

Schedule to Articles of Agreement

Amendments of the NEC Clauses

Amendments are made to the following NEC Clauses:

Core Clauses		
Clause No.	Action	Details
10 Actions		
10.1 and 10.2	Add	“, the <i>Cost Manager</i> ” after “the <i>Project Manager</i> ” in the clauses.
11 Identified and defined terms		
11.2	Delete	the whole sub-clause (5).
	Add	“, the <i>Cost Manager</i> ” after “the <i>Project Manager</i> ,” in the sub-clause (8).
	Add	the following after the end of the sub-clause (9): “Equipment also includes Constructional Plant as defined in Clause D19 of the <i>additional conditions of contract</i> .”
	Add	“the <i>Cost Manager</i> ,” after “the <i>Project Manager</i> ,” in the sub-clause (12).
	Delete	“or a member of the Dispute Avoidance Board” in the second line of the sub-clause (12).
	Delete	“, Subcontractor” in sub-clause (12).
	Add	“or subcontractors of all tiers and their employees and suppliers involved in the execution of the <i>works</i> ” after “of the <i>Contractor</i> ” in sub-clause (12).
	Delete	The whole sub-clause (28).
11.2	Replace	the whole sub-clause (30) by the following new sub-clause (30): “(30) The Price for Work Done to Date is the total of <ul style="list-style-type: none"> • a proportion of the Price of each item with quantity in the Bill of Quantities which is the proportion of the work covered by the item which the <i>Contractor</i> has completed, • the quantity of the work which the <i>Contractor</i> has completed for each item with provisional quantity in the Bill of Quantities multiplied by the rate, and • a proportion of each lump sum which is the proportion of the work covered by the item which the <i>Contractor</i> has completed. Completed work is work which is without notified Defects the correction of which will delay following works. Any quantity included in the Bill of Quantities is not changed unless it is stated as provisional in the Bill of Quantities or it is changed to accommodate implemented compensation events.”

Core Clauses		
Clause No.	Action	Details
11.2	Add	a new sub-clause (37) as follows: “(37) Imported Items are Plant and Materials imported from any place outside Hong Kong.”
11.2	Add	A new sub-clause (38) as follows: “(38) Compensation Event before Implementation is a compensation event notified by the <i>Project Manager</i> or notified by the <i>Contractor</i> and accepted by the <i>Project Manager</i> , which is not yet implemented under Clause 66.1.”
13 Communications		
13.3	Add	“the <i>Cost Manager</i> ,” after “the <i>Project Manager</i> ,” in the clause.
13.4, 13.5 and 13.8	Add	“or the <i>Cost Manager</i> ” after “ <i>Project Manager</i> ” wherever it appears in the clauses.
13.6	Replace	“The <i>Project Manager</i> issues” in the clause by “The <i>Project Manager</i> and the <i>Cost Manager</i> issue”.
14 The <i>Project Manager</i>, the <i>Cost Manager</i> and the <i>Supervisor</i>		
14	Replace	the title as “The <i>Project Manager</i> , the <i>Cost Manager</i> and the <i>Supervisor</i> ”.
14.1	Add	“, the <i>Cost Manager</i> ’s” after “ <i>Project Manager</i> ’s”.
	Add	“, nor do the <i>Project Manager</i> ’s, the <i>Cost Manager</i> ’s or the <i>Supervisor</i> ’s assessments, certificates or other acts or omissions” at the end of the clause.
14.2 and 14.4	Add	“, the <i>Cost Manager</i> ” after “ <i>Project Manager</i> ” wherever it appears in the clause.
15 Early warning		
15.1	Replace	“and the <i>Project Manager</i> ” by “, the <i>Project Manager</i> and the <i>Cost Manager</i> ” in first sentence of the clause.
	Add	“, the <i>Cost Manager</i> ” after “ <i>Project Manager</i> ” in the second sentence of the clause.
15.2	Add	“, the <i>Cost Manager</i> ” after “ <i>Project Manager</i> ” in the second and third paragraphs of the clause.
16 Contractor’s proposals		
16.1	Add	a new sub-clause 16.1A after sub-clause 16.1 as follows: “If the <i>Contractor</i> ’s proposal contains or amounts to a Cost Savings Design as defined in Clause F3 of the <i>additional condition of contract</i> , this Clause 16 and Clause 63.12 do not apply to such proposal and the <i>Contractor</i> complies with the relevant requirements set out in the <i>additional conditions of contract</i> including but not limited to Clause F4 of the <i>additional conditions of contract</i> .”

