Ref. : WB(W) 250/32/32

Group: 5

27 June 2002

#### Works Bureau Technical Circular No. 26/2002

# Special Conditions of Contract for Use in Mega Project Contracts

#### Scope

This circular provides a set of special conditions of contract (SCC) for use in mega project contracts in conjunction with the General Conditions of Contract (GCC) for Civil Engineering Works 1999 Edition. The SCC may also be adapted for use in conjunction with the General Conditions of Contract for Building Works 1999 Edition.

#### **Effective Date**

2. This circular takes immediate effect.

#### **Effect on Existing Circulars**

3. This circular should be read in conjunction with WBTC No. 20/2000 – General Conditions of Contract for Civil Engineering Works 1999 Edition and the Works Bureau Library of Standard Special Conditions of Contract.

#### **Guidelines on Determining Mega Project Contracts**

- 4. Mega project contracts have some or all of the following characteristics:
  - a) The contract sum is very large (normally exceeds \$1 billion). During the construction period, there should be tight financial control because of the large sums of money involved.

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- b) There is a need to monitor the programme and control the progress closely because the contract itself or the project which the subject contract forms an integral part of has high social or economical implication.
- c) The contract works are extensive and cover large areas, thus likely to have a lot of interfaces with other major projects. Hence very good co-ordination by all the concerned parties is required.
- 5. Project departments should have full regard to the "Guidelines for the Development of Major Infrastructure Projects" promulgated under S for W's memorandum WB(CR) 180/47/5 (98) Pt. 4 dated 25.10.1999.

## **Special Conditions of Contract for use in Mega Project Contracts**

- 6. A set of SCC for use in mega project contracts is attached at Appendix A. This has been drafted for use in engineering works in conjunction with the GCC for Civil Engineering Works 1999 Edition. This set of SCC may also be adapted for use in building works in conjunction with the GCC for Building Works 1999 Edition.
- 7. This set of SCC has been prepared on the basis that all the SCC clauses will be used as a package (other than those optional clauses). As such, the full set of these SCC clauses (other than those optional clauses) must be used when a project department decides to use these SCC clauses in its works contract(s).
- 8. Project departments may adopt these SCC clauses including any modifications thereto on the approval of the Head of Department or his delegate. This delegation should not be down below the rank of D2 level. Any modifications to this set of SCC, including additions or omissions, should be vetted by LAD/WB.
- 9. Project departments are reminded that satisfying some or all of the criteria in paragraph 4 above does not automatically imply that the use of these SCC clauses is warranted. In deciding whether or not to use this set of SCC, project departments should consider the resource implication in the administration of the contract.
- 10. To facilitate the better management of the mega project contracts, the project department may wish to require the Engineer for the contract to obtain agreement of the Employer before making decisions on some of the following matters pursuant to Clause 2 of the GCC 1999 Edition **in addition** to those referred to in paragraph 7 and paragraph 8 of WBTC No. 20/2000.

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GCC Cl 4(2)	Prohibiting the use of proposed subcontractors and scope of their works.			
GCC Cl 16	Approval of the works programme and any revised version thereof.			
GCC Cl 34	Issuing instructions to afford facilities access and/or services to enable other parties to carry out their works.			
GCC Cl 48(5)(a)	Deferral of a Portion handover date.			
GCC Cl 50	Granting extensions of key dates			
GCC Cl 53	Issuing a Certificate of Completion in respect of the Works or of any part of the Works, any Section or any part of a Section or Certificate of Achievement for any Stage or any part of a Stage.			
GCC Cl 54	Ordering suspension of the works or any part thereof save and except when considered to be essential on grounds of safety or other emergency in circumstances when it is impractical to refer the matter to the Employer beforehand.			
GCC Cl 55	Recommencing work following suspension.			
GCC Cl 80	Issuing the Maintenance Certificate.			
GCC Cl 82(2)	Authorizing remedial works to be carried out by persons other than the Contractor.			
GCC Cl 60(1)	Omitting works on grounds of improved or more economic functioning of the works or aesthetic.			

For the purpose of paragraph 9 of WBTC 20/2000, prior approval is deemed to have been given by the Secretary for Works for the above additional constraints on the Engineer once a decision has been made by the project department to classify the contract as a mega project contract.

#### **Deletion of Provisions for Extension of Time due to Inclement Weather**

11. When the use of the SCC Clause A4A (under which provision for extension of time due to inclement weather is not included) is contemplated the proposal must be approved by the Head of Department and details forwarded to Works Bureau (attention PAS(WP&S)) for endorsement. Tenders should not be invited until this endorsement has been received.

#### **Vetting of Draft Tender Documents**

12. The current requirement for legal vetting of draft tender documents by LAD/WB for all contracts of estimated value in excess of \$300M is also applicable to mega project contracts. It should be noted that comments made on the draft by the relevant contract adviser should be attached for LAD/WB's information and that at least three weeks should be allowed for the vetting of documents by LAD/WB. The memo accompanying the tender documents should draw LAD/WB's attention to the following:

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- a) SCT clauses and SCC clauses together with reasons for their incorporation;
- b) alterations, if any, to the standard versions of the Articles of Agreement and the Form of Tender and Appendix thereto; and
- c) any clause in Particular Specification, any item in the Bills of Quantities, or any other matter relating to the tender documents or to the Contract which may have significant contractual or financial implications.

(WS Chan)
Deputy Secretary (Works Policy)

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# Special Conditions of Contract for Use in Mega Project Contracts

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# SPECIAL CONDITIONS OF CONTRACT FOR USE IN MEGA PROJECT CONTRACTS

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(1) General Conditions of Contract Clause 1(1) is amended by Programmes and adding the following: progress reports SCC

Must be used with

A2 - A9

""Monthly Progress Report" means the report to be prepared by the Contractor in the form and detail prescribed by the Specification and submitted monthly to the Engineer in accordance with Clause 16(10).

"Works Programme" means the programme showing the sequence, method and timing in which the Contractor proposes to carry out the construction, testing, commissioning of the Works and related activities and any investigations and design as may be required to be carried out by the Contractor under the Contract including (in so far as such work is described in the Contract) due allowance for the carrying out of Specialist Works and work by utility undertakings, in the form and content prescribed by the Specification, or any amended or varied version thereof, as submitted by the Contractor and approved by the Engineer in accordance with Clause 16"

- General Conditions of Contract Clause 16 is deleted and replaced (2) by the following:
  - "16 (1) Within 7 days of acceptance of the Tender, the Contractor shall submit to the Engineer his proposed programme for approval as the initial Works Programme in the form and content prescribed by the Specification. Within 60 days of approval of the initial Works Programme in accordance with Clause 16(2) or such other period as may be prescribed in the Specification, the Contractor shall submit to the Engineer for his approval an expanded and more detailed version of the initial Works Programme in the form and content prescribed by the Specification.
    - The Engineer shall, within 30 days of receipt of any (2) programme submitted pursuant to this Clause 16. notify the Contractor in writing:
      - that the programme is approved; or
      - (b) that the programme is rejected, in which case reasons for such rejection shall be given, including indication of those parts of the programme with which the Engineer is not satisfied; or

(c) that further information is required to clarify or substantiate the programme or to satisfy the Engineer as to its reasonableness.

Provided that if none of the above actions is taken within the said period of 30 days the Engineer shall be deemed to have approved the programme submitted.

