**Scope of Works**" means the works to be undertaken as per the documents provided by the **principal contractor** to the **trade contractor**.

"**Security of Payment Legislation**" means the Security of Payment Acts in force as at 19 December 2018 in the following Australian jurisdictions or its equivalent, updated, amended or replacement legislation:

- a) New South Wales: Building and Construction Industry Security of Payment Act 1999;
- b) Victoria: Building and Construction Industry Security of Payments Act 2002;
- c) Queensland: *Building Industry Fairness (Security of Payment) Act 2017*;
- d) Western Australia: Western Australia Construction Contracts Act 2004;
- e) Northern Territory: Northern Territory Construction Contracts (Security of Payments) Act 2004;
- f) Tasmania: Building and Construction Industry Security of Payment Act 2009;
- g) South Australia: Building and Construction Industry Security of Payment Act 2009;
- h) Australian Capital Territory: Building and Construction Industry (Security of Payment) Act 2009;

"**site**" means the address in the Schedule where the works under the **head contract** are carried out;

"**trade contract**" means this agreement between the **principal contractor** and the **trade contractor**;

"**trade contractor**" means the entity nominated in Item 3 of the Agreement Schedule

"**trade works**" means the work to be carried out by the **trade contractor** as described in the Schedule;

"**variation**" means to vary the scope of the **trade works** by:

- a) carrying out additional work as directed by the **principal contractor**;
- b) omitting any part of the **trade works**; or
- c) changing the scope of the **trade works**.

20. PAYMENT SCHEDULE DEFINITIONS

"**defective trade works**" means works which are defective and the **trade contractor** has either failed or refused to return to site to rectify same.

"**incomplete trade works**" means the **trade contractor** has failed to complete the works in accordance with the relevant purchase order.

"**unapproved trade work**" means works which the **principal contractor** has not directed be undertaken by the **principal contractor**.

"**trade damage**" means damage cause to the building works by the **trade contractor** including but not limited to the work which is within the scope of the **trade contractor** or the work of previous **trade contractors**.

"**defects period breach**" means that the **trade contractor** has failed to return to the site as directed by the **principal contractor** to rectify the **trade contractors'** defective works.

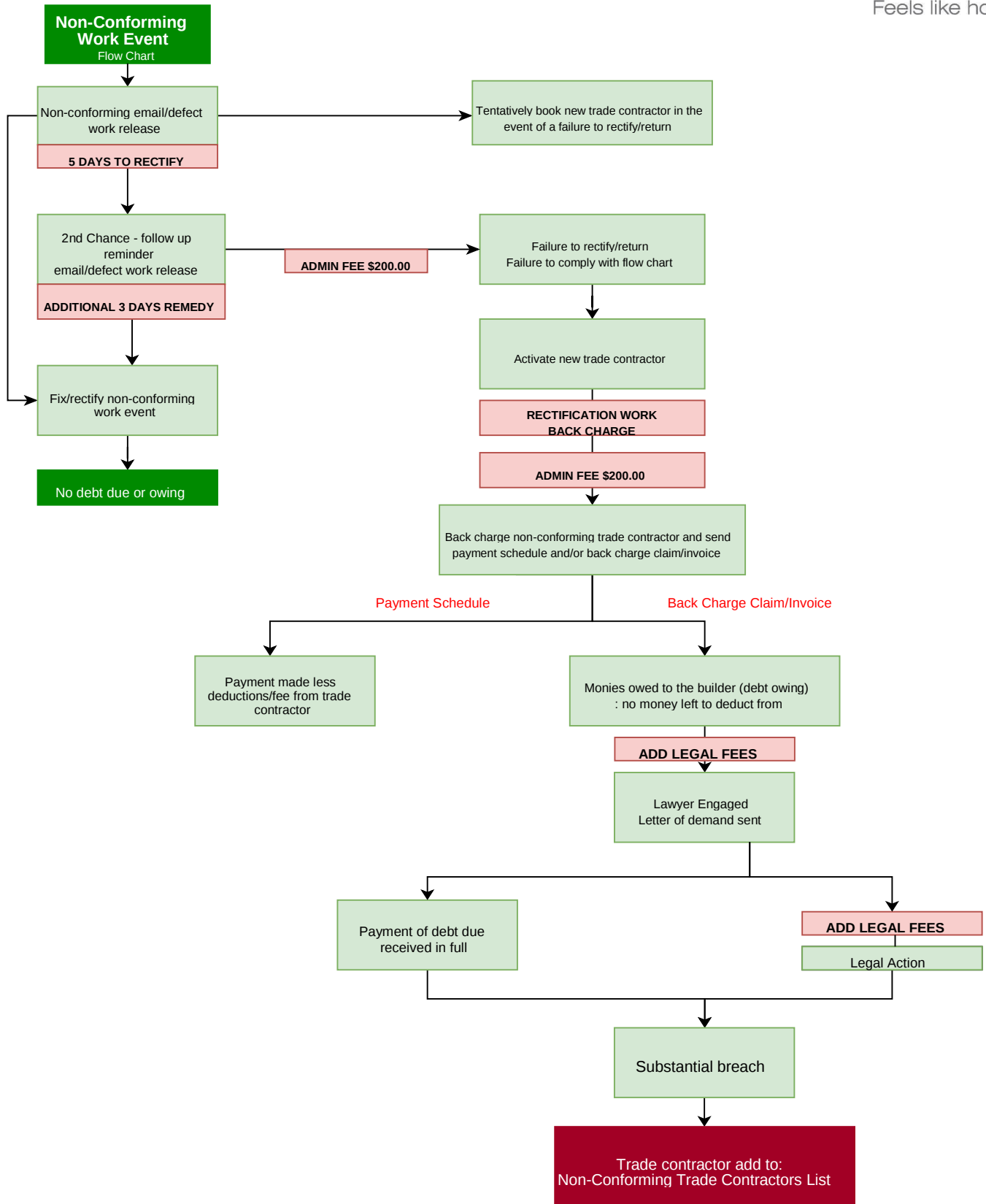
"**non-conforming**" means a non-conforming work event within the meaning of Annexure A

"**rectification works**" means the works and costs of the works required to remedy the defective work and or non-conforming work event of the **trade contractor** and undertaken by a third-party **trade contractor**.

"**payment approved**" means that the payment of the **trade contractor** payment claim has been approved.

"**no purchase order**" means works undertaken by the **trade contractor** for which the **principal contractor** has not provided a purchase order or the **trade contractor** has failed to provide a **purchase order** number to the **principal contractor** to identify the purchase order to which the trade works relate.

"**over order value**" means that the **trade contractor** has claimed either more than has been allowed in the **purchase order** or more than the value of the works completed.

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The below guide is an example only

REMITTANCE ADVICE

DATE	REFERENCE	REASONS	AMOUNT
15/11/2019	980	081CAN/295.2 - Th4 payment approved	\$926.64
15/11/2019	981	081CAN/295.3 - Th4 payment approved	\$2.75
15/11/2019	1025	081CAN/295.3 - Th4 defective trade works	-\$200.00
15/11/2019	1125	081CAN/295.3 - Th4 Admin Fee	-\$200.00
15/11/2019	1255	081CAN/295.3 - Th4 Admin Fee	-\$200.00
15/11/2019	2550	081CAN/295.3 - Th4 Back charge	-\$100.00
Payment Amount:			\$229.39
Payment Number:			000031
Payment Date:			20/12/18

I, Jaron May (trade contractor) hereby agree that the table above is an example only.

Principal Contractor's Signature

Trade Contractor's Signature

Jaron May

Trade Contractor's Initial: JM