Core Clauses		
Clause No.	Action	Details
18 Corrupt Acts		
18	Delete	the whole Clause 18.
19 Prevention		
19.1	Replace	“the <i>Project Manager</i> gives an instruction to the <i>Contractor</i> stating how the event is to be dealt with” at the end of Clause 19.1 by “the <i>Contractor</i> and the <i>Project Manager</i> notify the other as soon as either becomes aware of such event. Either the <i>Project Manager</i> or the <i>Contractor</i> may instruct the other to attend an early warning meeting normally arranged under Clause 15.2. Each of them may instruct other people to attend if the other agrees. At the meeting, those who attend co-operate in making and considering proposals for how the effects of the event can be reduced, seeking solutions that bring advantage to all those who will be affected, and deciding on the proposed actions which will be taken and who, in accordance with the contract, will take them. The <i>Project Manager</i> provides the decision to the <i>Contractor</i> within six weeks after the meeting.”
21 The Contractor’s design		
21.1 and 21.2	Replace	the words “the Scope” by “the Scope and/or the <i>additional conditions of contract</i> ” wherever it appears in the clauses.
22 Using the Contractor’s design		
22.1	Replace	the whole Clause 22.1 by the following new Clause 22.1: “The <i>Contractor</i> shall comply with the requirements on the intellectual property rights in relation to the design and other materials and things provided by them as detailed in Clauses D24 and F8 of the <i>additional conditions of contract</i> .”
24 People		
24.3	Add	a new Clause 24.3 as follows: “If any <i>key person</i> is not identified in the Contract Data, the <i>Contractor</i> submits the name, relevant qualifications and experience of each <i>key person</i> to the <i>Project Manager</i> for acceptance within two weeks of the Contract Date.”
25 Working with the Client and Others		
25.2	Replace	“ <i>Project Manager</i> ” by “ <i>Cost Manager</i> ” in the clause.
25.3	Replace	“ <i>Project Manager</i> ” by “ <i>Cost Manager</i> ” in the second sentence of the clause.
26 Subcontracting		
26.3	Delete	the first bullet point.
	Replace	“or” at the end of the third bullet point with a comma.
	Replace	the full-stop at the end of the fourth bullet point with a comma.

Core Clauses		
Clause No.	Action	Details
	Add	two bullet points to the end of Clause 26.3 as follows: “• they do not require a Subcontractor to comply with the relevant subcontracting requirements set out in the contract or • they do not require a Subcontractor to be registered under the Registered Specialist Trade Contractors Scheme.”
27 Other responsibilities		
27.1	Replace	“its design” by “its submission, proposal, design and work” in the clause.
27.2	Add	“the <i>Cost Manager</i> ,” as a new bullet point after the first bullet point in the clause.
27.3	Add	“, the <i>Cost Manager</i> ” after “the <i>Project Manager</i> ” in the clause.
27.4	Add	“and the <i>additional conditions of contract</i> ” to the end of the clause before the full-stop.
28 Assignment		
28.1	Replace	the whole Clause 28.1 by the following new Clause 28.1: “The <i>Contractor</i> shall not assign the contract or any interest in the contract without the written consent of the <i>Client</i> and any assignment shall be in a form accepted by the <i>Client</i> .”
29 Disclosure		
29, 29.1, 29.2	Delete	the whole Clauses 29, 29.1 and 29.2.
30 Starting, Completion and Key Dates		
30.2	Replace	“within one week of the date” by “within three weeks of the date” in the clause.
31 The programme		
31.2	Delete	the first sub-bullet point of the seventh main bullet point.
	Replace	“and” at the end of the eighth main bullet point with a comma.
	Replace	the full stop at the end of the ninth main bullet point with a comma.
	Add	the following main bullet points after the ninth main bullet point: • “comments and/or requirements provided by the <i>Project Manager</i> in the most recent programme and • 3-month rolling sub-programme as specified in the Scope.”
32 Revising the programme		
32.2	Replace	the full-stop at the third bullet point by a comma.