- (3) The Contractor shall within 21 days of receiving notification under Clause 16(2)(c), or within such further period as the Engineer may allow in writing, provide the further information requested failing which the programme shall, subject to the provisions of Clause 16(4), be deemed to have been rejected. The Engineer shall within 21 days of receipt of such further information approve or reject the programme in accordance with Clause 16(2).
- (4) If the Engineer is of the opinion that the Contractor has provided sufficient information to satisfy him as to the reasonableness of a substantial part of any programme submitted pursuant to this Clause 16, the Engineer may but shall not be bound to notify the Contractor in writing that the programme is approved notwithstanding the failure of the Contractor to provide all or any of the further information requested under Clause 16(2)(c) in respect of the remaining part of the programme.
- (5) In the event of a programme being rejected under Clause 16(2)(b) or deemed to have been rejected under Clause 16(3), the Contractor shall within 21 days thereafter submit a revised programme taking into account of the reasons given for the rejection or incorporating the further information requested by the Engineer, as the case may be.
- (6) (a) The Contractor may at any time following approval of a programme as the Works Programme submit to the Engineer an amended or varied version thereof.
  - (b) The Contractor shall review the Works Programme in the event that :

- (i) the Engineer grants an extension of time in accordance with Clause 50;
- (ii) the Engineer instructs steps be taken to expedite the completion of the Works or any Section thereof or the achievement of any Stage under Clause 51;
- (iii) the Engineer instructs a variation under Clause 60;
- (iv) the Contractor considers for any reason that there is or will be a significant deviation between the actual or anticipated progress of the Works and the Works Programme, including without limitation the Contractor foreseeing a substantial increase or decrease in the quantity of an item of work included in the Contract;
- (v) the Engineer requests the Contractor in writing to reflect or incorporate any other matter in the Works Programme;

and shall within 21 days of such event either submit an amended or varied programme to the Engineer in accordance with Clause 16(2) or inform the Engineer in writing of the reasons why the Contractor considers that such a submission is inappropriate.

**(7)** Should it appear to the Engineer at any time that there is or will be a significant deviation between the actual or anticipated progress of the Works and the Works Programme, the Engineer shall be entitled by written instruction to require the Contractor to produce a revised version showing such modifications to the Works Programme as may be necessary to ensure or to be consistent with substantial completion of the Works and all Sections and the achievement of all Stages by the Key Dates. Contractor shall submit such revised The programme within 14 days of the Engineer's instruction or within such other time as the Engineer shall allow in writing.

- (8) (a) Unless and until an amended version of the Works Programme is approved by the Engineer in accordance with this Clause 16, the programme previously approved by the Engineer shall remain as the Works Programme for all purposes of the Contract.
  - (b) Approval by the Engineer of a Works Programme in accordance with this Clause 16 shall not relieve the Contractor of any its duties or responsibilities under the Contract nor bind or create any obligation or liability on the part of the Employer nor, in the event that a Works Programme indicates that a Key Date has not or will not be met entitle the Contractor to an extension of time in relation to such Key Date.
- (9) Within 14 days of acceptance of the Tender, and thereafter at the end of each calendar month, the Contractor shall submit to the Engineer its three month rolling programme in the form and detail prescribed by the Specification setting out the work to be carried out during the following three months.
- (10)The Contractor shall submit to the Engineer (a) by the end of each monthly period (the first of such monthly periods to commence on the date for commencement of the Works) its Monthly Progress Report which shall, amongst other things, highlight actual or departures potential from the Works Programme and state the measures which the Contractor proposes to take in order to make good or reduce any delays.
  - (b) If requested by the Engineer, the Contractor shall submit to the Engineer at weekly intervals a written report as to the progress of off-Site manufacture of goods and materials."
- (3) General Conditions of Contract Clause 78 is amended by adding the following:

## **Marginal Notes Guidelines**

# S.C.C. A1 Programmes and progress reports

"(3) As a condition precedent to consideration by the Engineer of any sums due to the Contractor, each of such statement shall be accompanied by the Monthly Progress Report for the month to which the statement relates."

#### **Marginal Notes Guidelines**

#### S.C.C. A2 Facilities for and coordination with others

**(1)** General Conditions of Contract Clause 34 is deleted and replaced Facilities for and by the following:

coordination with others

Must be used with SCC A1 and A3 - A9

- "34 (1) In accordance with the Contract and/or the reasonable instructions of the Engineer, the Contractor shall not impede and shall afford all reasonable facilities, access and/or services to any person who may be carrying out, on or adjacent to the Site, any work not included in the Contract but required by the Employer, any utility undertaking or other duly constituted authority, [(including in particular but without limitation the following interfacing works which are more particularly described in the Specification:
  - (a) .....to be carried out by .....
  - (b) .....to be carried out by .....
  - (c) .....to be carried out by ...... $]^1$
  - The Contractor shall take all reasonable steps to (2) ensure that the Works are coordinated and integrated with the design and construction of such other work as referred to in Clause 34(1), and shall in particular (but without limitation) consult, liaise and cooperate with those responsible for carrying out such other work including where necessary in the preparation of joint programmes, method statements, coordination drawings and specifications.
  - (3) The Contractor shall be deemed to have made adequate allowance in his Tender and in the Works Programme in respect of his obligations under Clauses 34(1) and 34(2).

The words in square brackets at the end of Clause 34(1) should be incorporated only if Government is in a position to describe in sufficient details the "interfacing works" which are anticipated to have substantial interface with the Works.

#### S.C.C. A2 Facilities for and coordination with others

- (b) Without prejudice to the generality of Clauses 50, 63 and 64, if the Contractor considers that he has been requested or instructed to act in a manner which goes beyond his obligations under Clause 34(1) and if the Contractor considers that compliance with such request or instruction may entitle him to any extension of time and/or any additional payment of Cost, it shall be a condition precedent to any such entitlement that:
  - (i) the Contractor shall have notified the Engineer in writing prior to taking any such action that he considers such an entitlement may arise from the provision of such facilities, access and/or services, giving full particulars of the estimated duration of the delays and of the Cost which would be incurred; and
  - (ii) following receipt of such notice, the Engineer shall have instructed the Contractor in writing to take such action."
- (2) General Conditions of Contract Clause 63 is amended by replacing paragraph (d) with the following:
  - "(d) delay caused by any person or any company, not being a utility undertaking, engaged by the Employer in supplying materials or in executing work directly connected with but not forming part of the Works save to the extent that such delay was caused or contributed to by some default on the part of the Contractor (including without limitation any failure by the Contractor to comply with his obligations under Clause 34(1) or Clause 34(2), or by the Contractor complying with his obligations under Clause 34(1) or Clause 34(2), or

#### **Marginal Notes Guidelines**

#### S.C.C. A2 Facilities for and coordination with others

"[(3) The Contractor shall be entitled to the sums set out in the section of the Bills of Quantities concerning coordination with those responsible for carrying out the interfacing works referred to in General Conditions of Contract Clause 34(1), provided that the Contractor shall have fulfilled his obligations for each item to the satisfaction of the Engineer.]"<sup>2</sup>

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<sup>&</sup>lt;sup>2</sup> Sub-clause (3) should be included only if Government is in a position to describe in sufficient details the "interfacing works" which are anticipated to have substantial interface with the Works and an item (pre-priced by the Engineer) is included in the BQ to cover the cost of promoting and facilitating co-ordination with the contractors carrying out such "interfacing works"

#### **Marginal Notes Guidelines**

#### S.C.C. A3 Possession of site

(1) General Conditions of Contract Clause 1(1) is amended by Possession of Site adding the following:

Must be used with SCC A1 – A2 and A4 – A9

- ""Portion Handover Date" means a date identified as such in the Appendix to the Form of Tender for possession of a Portion to be made available to or relinquished by the Contractor, as the same may be deferred by the Engineer in accordance with Clause 48(5)(a)."
- (2) General Conditions of Contract Clause 48 is deleted and replaced by the following:
  - "48 (1) The Contract may prescribe:
    - (a) the Portions of the Site to which the Contractor is intended to be given possession from time to time;
    - (b) the periods during which possession of such Portions of the Site is intended to be made available to the Contractor and the respective Portion Handover Dates;
    - (c) the order in which the Works shall be executed;
    - (d) the availability and nature of the access which is to be provided by the Employer;
    - (e) the availability and nature of the access which the Contractor is to provide to others;
    - (f) the use which the Contractor may make of such Portions of the Site.