Core Clauses		
Clause No.	Action	Details
	Add	a new bullet point after the third bullet point as follows: <ul style="list-style-type: none"> “where there are outstanding work after Completion, at interval as decided by the <i>Project Manager</i> from Completion until completion of the outstanding work or, as the case may be, when the <i>Project Manager</i> has decided that no further revision is required, whichever is earlier.”
33 Access to and use of the Site		
33.1	Replace	the whole Clause 33.1 by the following new Clause 33.1: “The <i>Client</i> allows access to and use of each part of the Site to the <i>Contractor</i> which is necessary for the work included in the contract on its <i>access date</i> .”
35 Take over		
35.1	Replace	“two weeks” by “nine weeks” in the clause”.
36 Acceleration		
36.3	Add	“The <i>Project Manager</i> and the <i>Cost Manager</i> consider the revised programme and the proposed changes to the Prices respectively before the <i>Project Manager</i> replies to the <i>Contractor</i> .” before the first sentence of the clause.
41 Tests and inspections		
41.6	Replace	“ <i>Project Manager</i> ” by “ <i>Cost Manager</i> ” in the clause.
45 Accepting Defects		
45.2	Add	“The <i>Project Manager</i> and the <i>Cost Manager</i> consider the reduced Prices or an earlier Completion Date or both before the <i>Project Manager</i> replies to the <i>Contractor</i> .” after the first sentence of the clause.
46 Uncorrected Defects		
46.1	Replace	the whole Clause 46.1 by the following new Clause 46.1: “If the <i>Contractor</i> is given access in order to correct a notified Defect but it has not corrected it within its <i>defect correction period</i> or, as the case may be, the extended <i>defect correction period</i> given by the <i>Project Manager</i> pursuant to Clauses 46.1 or 46.2, the <i>Cost Manager</i> shall, unless the <i>Project Manager</i> forms the opinion as described below, assess the cost to the <i>Client</i> of having the Defect corrected by other people and the <i>Contractor</i> pays the amount with the Scope treated as having been changed to accept the Defect. If, in the opinion of the <i>Project Manager</i> , it is impractical for the Defect to be corrected by other people, the <i>Project Manager</i> extends the <i>defect correction period</i> for the <i>Contractor</i> to correct the Defect.”

Core Clauses		
Clause No.	Action	Details
46.2	Replace	<p>the whole Clause 46.2 by the following new Clause 46.2:</p> <p>“If the <i>Contractor</i> has not corrected a notified Defect before the <i>defects date</i> because it is not given access, the <i>Cost Manager</i> shall, unless the <i>Project Manager</i> forms the opinion as described below, assesses the cost to the <i>Contractor</i> of correcting the Defect and the <i>Contractor</i> pays this amount with the Scope treated as having been changed to accept the Defect. If in the opinion of the <i>Project Manager</i>:-</p> <ul style="list-style-type: none"> • the <i>Contractor</i> is later given access before the <i>defects date</i> but it has not corrected it within its <i>defect correction period</i>, and • it is impractical for the Defect to be corrected by other people, <p>the <i>Project Manager</i> extends the <i>defect correction period</i> for the <i>Contractor</i> to correct the Defect.”</p>
50 Assessing the amount due		
50.1	Replace	<p>the whole clause by the following new Clause 50.1:</p> <p>“The <i>Cost Manager</i> assesses the amount due at each assessment date. The first assessment date is decided by the <i>Cost Manager</i> to suit the procedures of the Parties and is not later than the <i>assessment interval</i> after the <i>starting date</i>. Later assessment dates occur</p> <p>(i) (a) at the end of each <i>assessment interval</i> until the <i>Supervisor</i> issues the Defects Certificate and</p> <p>(b) subsequently at any time until the final amount due is certified if in the opinion of the <i>Cost Manager</i> it is desirable to do so,</p> <p>or</p> <p>(ii) at the end of each <i>assessment interval</i> until the <i>Project Manager</i> issues a termination certificate.”</p>
50.2	Replace	<p>the first sentence of the clause by the following:</p> <p>“The <i>Contractor</i> submits an application for payment in the form of a payment claim compliant with SOP Clause 5 to the <i>Cost Manager</i> two weeks before each assessment date setting out the amount the <i>Contractor</i> considers is due at the assessment date.”</p>
	Add	“and supporting documents” after “includes details” in the second sentence.
	Replace	<p>the second paragraph in the clause by the following:</p> <p>“In assessing the amount due, the <i>Cost Manager</i> considers an application for payment submitted by the <i>Contractor</i> in accordance with Clauses 50.2, 50.2A, 50.2B and 50.2C before the assessment date. The <i>Cost Manager</i> gives the <i>Contractor</i> details of how the amount due has been assessed.”</p>