(2) The Employer shall give to the Contractor on the date for commencement of the Works notified by the Engineer in accordance with Clause 47 possession of so much of the Site and access thereto as may be required to enable the Contractor to commence and proceed with the construction of the Works in accordance with the Works Programme and shall from time to time, as the Works proceed, give to the Contractor possession of such further parts of the Site and such further access as may be required to enable the Contractor to proceed with the construction of the Works with due despatch in accordance with the Works Programme.

#### Provided always that:

- (a) the Employer shall not in any event be obliged to give to the Contractor possession of a Portion of the Site or any part thereof or access thereto earlier or for a longer period than is prescribed pursuant to Clause 48(1); and
- (b) the Employer may, on or at any time after the date for commencement of the Works notified by the Engineer in accordance with Clause 47, give the Contractor possession of any or all of the Portions of the Site, or of any part thereof, before the date prescribed pursuant to Clause 48(1) for such possession to be given to the Contractor.

Provided further that the Contractor shall not be entitled to any extension of time or additional payment by reason of the Contractor being given early possession of the Site or any Portion or part thereof in accordance with Clause 48(2)(b).

(3) Unless the Contract expressly provides to the contrary the Contractor shall not be entitled to exclusive possession of or uninterrupted access to the Site or any Portion or part of the Site and shall co-ordinate its activities with others on or in the vicinity of Site as described in Clause 34 and elsewhere in the Contract

- (4) Subject to Clause 64, if the Engineer is of the opinion that the Contractor has been involved in additional expenditure by reason of the progress of the Works or any part thereof having been materially affected by the failure of the Employer to give possession of or access to the Site or any Portion or part thereof in accordance with this Clause 48 then the Engineer shall as soon as reasonably practicable ascertain the Cost incurred, and shall certify in accordance with Clause 79.
- (5) In the event that a Portion Handover Date is prescribed pursuant to Clause 48(1) for the release by the Contractor of a Portion of the Site:
  - (a) the Contractor shall relinquish possession of the relevant Portion of the Site on the Portion Handover Date unless the Engineer shall have deferred the Portion Handover Date by prior notice in writing. Such a notice shall not in any event constitute a variation within the meaning of Clause 60; and
  - (b) the Contractor shall, subject to any express provision of the Contract or written instruction of the Engineer to the contrary, clear away and remove from the relevant Portion of the Site before the Portion Handover Date all Constructional Plant, temporary buildings, surplus materials and all rubbish of any kind whatsoever. If the Contractor should fail to do so, the Employer may exercise the powers set out in Clauses 73(2)(a) and (b).
- (6) (a) If the Engineer is of the opinion that the Contractor has been involved in additional expenditure by reason of the Engineer's decision under Clause 48(5)(a) to defer any Portion Handover Date, the Engineer shall ascertain the Cost incurred and certify payment to the Contractor.

- (b) Any payment made in accordance with Clause 48(6)(a) shall be deemed to be in full compensation to the Contractor of any expenditure incurred by reason of the Engineer's decision under Clause 48(5)(a) to defer the Portion Handover Date. The Contractor shall be entitled to no further payment whatsoever or extension of any Key Date by reason of the Engineer's decision under Clause 48(5)(a) to defer the Portion Handover Date.
- (7) The Contractor shall bear all expenses and charges for special or temporary wayleaves required by him in connection with access to the Site.
- Notwithstanding sub-clause (4) of this Clause, with (8) respect to prescribed Portions of the Site of which the Contractor is to be given possession from time to time. if the Contractor suffers delay from failure on the part of the Employer to give possession of any Portion in accordance with the terms of the Contract and the Engineer grants an extension of time for completion [of the Works or, as the case may be, the relevant Section in accordance with General Conditions of Contract Clause 50]<sup>+</sup> in respect thereof, the Engineer shall certify payment to the Contractor a sum calculated at the rate per day inserted by the Contractor in the Bills of Quantities (hereinafter referred to as "the specified rate"), the number of days for which payment is certified being equal to the number of days granted as an extension of time. If possession of part of any Portion of the Site is delayed the Engineer shall reduce the specified rate for the affected Portion as he considers fair and reasonable having regard to all the circumstances.

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<sup>&</sup>lt;sup>+</sup> Where sectional completion is envisaged.

) Not part of ) the SCC

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#### S.C.C. A3 Possession of site

(9) Any extension of time for completion [of the Works or, as the case may be, the relevant Section]<sup>+</sup> granted in accordance with General Conditions of Contract Clause 50 and any payment made in accordance with sub-clause (8) of this Clause shall be deemed to be in full compensation to the Contractor for whatever claims that it may have as a result of failure on the part of the Employer to give possession of any Portion or any part of any Portion."

[Note:

- (1) Sub-clauses (8) and (9) should only be used for contracts where delay in possession of the Site is envisaged.
- (2) If sub-clauses (8) and (9) are used, there is no need to use SCC 8 of the WB Library of Standard SCCs (Delayed Possession of Portion of the Site)].

+Under GCC Clause 50, EOT could be granted for completion of the Works/Section as well as achievement of a Stage on the ground of non-possession of the Site or any Portion or part thereof. Sub-clauses (8) and (9) only make reference to EOT for completion of the Works or the relevant Section because, it is submitted, EOT for achievement of a Stage is irrelevant for the purposes of sub-clauses (8) and (9).

- (3) General Conditions of Contract Clause 13 is amended by replacing sub-clause (1) with the following:
  - "13 (1) The Contractor shall be deemed to have examined and inspected the Site and its surroundings and to have satisfied himself, before submitting his Tender, as regards existing roads or other means communication with and access to the Site, the possibility of interference by persons other than the Employer who will also have access to or use of the Site or any Portion or part thereof after the Employer has given the Contractor possession of the Site or, as the case may be, the relevant Portion or part, the nature of the ground and sub-soil, the form and nature of the Site, the risk of injury or damage to property, the nature of materials (whether natural or otherwise) to be excavated, the nature of the work, and materials necessary for the execution of the Works, the accommodation he may require and generally to have obtained his own information on all matters affecting his Tender and the execution of the Works"
- (4) General Conditions of Contract Clause 20 is deleted and replaced by the following:

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<sup>&</sup>lt;sup>+</sup> Where sectional completion is envisaged.

- "20 (1) The Contractor shall throughout the continuance of the Contract and the progress of the Works take full responsibility for the adequate stability and safety of all operations on the Site other than those of Specialist Contractors and utility undertakings and have full regard for the safety of all persons on the Site. The Contractor shall keep the Site and the Works in an orderly state appropriate to the avoidance of danger to all persons.
  - (2) The Contractor shall in connection with the Works or for the purpose of the Contract provide and maintain all lights, guards, fences and warning signs and provide watchmen when and where necessary or required by the Engineer or by any competent statutory or other authority for the protection of the Works or the Site or for the safety and convenience of the public or others.
  - (3) The Contractor shall ensure that all parts of the Site where work is being carried out are so lighted as to ensure the safety of all persons on or in the vicinity of the Site and of such work.
  - (4) The Contractor, after obtaining any necessary approval from any relevant authority, shall submit to the Engineer proposals showing the layout of pedestrian routes, lighting, signing and guarding for any road opening or traffic diversion which may be required in connection with the execution of the Works or otherwise required for the purposes of the Contract. No such road opening or traffic diversion shall be brought into operation or use unless the proposals submitted have been previously approved by the Engineer and properly provided and implemented on the Site."
- (5) General Conditions of Contract Clause 21(1) is amended by appending the following:

"And provided further that if the Engineer has decided under Clause 48(5)(a) to defer any Portion Handover Date to a date later than 28 days after the date of completion of the Works certified by the Engineer in accordance with Clause 53, the Contractor shall continue to be responsible for the care of the part of the Works on the relevant Portion and for the care of all things which are required to be retained on the relevant Portion by reason of the Engineer's decision under Clause 48(5)(a) to defer the Portion Handover Date until and including the deferred date of relinquishment."

- (6) General Conditions of Contract Clause 22 is amended by replacing sub-clause (1) with the following:
  - "(1) The Contractor shall, except if and so far as the Contract otherwise provides, indemnify and keep indemnified the Employer against all losses and claims for injury or damage to any person or property whatsoever, other than surface or other damage to land or crops on the Site, which may arise out of or in consequence of the execution of the Works or the carrying out of the Contract and against all claims, demands, proceedings, damages, costs, charges and expenses whatsoever in respect thereof or in relation thereto."

[Note: If the Contractor in respect of a particular project is required to take out care of the Works insurance, SCC11 in the Works Bureau Library of Standard Special Conditions of Contract, as amended along the following lines, should be adopted.]

) Not part of ) the SCC

"SCC[ ]

- Without limiting the Contractor's obligations Care of the works (1) and responsibilities under General Conditions insurance of Contract Clause 21, the Contractor shall procure before the date for commencement of the Works in the joint names of the Contractor and the Employer, an insurance policy with an insurer and in terms approved by **Employer** (which approval shall not unreasonably be withheld). The Contractor shall also assess the value of Specialist Works. The insurance policy shall be consistent with the terms in the specimen in the Appendix to these Conditions and shall at least cover the risks stipulated therein. The insurance policy shall cover the period from the date for commencement of the Works until 28 days after the date of completion of the Works certified by the Engineer in accordance with General Conditions of Contract Clause 53 or. where the Engineer has decided under General Conditions of Contract Clause 48 (5)(a) to defer any Portion Handover Date to a date later than 28 days after the date of the completion of the Works certified by the Engineer accordance with in Conditions of Contract Clause 53, until and including the deferred date of relinquishment. The Contractor shall lodge with the Employer through the Engineer or the Engineer's Representative the originals or certified true copies of the policy or policies of insurance and copies of the receipts for payment of the current premiums.
- (2) The extent of the cover to be provided shall
  - The Works and Specialist Works to the (a) full reinstatement value; and
  - materials, Constructional Plant and other (b) things brought on the Site by anyone so authorized to do so to the full value of such materials, Constructional Plant and other things."

#### **Marginal Notes** Guidelines

#### S.C.C. A4 Extension of time

(1) General Conditions of Contract Clause 50 is deleted and replaced Extension of time by the following:

Must be used with SCC A1 - A3 and A5 - A9

"50 (1) (a) As soon as practicable but in any event within 28 days after the cause of any delay to the progress of the Works or any Section thereof or to the achievement of any Stage has arisen, the Contractor shall give notice in writing to the Engineer of the cause and probable extent of the delay.

Provided that as soon as the Contractor can reasonably foresee that any order or instruction issued by the Engineer is likely to cause a delay to the progress of the Works or any Section thereof or to the achievement of any Stage the Contractor shall forthwith give notice in writing to the Engineer and specify the probable effect and extent of such delay. Such notice shall not in any event be given later than 28 days after the Engineer has issued the relevant order or instruction.

- (b) If in the opinion of the Engineer the cause of the delay is:
  - (i) inclement weather and/or its consequences adversely affecting the progress of the Works, or
  - (ii) the hoisting of tropical cyclone warning signal No. 8 or above, or
  - (iia) a Black Rainstorm Warning, or
  - (iii) an instruction issued by the Engineer under Clause 5, or
  - (iv) a variation ordered under Clause 60, or
  - (v) a substantial increase in the quantity of any item of work included in the Contract not resulting from a variation ordered under Clause 60, or

- (vi) the Contractor not being given possession of or access to the Site or any Portion or part thereof in accordance with the Contract or is subsequently deprived of it by the Employer, or
- (vii) a disturbance to the progress of the Works for which the Employer or the Engineer or a Specialist Contractor is responsible including but not restricted to any matter referred to in Clause 63, or
- (viii) the Engineer suspending the Works in accordance with Clause 54 in so far as the suspension is not occasioned by the circumstances described in Clause 54(2)(a) to (d), or
- (ix) any utility undertaking or other duly constituted authority failing to commence or to carry out in due time any work directly affecting the execution of the Works, provided that the Contractor has taken all practical steps to cause the utility undertaking or duly constituted authority to commence or to proceed with such work, or
- (x) the imposition by the Engineer of requirements or limitations in relation to the Contractor's methods of construction, in the circumstances described in Special Conditions of Contract Clause A9, or
- (xi) the provision of facilities, access and/or services to the Employer or third parties in excess of the obligations of the Contractor under Clause 34(1) pursuant to an instruction of the Engineer in accordance with Clause 34(3)(b), or
- (xii) delay on the part of any Nominated Sub-contractor for any reason specified in sub-clauses (b)(i) to (xi) of this Clause and which the Contractor has taken all reasonable steps to avoid or reduce, or

(xiii) any special circumstance of any kind whatsoever,

then the Engineer shall in accordance with Clause 50(3) consider whether the Contractor is fairly entitled to an extension of the Key Dates.

- (c) Notwithstanding the powers of the Engineer under the provisions of this Clause to decide whether the Contractor is fairly entitled to an extension of time the Contractor shall not be entitled to an extension of time if the cause of the delay is:
  - (i) a suspension occasioned by the circumstances described in Clause 54(2)(a) to (d), or
  - (ii) a shortage of Constructional Plant or labour, or
  - (iii) interference by reason of the provision of facilities, access and/or services to the Employer or third parties in accordance with the Contractor's obligations under Clause 34(1), or
  - (iv) inclement weather (but not including Black Rainstorm Warning and the hoisting of tropical cyclone warning signal No. 8 or above) and/or its consequences adversely affecting the progress of the Works or any Section thereof or the achievement of any Stage occurring on or after the date identified in the Appendix to the Form of Tender or on or after the date to which extension of time has been granted under this Clause for completion of the Works or the relevant Section or, as the case may be, for achievement of the relevant Stage.
- (2) The Contractor shall use and continue to use all reasonable endeavours to avoid or reduce the effects of a cause of delay to the progress of the Works or any Section or to the achievement of any Stage and as soon as practicable but in any event within 28 days of notification under Clause 50(1) submit by further written notice to the Engineer:

- (a) full and detailed particulars of the cause and actual or likely extent of the delay to the progress of the Works or any Section or to the achievement of any Stage; or
- where a cause of delay has a continuing effect or where the Contractor is unable to determine whether the effect of a cause of delay will actually cause delay to the progress of the Works or any Section or to the achievement of any Stage, such that it is not practicable for the Contractor to submit full and detailed particulars in accordance with Clause 50(2)(a), a statement to that effect with reasons together with interim written particulars (including details of the likely consequences of the cause of delay on progress of the Works and an estimate of the likelihood or likely extent of the delay); the Contractor shall thereafter submit to the Engineer at intervals of not more than 28 days further interim written particulars until the actual or likely delay caused (if any) is ascertainable, whereupon the Contractor shall as soon as practicable but in any event within 28 days submit to the Engineer full and detailed particulars of the cause and actual or likely extent of the delay; and
- (c) details of the measures which the Contractor has adopted and/or proposes to adopt to avoid or reduce the effects of such cause of delay to the progress of the Works or any Section or to the achievement of any Stage.
- (3) If in accordance with Clause 50(1)(b) the Engineer considers that the Contractor is using and will continue to use all reasonable endeavours to make good any delay, and that the Contractor is fairly entitled to an extension of the Key Dates, the Engineer shall within 28 days or such further time as may be reasonable in the circumstances of:
  - (a) receipt of final full and detailed particulars of the cause and actual or likely effect of any delaying factor, or

(b) where a cause of delay has a continuing effect or where the Engineer anticipates a significant delay before the actual or likely effect of a cause of delay becomes ascertainable and the Engineer considers an interim extension of time should be granted, receipt of such particulars as in the Engineer's opinion are sufficient for him to determine such an interim extension of time.

determine, grant and notify in writing to the Contractor such extension. The Engineer in determining any extension shall take into account all the circumstances known to him at that time, including in particular but without limitation the effect of any omission of work or part of any Stage, or substantial decrease in the quantity of any item of work.