Core Clauses		
Clause No.	Action	Details
50.2A	Add	<p>a new Clause 50.2A after Clause 50.2 as follows:</p> <p>“The <i>Contractor</i> may in an application for payment referred to in Clause 50.2 apply for payment of Plant and Materials which</p> <ul style="list-style-type: none"> • are not individually itemised in the Bill of Quantities, • have not been included in any completed work, and • are not prematurely delivered to and not improperly stored on the Site <p>(“Relevant Plant and Materials”).</p> <p>The <i>Contractor</i> shall clearly identify in the application for payment the amount claimed and the item in the Bill of Quantities to which the Relevant Plant and Materials will be included (“Relevant Item”), and submit to the <i>Cost Manager</i> all relevant supporting documents.</p> <p>If on the assessment date to which the application for payment relates, the <i>Cost Manager</i> is satisfied that the Relevant Plant and Materials</p> <ul style="list-style-type: none"> • are not individually itemised in the Bill of Quantities, • have not been included in any completed work, and • are not prematurely delivered to and not improperly stored on the Site, <p>the <i>Cost Manager</i> may assess the amount due to the <i>Contractor</i> for such Relevant Plant and Materials by reference to rates and lump sums of the Relevant Item. (“Advance Payment for Plant and Materials”).”</p>
50.2B	Add	<p>a new Clause 50.2B after Clause 50.2A as follows:</p> <p>“The <i>Contractor</i> may in an application for payment referred to in Clause 50.2 apply for payment of an Imported Item which is</p> <ul style="list-style-type: none"> • purchased or imported into Hong Kong ahead of time due to supply shortages or logistics disruptions; • properly and securely stored at a premises in Hong Kong (“Premises”) but is not yet due to be delivered by the <i>Contractor</i> to the Site; and • clearly demarcated from any other materials at the Premises. <p>(“Relevant Imported Item”)</p> <p>The <i>Contractor</i> shall clearly identify in the application for payment of the Relevant Imported Item the amount claimed and the item in the Bill of Quantities to which the Relevant Imported Item relate (“Related Item”) and submit to the <i>Cost Manager</i> all relevant supporting documents, including but not limited to evidence of purchase or importation of the Relevant Imported Item, evidence of supply shortage or logistic disruptions, the original date agreed by the <i>Cost Manager</i> for delivery of the Relevant Imported Item to the Site (if applicable), the address of the Premises, and photographs showing the condition of the Relevant Imported Item and the manner in which it is stored.</p> <p>If on the assessment date to which the application for payment relate, the <i>Cost Manager</i> is satisfied that the Relevant Imported Item is</p> <ul style="list-style-type: none"> • purchased or imported into Hong Kong ahead of time due to supply shortages or logistics disruptions; • properly and securely stored at the Premises but is not yet due to be delivered by the <i>Contractor</i> to the Site; and • clearly demarcated from any other materials at the Premises, <p>the <i>Cost Manager</i> shall assess the amount due to the <i>Contractor</i> for such Relevant Imported Item by reference to the rates and lump sums of the Related Item. (“Special Payment”).”</p>