#### Provided that:

- (i) the Engineer may at any time following notification of a cause of delay under Clause 50(1)(a) determine and notify the Contractor in writing as to whether or not the said cause of delay constitutes a potential ground upon which an extension of time may be granted in accordance with Clause 50(1)(b) and the foregoing provisions of Clause 50(3);
- (ii) the Engineer may in the absence of any claim assess and determine the delay that he considers has been suffered by the Contractor as a result of any of the events described in Clause 50(1)(b) in which case he shall determine, grant and notify in writing to the Contractor any such extension he considers appropriate;
- (iii) notwithstanding Clause 50(2) and the foregoing provisions of this Clause 50(3), the Engineer may in the event of failure by the Contractor to comply with the provisions of Clause 50(2) consider such extension to the extent that the Engineer is able on the information available.

- (4) If the Engineer decides that the Contractor is not entitled to an extension, the Engineer shall as soon as reasonably practicable notify the Contractor in writing accordingly.
- (5) (a) Without prejudice to the Engineer's powers pursuant to Clause 50(3)(b), the Contractor shall not be entitled to an extension of time by reason of any delay unless such delay actually affects substantial completion of the Works or any Section or achievement of any Stage by the relevant Key Date.
  - (b) Any extension to a Key Date shall not of itself entitle the Contractor to an extension to any other Key Date.
- (6) The Engineer shall within 28 days of the issue of either the certificate of completion of the Works or, in the event of division of the Works into Sections, of the certificate of completion of the last Section review and finally determine and certify the overall extension of time (if any) to which he considers the Contractor is entitled in respect of the Works or any Section or any Stage. Such final review shall not result in a decrease in any extension of time already granted by the Engineer under Clause 50(3).
- (7) For the avoidance of doubt if the Engineer grants an extension of time in respect of a cause of delay occurring after the Employer is entitled to recover liquidated damages in respect of the Works or any Section or any Stage, the period of extension of time granted shall be added to the relevant Key Date identified in the Appendix to the Form of Tender or, if the same has been extended in accordance with this Clause 50, the relevant previously extended Key Date.

- (8) Except as provided elsewhere in the Contract, any extension of time granted by the Engineer to the Contractor shall be deemed to be in full compensation and satisfaction for any loss or injury sustained or sustainable by the Contractor in respect of any matter or thing in connection with which such extension shall have been granted and every extension shall exonerate the Contractor from any claim or demand on the part of the Employer for the delay during the period of such extension but not for any delay continued beyond such period.
- (9) For the purpose of this Clause, "Black Rainstorm Warning" means a warning issued by the Director of Hong Kong Observatory of a heavy rainstorm in, or in the vicinity of, Hong Kong by the use of the heavy rainstorm signal commonly referred to as "Black"."

#### **Marginal Notes Guidelines**

#### S.C.C. A4A Extension of time (alternative version)

- (1) General Conditions of Contract Clause 50 is deleted and replaced Extension of time by the following:
  - "50 (1) (a) As soon as practicable but in any event within 28 days after the cause of any delay to the progress of the Works or any Section thereof or to the achievement of any Stage has arisen, the Contractor shall give notice in writing to the Engineer of the cause and probable extent of the delay.

Provided that as soon as the Contractor can reasonably foresee that any order or instruction issued by the Engineer is likely to cause a delay to the progress of the Works or any Section thereof or to the achievement of any Stage the Contractor shall forthwith give notice in writing to the Engineer and specify the probable effect and extent of such delay. Such notice shall not in any event be given later than 28 days after the Engineer has issued the relevant order or instruction.

- (b) If in the opinion of the Engineer the cause of the delay is:
  - (i) the hoisting of tropical cyclone warning signal No. 8 or above, or
  - (ii) a Black Rainstorm Warning, or
  - (iii) an instruction issued by the Engineer under Clause 5, or
  - (iv) a variation ordered under Clause 60, or
  - (v) a substantial increase in the quantity of any item of work included in the Contract not resulting from a variation ordered under Clause 60, or

Approval from Head of Department required for use of this SCC clause and details are to be submitted to S for W for endorsement

Must be used with SCC A1 – A3 and A5 – A9

- (vi) the Contractor not being given possession of or access to the Site or any Portion or part thereof in accordance with the Contract or is subsequently deprived of it by the Employer, or
- (vii) a disturbance to the progress of the Works for which the Employer or the Engineer or a Specialist Contractor is responsible including but not restricted to any matter referred to in Clause 63, or
- (viii) the Engineer suspending the Works in accordance with Clause 54 in so far as the suspension is not occasioned by the circumstances described in Clause 54(2)(a) to (d), or
- (ix) any utility undertaking or other duly constituted authority failing to commence or to carry out in due time any work directly affecting the execution of the Works, provided that the Contractor has taken all practical steps to cause the utility undertaking or duly constituted authority to commence or to proceed with such work, or
- (x) the imposition by the Engineer of requirements or limitations in relation to the Contractor's methods of construction, in the circumstances described in Special Conditions of Contract Clause A9, or
- (xi) the provision of facilities, access and/or services to the Employer or third parties in excess of the obligations of the Contractor under Clause 34(1) pursuant to an instruction of the Engineer in accordance with Clause 34(3)(b), or

- (xii) inclement weather (but not including Black Rainstorm Warning and the hoisting of tropical cyclone warning signal No. 8 or above) and/or its consequences adversely affecting the progress of the Works or any Section thereof or the achievement of any Stage occurring after the date identified in the Appendix to the Form of Tender for completion of the Works or the relevant Section or, as the case may be, for achievement of the relevant Stage but before the Employer is entitled to recover liquidated damages in respect of the Works or the relevant Section or, as the case may be, the relevant Stage, or
- (xiii) delay on the part of any Nominated Sub-contractor for any reason specified in sub-clauses (b)(i) to (xii) of this Clause and which the Contractor has taken all reasonable steps to avoid or reduce, or
- (xiv) any special circumstance of any kind whatsoever,

then the Engineer shall in accordance with Clause 50(3) consider whether the Contractor is fairly entitled to an extension of the Key Dates.

- (c) Notwithstanding the powers of the Engineer under the provisions of this Clause to decide whether the Contractor is fairly entitled to an extension of time the Contractor shall not be entitled to an extension of time if the cause of the delay is:
  - (i) a suspension occasioned by the circumstances described in Clause 54(2)(a) to (d), or
  - (ii) a shortage of Constructional Plant or labour, or

- (iii) interference by reason of the provision of facilities, access and/or services to the Employer or third parties in accordance with the Contractor's obligations under Clause 34(1), or
- (iv) inclement weather (but not including Black Rainstorm Warning and the hoisting of tropical cyclone warning signal No. 8 or above) and/or its consequences adversely affecting the progress of the Works or any Section thereof or the achievement of any Stage occurring on or before the date identified in the Appendix to the Form of Tender for completion of the Works or the relevant Section or, as the case may be, for achievement of the relevant Stage.
- (2) The Contractor shall use and continue to use all reasonable endeavours to avoid or reduce the effects of a cause of delay to the progress of the Works or any Section or to the achievement of any Stage and as soon as practicable but in any event within 28 days of notification under Clause 50(1) submit by further written notice to the Engineer:
  - (a) full and detailed particulars of the cause and actual or likely extent of the delay to the progress of the Works or any Section or to the achievement of any Stage; or

- where a cause of delay has a continuing effect or where the Contractor is unable to determine whether the effect of a cause of delay will actually cause delay to the progress of the Works or any Section or to the achievement of any Stage, such that it is not practicable for the Contractor to submit full and detailed particulars in accordance with Clause 50(2)(a). a statement to that effect with reasons together with interim written particulars (including details of the likely consequences of the cause of delay on progress of the Works and an estimate of the likelihood or likely extent of the delay); the Contractor shall thereafter submit to the Engineer at intervals of not more than 28 days further interim written particulars until the actual or likely delay caused (if any) is ascertainable, whereupon the Contractor shall as soon as practicable but in any event within 28 days submit to the Engineer full and detailed particulars of the cause and actual or likely extent of the delay; and
- (c) details of the measures which the Contractor has adopted and/or proposes to adopt to avoid or reduce the effects of such cause of delay to the progress of the Works or any Section or to the achievement of any Stage.
- (3) If in accordance with Clause 50(1)(b) the Engineer considers that the Contractor is using and will continue to use all reasonable endeavours to make good any delay, and that the Contractor is fairly entitled to an extension of the Key Dates, the Engineer shall within 28 days or such further time as may be reasonable in the circumstances of:
  - (a) receipt of final full and detailed particulars of the cause and actual or likely effect of any delaying factor, or

(b) where a cause of delay has a continuing effect or where the Engineer anticipates a significant delay before the actual or likely effect of a cause of delay becomes ascertainable and the Engineer considers an interim extension of time should be granted, receipt of such particulars as in the Engineer's opinion are sufficient for him to determine such an interim extension of time,

determine, grant and notify in writing to the Contractor such extension. The Engineer in determining any extension shall take into account all the circumstances known to him at that time, including in particular but without limitation the effect of any omission of work or part of any Stage, or substantial decrease in the quantity of any item of work.

#### Provided that:

- (i) the Engineer may at any time following notification of a cause of delay under Clause 50(1)(a) determine and notify the Contractor in writing as to whether or not the said cause of delay constitutes a potential ground upon which an extension of time may be granted in accordance with Clause 50(1)(b) and the foregoing provisions of Clause 50(3);
- (ii) the Engineer may in the absence of any claim assess and determine the delay that he considers has been suffered by the Contractor as a result of any of the events described in Clause 50(1)(b) in which case he shall determine, grant and notify in writing to the Contractor any such extension he considers appropriate;
- (iii) notwithstanding Clause 50(2) and the foregoing provisions of this Clause 50(3), the Engineer may in the event of failure by the Contractor to comply with the provisions of Clause 50(2) consider such extension to the extent that the Engineer is able on the information available.

- (4) If the Engineer decides that the Contractor is not entitled to an extension, the Engineer shall as soon as reasonably practicable notify the Contractor in writing accordingly.
- (5) (a) Without prejudice to the Engineer's powers pursuant to Clause 50(3)(b), the Contractor shall not be entitled to an extension of time by reason of any delay unless such delay actually affects substantial completion of the Works or any Section or achievement of any Stage by the relevant Key Date.
  - (b) Any extension to a Key Date shall not of itself entitle the Contractor to an extension to any other Key Date.
- (6) The Engineer shall within 28 days of the issue of either the certificate of completion of the Works or, in the event of division of the Works into Sections, of the certificate of completion of the last Section review and finally determine and certify the overall extension of time (if any) to which he considers the Contractor is entitled in respect of the Works or any Section or any Stage. Such final review shall not result in a decrease in any extension of time already granted by the Engineer under Clause 50(3).
- (7) For the avoidance of doubt if the Engineer grants an extension of time in respect of a cause of delay occurring after the Employer is entitled to recover liquidated damages in respect of the Works or any Section or any Stage, the period of extension of time granted shall be added to the relevant Key Date identified in the Appendix to the Form of Tender or, if the same has been extended in accordance with this Clause 50, the relevant previously extended Key Date.

## S.C.C. A4A Extension of time (alternative version)

- (8) Except as provided elsewhere in the Contract, any extension of time granted by the Engineer to the Contractor shall be deemed to be in full compensation and satisfaction for any loss or injury sustained or sustainable by the Contractor in respect of any matter or thing in connection with which such extension shall have been granted and every extension shall exonerate the Contractor from any claim or demand on the part of the Employer for the delay during the period of such extension but not for any delay continued beyond such period.
- (9) For the purpose of this Clause, "Black Rainstorm Warning" means a warning issued by the Director of Hong Kong Observatory of a heavy rainstorm in, or in the vicinity of, Hong Kong by the use of the heavy rainstorm signal commonly referred to as "Black"."

# S.C.C. A5 Liquidated damages for delay

- (1) General Conditions of Contract Clause 52 is deleted and replaced Liquidated damages by the following: for delay
  - Liquidated damages Must be used with SCC A1 A4 and A6 A9
  - "52 (1) If the Contractor fails to achieve any Stage or complete the Works or, where the Works are divided into Sections, any Section by the relevant Key Date, then the Employer shall be entitled to recover from the Contractor liquidated damages, and may but shall not be bound to deduct such damages either in whole or in part, in accordance with the provisions of Clause 83. The payment of such damages shall not relieve the Contractor from his obligation to complete the Works or from any other of his obligation under the Contract.
    - (2) (a) The liquidated damages shall be calculated using the rate per day prescribed in the Appendix to the Form of Tender, either for the Works or for the relevant Section or Stage, whichever is applicable.

Provided that, if the Engineer:

- (i) certifies completion under Clause 53(5) of any part of the Works before completion of the Works or, where the Works are divided into Sections, any part of any Section before the completion of the whole thereof, or
- (ii) certifies achievement under Clause 53(9) of any part of any Stage before achievement of the Stage,

then the daily rate of liquidated damages for the Works, the relevant Section or the relevant Stage, as the case may be, shall from the date of such certification be reduced in the proportion which the value of the part so certified bears to the value of the Works, the relevant Section or the relevant Stage, as applicable, both values as of the date of such certification shall be determined by the Engineer.

# S.C.C. A5 Liquidated damages for delay

- The obligations to achieve any Stage and to complete the Works or, where the Works are divided into Sections, any Section by the relevant Key Dates are separate obligations of the Contractor. The Contractor acknowledges that the liquidated damages have been estimated by the Employer on the basis of damages likely to be suffered as a result of failure to meet any relevant Key Date irrespective of and independent from any damages which are likely to be suffered as a result of failure to meet any other Key Date. Liquidated damages attributed to separate Key Dates may, therefore, run concurrently.
- (3) The period for which liquidated damages shall be calculated shall be the number of days from the relevant Key Date until and including the date when the Works are completed or, where the Works are divided into Sections, the relevant Section is completed or, as the case may be, the relevant Stage is achieved

Provided that, if the Engineer subsequently grants an extension of time which affects the period described above, then the Employer shall reimburse the Contractor the liquidated damages for the number of days so affected at the rate described in sub-clause (2) of this Clause together with interest at the rate provided for in Clause 79(4) within 28 days of the granting of such extension of time.

- (4) All monies payable by the Contractor to the Employer pursuant to this Clause shall be paid as liquidated damages for delay and not as a penalty."
- "[(5) Notwithstanding the proviso to Clause 52(2)(a) the resulting daily rate of liquidated damages for the Works, any Section or any Stage after reduction in accordance with that proviso shall not be less than the minimum rate per day of liquidated damages for the Works, the relevant Section or the relevant Stage, as the case may be, as stated in the Appendix to the Form of Tender.]\*"

[Note: \*Sub-clause (5) should be deleted if no minimum liquidated damages is specified in the Appendix to the Form of Tender.]

) Not part of ) the SCC

## **Marginal Notes Guidelines**

### S.C.C. A6 Variations

(1) General Conditions of Contract Clause 60 is deleted and Variations replaced by the following:

Must be used with SCC A1 – A5 and A7 – A9

- "60 (1) The Engineer shall order any variation to any part of the Works or any Stage that is in his opinion necessary for the completion of the Works or for the achievement of any Stage and may order any variation that is in his opinion desirable to achieve satisfactory or timely completion, or improved or more economic functioning of the Works or to achieve satisfactory or timely achievement of any Stage, or on aesthetic grounds. Such variations may include:
  - (a) additions, omissions, substitutions, alterations, changes in quality, form, character, kind, position, dimension, level or line;
  - (b) changes to any sequence, method or timing of construction specified in the Contract; and
  - (c) changes to any Portion or part of the Site or access thereto,

and may be ordered during the Maintenance Period.

- (2) No such variation shall be made by the Contractor without an order in writing, in the form specified in Appendix \_\_\_\_ hereto, by the Engineer. No variation shall in any way vitiate or invalidate the Contract, but the value of all such variations determined in accordance with Clause 61 shall be taken into account by the Engineer in ascertaining the Final Contract Sum.
- (3) The Employer may procure that work omitted as a variation to the Works pursuant to an order under Clause 60(1) be carried out by another contractor provided always that:

) Fill in the ) Appendix ) No.

#### S.C.C. A6 Variations

- (a) upon such omitted work being let to another contractor, the Engineer shall, subject to the provisions of Clause 60(4), determine a fair amount in respect of the profit reasonably anticipated by the Contractor in respect of such omitted work as at the time of the relevant variation order and shall make such revision to the Final Contract Sum; and
- (b) if the effect of the omission of such work would be to reduce an extension of time to which the Contractor would otherwise have been entitled had no such variation been ordered, the Engineer shall take the effect of such omission into account and, subject to the provisions of Clause 50, grant such extension of time (if any) so as to put the Contractor in no better and no worse position than if the said variation had not been ordered
- (4) Sub-clause (3)(a) of this Clause shall have no application if the omitted work is let to another contractor after the issue of the certificate of completion of the Works or earlier termination of the Contract or determination of the Contractor's employment, entry and expulsion in accordance with Clause 81. In the event of different certificates of completion having been issued for different Sections or parts of the Works pursuant to Clause 53, the expression "certificate of completion" shall for the purpose of this sub-clause, mean the last of such certificates.
- (5) An instruction of the Engineer requiring the Contractor to comply with his obligations under Clause 30 or arising from a breach or apprehended breach by the Contractor of his obligations under Clause 30, shall not under any circumstances constitute a variation for the purposes of this Clause 60.
- (6) The Engineer may order a variation to any part of the outstanding work referred to in Clause 53 during the Maintenance Period if such a variation shall in the opinion of the Engineer be desirable for or to achieve the satisfactory completion and functioning of the Works."

#### S.C.C. A7 **Stages and Key Dates**

- **(1)** General Conditions of Contract Clause 1(1) is amended by Stages and Key adding the following:
  - Dates

Must be used with SCC A1 -A6 and A8 -Α9

- ""Key Date" means a date identified as such in the Appendix to the Form of Tender as the same may be extended in accordance with Clause 50
- "Stage" means a degree of achievement in the execution of the Works identified as such and more particularly described in the Specification for which a Key Date for the achievement thereof is stipulated in the Appendix to the Form of Tender."
- **(2)** General Conditions of Contract Clause 1(1) is amended by replacing the definition of "Section" with the following:
  - " "Section" means a part of the Works identified as such and more particularly described in the Specification for which a Key Date for the completion thereof is stipulated in the Appendix to the Form of Tender."
- General Conditions of Contract Clause 49(1) is deleted and (3) replaced by the following:
  - "49 (1) The Works and any Section thereof shall be completed and any Stage shall be achieved by the respective Key Dates thereof."
- **(4)** General Conditions of Contract Clause 51(1) is deleted and replaced by the following:
  - "51 (1) If the rate of progress of the Works or any Section thereof or any Stage is at any time in the opinion of the Engineer too slow to ensure completion of the Works or any Section thereof or the achievement of any Stage by the relevant Key Date, the Engineer may so inform the Contractor in writing and the Contractor shall immediately take such steps as are necessary to expedite the completion of the Works or any Section thereof or the achievement of any Stage by the relevant Key Date. The Contractor shall inform the Engineer of such proposed steps and review the Works Programme in accordance with Clause 16(6)(b)(ii)."

## S.C.C. A7 Stages and Key Dates

- (5) General Conditions of Contract Clause 53 is amended by adding the following:
  - "53 (8) When a Stage has been achieved and has satisfactorily passed any test that may be prescribed by the Contract, the Contractor may serve notice in writing to that effect on the Engineer, accompanied by an undertaking to carry out any outstanding work as soon as practicable but in any event within 42 days of issue of the certificate of achievement, requesting the Engineer to issue a certificate of achievement in respect of that Stage. The Engineer shall within 21 days of the date of receipt of such notice either:
    - (a) issue a certificate of achievement stating the date on which, in the Engineer's opinion, the Stage was achieved in accordance with the Contract, or
    - (b) issue instructions in writing to the Contractor specifying all the work which, in the Engineer's opinion, is required to be done by the Contractor before such certificate of achievement can be issued, in which case the Contractor shall be entitled to receive such certificate of achievement within 14 days of carrying out to the satisfaction of the Engineer the works specified by the said instructions
    - (9) (a) The Engineer shall give a certificate of achievement in respect of any part of any Stage which has been achieved to the satisfaction of the Engineer and is required by the Employer for occupation or use or by any utility undertaking or other duly constituted authority for carrying out on or adjacent to the Site any work not included in the Contract but required by the Employer before achievement of the Stage.

## S.C.C. A7 Stages and Key Dates

- The Engineer, following a written request by the Contractor, may give a certificate of achievement in respect of any part of any Stage which has been achieved to the satisfaction of the Engineer before achievement of the Stage and is capable of occupation and/or use by the Employer for any purpose or capable of occupation and/or use by any utility undertaking or other duly constituted authority for carrying out on or adjacent to the Site any work not included in the Contract but required by the Employer.
- (10) Achievement of a Stage shall not of itself constitute completion or substantial completion of a part of the Works for the purposes of Clause 53(5)."
- (6) General Conditions of Contract Clause 63(a) is deleted and replaced by the following:
  - "63 (a) the Contractor not having received in due time necessary instructions, orders, directions, decisions, Drawings, specifications, details or levels from the Engineer for which the Contractor specifically applied in writing on a date which having regard to the Key Date for completion of the Works or any Section or achievement of any Stage was neither unreasonably distant from nor unreasonably close to the date on which it was necessary for the Contractor to receive the same, or"

#### **Marginal Notes Guidelines**

#### **S.C.C. A8** Maintenance of records

**(1)** The Contractor shall establish at the Site or elsewhere as may be Maintenance of permitted in writing by the Engineer an office which shall be records staffed during all normal business hours and at which shall be kept copies of all documents relating to or arising under the Contract and a complete, up-to-date and orderly documentary record of all transactions entered into by the Contractor for the purposes of the Contract, including copies of all sub-contracts, purchase orders, correspondence, whether by letter, telex, facsimile electronic transmission. manufacturer's specifications and details, minutes of meetings, all documents relating to the procurement of Constructional Plant, goods and materials, payroll and salary cost records, and all other matters whatsoever.

Must be used with SCC A1 -A7 & A9

- To the extent that the design and other records of the Contractor (2) are to be created and/or maintained on a computer or other information system or data storage device, the Contractor shall agree with the Engineer a procedure for backup and off-Site storage of copies of such design and other records and shall adhere, and shall cause its sub-contractors [and the engineer carrying out independent checking of the Temporary Works in accordance with Special Conditions of Contract Clause \_\_\_\_\_\_]\* to adhere, to such agreed procedure.
- (3) If the Contractor uses proprietary software for the purpose of storing or utilizing records maintained in accordance with sub-clause (1) of this Clause and sub-clause (3) of Clause 64 of the General Conditions of Contract, the Contractor shall procure at his own expense the grant of a licence or sub-licence to use such software in favour of the Employer, the Engineer and their respective agents and employees and shall pay such licence fee or other payment as the grantor of such licence may require provided that the use of such software under the licence may be restricted to use relating to the design, construction, reconstruction. completion, maintenance, reinstatement. extension, repair and operation of the Works or any part thereof or any other works required to be carried out by the Employer in Hong Kong (irrespective of whether or not such works are related to the Works) and settlement of disputes or differences in accordance with Clause 86 of the General Conditions of Contract.

The words in square brackets should be deleted if SCC clause 26 "Independent Checking of the Design, Erection, Use and Removal of Temporary Works" of the Works Bureau Library of Standard Special Conditions of Contract is not adopted.

### S.C.C. A8 Maintenance of records

- (4) General Conditions of Contract Clause 6 is amended by replacing sub-clause (5) with the following:
  - "(5) Without prejudice to the generality of Clause A8(1) of the Special Conditions of Contract, one copy of the Drawings furnished to the Contractor as aforesaid shall be kept by the Contractor on the Site and the same shall at all reasonable times be available for inspection and use by the Engineer and the Engineer's Representative and by any other person authorized by the Engineer in writing."

#### S.C.C. A9 **Construction methods**

**(1)** The Contractor shall submit in accordance with General Construction Conditions of Contract Clause 7 such documents and methods information pertaining to the methods of construction (including Temporary Works [other than those parts of the Temporary Works which are subject to independent checking in accordance with Special Conditions of Contract Clause \_\_\_\_\_\_1 and the use of Constructional Plant) which the Contractor proposes to adopt or use and such calculations of stresses, strains and deflections that will or may arise in the permanent work or any parts thereof during construction from the use of such methods as will enable the Engineer to decide whether, if such methods are adhered to, the Works can be executed in accordance with the Drawings and the Specification and without detriment when completed to the permanent work.

Must be used with SCC A1 -A8

- **(2)** The Engineer shall inform the Contractor in writing within a reasonable period after receipt of the information submitted in accordance with sub-clause (1) of this Clause:
  - that the Contractor's proposed methods of construction have the consent of the Engineer (which consent shall not be unreasonably withheld); or
  - in what respects in the opinion of the Engineer the (b) Contractor's proposed methods of construction:
    - (i) fail to meet the requirements of the Drawings and/or the Specification; or
    - (ii) would be detrimental to the permanent work; or
    - (iii) do not comply with the other requirements of the Contract; or
  - as to the further documents or information which are (c) required to enable the Engineer properly to assess the proposed methods of construction.

<sup>&</sup>lt;sup>1</sup> Insert SCC Clause number for checking of Temporary Works here.

#### S.C.C. A9 Construction methods

In the event that the Engineer does not give his consent, the Contractor shall take such steps or make such changes in the said methods or supply such further documents or information as may be necessary to meet the Engineer's requirements and to obtain his consent. The Contractor shall not change the methods of construction which have received the Engineer's consent without the further consent in writing of the Engineer which shall not be unreasonably withheld.

- (3) The Engineer shall at the written request of the Contractor provide to the Contractor such design criteria relating to the permanent work or any Temporary Works designed by the Engineer which are relevant, in the opinion of the Engineer, to the Contractor's obligations under sub-clauses (1) and (2) of this Clause.
- (4) If the Engineer's consent to the proposed methods of construction shall be unreasonably withheld or delayed or if the requirements of the Engineer pursuant to sub-clauses (2)(b)(i) and (ii) of this Clause or any limitations imposed by any of the design criteria supplied by the Engineer pursuant to sub-clause (3) of this Clause could not reasonably have been foreseen by an experienced contractor at the time of tender and if in consequence of any of the aforesaid the Contractor unavoidably incurs delay or Cost the Engineer shall:
  - (a) subject to Clause 50 of the General Conditions of Contract take such delay into account in determining any extension of time to which the Contractor is entitled, and
  - (b) subject to Clause 64 of the General Conditions of Contract and as soon as reasonably practicable determine such sum in respect of the Cost incurred and notify the Contractor in writing of such determination.
- (5) Notwithstanding the foregoing provisions of this Clause or that certain of the Contractor's proposed methods of construction may be the subject of the consent of the Engineer given in accordance with sub-clause (2) of this Clause, the Contractor shall not be relieved of any liability or obligation under the Contract nor shall the same bind or create any obligation or liability on the part of the Employer.

<sup>+</sup>Optional.

## **Marginal Notes Guidelines**

S.C.C. A10	General	damages
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**(1)** 

[Section \_\_\_\_\_] of the Works.

When is used, must

Works by the relevant Key Date, he shall indemnify the Employer against all loss or liability incurred by the Employer

(including without limitation any and all liability under the Employer's contracts with third parties) arising from the delay between the Key Date for [Section ] and the date of document a

General Conditions of Contract Clause 52 shall not apply to General damages

between the Key Date for [Section\_\_\_\_] and the date of completion of [Section\_\_\_\_] certified in accordance with General Conditions of Contract Clause 53. All amounts

payable by the Contractor pursuant to this Special Condition of

Contract Clause A10 are hereafter to as "general damages".

(3) The Employer may but shall not be bound to deduct such general damages, either in whole or in part, in accordance with the provisions of General Conditions of Contract Clause 83. The payment of such damages shall not relieve the Contractor from his obligations to complete the Works or from any other of his obligations under the Contract.

- (4)\* The total amount of general damages in respect of [Section \_\_\_\_\_] of the Works to which this Special Condition of Contract Clause A10 applies shall be limited in aggregate to the relevant sum stated in the Appendix to the Form of Tender.
- (5) If the Engineer subsequently grants an extension or further extension of time for completion of [Section \_\_\_\_\_] of the Works such that the Employer shall no longer be entitled to general damages in respect of the period of such extension, then any sum in respect of such extension which may already have been recovered under this Special Condition of Contract Clause A10 shall be reimbursed forthwith to the Contractor together with interest at the rate provided for in General Conditions of Contract Clause 79(4) within 28 days of the granting of such extension of time.

To adopt where liquidated damages will not apply in respect to the Works, any Section or Stage and general damages are to be recoverable.

Condition of Tender along the lines at Appendix B

Special

<sup>\*</sup> Sub-clause (4) should be deleted (and sub-clause (5) re-numbered accordingly) if it is decided, in relation to a particular project, that there is no need to limit the total amount of general damages payable.

If Special Condition of Contract Clause A10 at Appendix A is adopted in relation to a particular project, the following Special Condition of Tender should be included in the tender documents in respect of that project:

"SCT (General damages)

The tenderer's attention is drawn to the Contractor's obligation under Special Conditions of Contract Clause A10 to indemnify the Employer against all loss or liability incurred by the Employer (including without limitation any and all liability under the Employer's contracts with third parties) arising from the delay in completion of [Section ] of the Works. Based on the information currently available to the Employer such loss or liability would include without limitation the Employer's obligation to compensate [specify the third party(ies) and refer to the relevant contract(s)/agreement(s) with the third party(ies) as described in Appendix [ ] to these Special Conditions of The tenderer shall be deemed to have allowed in his tender for all the risks, liabilities and obligations set out or implied in the Contract and all matters and things necessary for the proper execution of the Works including without limitation the full extent of the obligation to comply with the provisions of Special Conditions of Contract Clause A10."