Core Clauses		
Clause No.	Action	Details
50.2C	Add	<p>A new Clause 50.2C after Clause 50.2B as follows:</p> <p>“The <i>Contractor</i> may in an application for payment referred to in clause 50.2 apply for payment of work completed for a Compensation Event before Implementation.</p> <p>The <i>Contractor</i> shall clearly identify in the application for payment the total amount claimed for the Compensation Event before Implementation and the percentage of work completed for that Compensation Event before Implementation, and submit to the <i>Cost Manager</i> all relevant supporting documents.</p> <p>If on the assessment date to which the application for payment relate, the <i>Cost Manager</i> is satisfied that the Compensation Event before Implementation</p> <ul style="list-style-type: none"> • has not been implemented under Clause 66.1; and • the work completed for the relevant Compensation Event before Implementation is one without Defects; <p>the <i>Cost Manager</i> may assess the amount due to the <i>Contractor</i> for such Compensation Event before Implementation based on the percentage of work completed in accordance with Clause 63 (“Payment for Compensation Event before Implementation”).</p> <p>The assessment for any Compensation Event before Implementation is on an interim-basis only and the <i>Cost Manager</i> may, without prejudice to any of his/her powers under the Contract, correct any such assessed amount in later payment certificate(s).”</p>
50.3	Replace	<p>The whole Clause 50.3 by the following new Clause 50.3:</p> <p>“If the <i>Contractor</i> submits an application for payment two weeks before the assessment date, the amount due at the assessment date is the amount calculated in the manner below based on the <i>Cost Manager</i>’s assessment for each of the following items:</p> <ul style="list-style-type: none"> • the Price for Work Done to Date, • plus Advance Payment for Plant and Materials, • plus Special Payment, • plus Payment for Compensation Event before Implementation, • plus other amounts to be paid to the <i>Contractor</i>, • in respect of any item included in the assessment of the Price for Work Done to Date, less Advance Payment for Plant and Materials and Special Payment already made in respect of that item, if any, • in respect of any compensation event included in the Price for Work Done to Date, less the total Payment for Compensation Event before Implementation made for that compensation event, • less amounts to be paid by or retained from or deducted from the <i>Contractor</i>.” <p>The actual amount due shall be certified by the <i>Cost Manager</i> and paid in accordance with Clause 51.”</p>

Core Clauses		
Clause No.	Action	Details
50.4	Add	“two weeks” after “an application for payment” in the first sentence.
	Replace	“ <i>Project Manager</i> ” by “ <i>Cost Manager</i> ”.
50.6	Replace	“ <i>Project Manager</i> ” by “ <i>Cost Manager</i> ”.
51 Payment		
51.1	Replace	the first sentence of the clause by the following: “If the <i>Contractor</i> submitted an application for payment in the form of a payment claim compliant with SOP Clause 5 two weeks before the assessment date, the <i>Cost Manager</i> certifies a payment in the form of a payment response compliant with SOP Clause 6(2) within two weeks of each assessment date. Otherwise, the <i>Cost Manager</i> certifies a payment within two weeks of each assessment date.”
51.2	Replace	the first word “Each” by “Subject to the <i>Client's</i> rights of set-off in law or equity, each” in the clause.
	Replace	“ <i>Project Manager</i> ” by “ <i>Cost Manager</i> ” in the clause.
51.3	Delete	the first and second bullet point.
	Delete	“, or a recommendation of the Dispute Avoidance Board” in the third bullet point.
51.4	Replace	the whole Clause 51.4 by the following new Clause 51.4: “Interest is calculated on a simple interest basis at the <i>interest rate</i> .”
53.1	Replace	the whole Clause 53.1 by the new Clause 53.1 as follows: “The <i>Contractor</i> submits an application for final payment in the form of a payment claim compliant with SOP Clause 5 to the <i>Cost Manager</i> no later than <ul style="list-style-type: none"> • four weeks after the <i>Supervisor</i> issues the Defects Certificate or a longer period to which the <i>Project Manager</i> has agreed; or • thirteen weeks after the <i>Project Manager</i> issues a termination certificate or such longer period as may reasonably be necessary as determined by the <i>Project Manager</i>. The <i>Cost Manager</i> makes an assessment of the final amount due and certifies a final payment in the form of a payment response compliant with SOP Clause 6(2) within the period set out in SOP Clause 7. The <i>Cost Manager</i> gives the <i>Contractor</i> details of how the amount due has been assessed. The final payment is made within three weeks of the assessment or, if a different period is stated in the Contract Data, within the period stated.”

Core Clauses		
Clause No.	Action	Details
53.2	Replace	“ <i>Project Manager</i> ” by “ <i>Cost Manager</i> ” in the clause.
53.3	Delete	The whole Clause 53.3.
53.4	Replace	the second bullet point of the clause by the following: “• a decision of the <i>Adjudicator</i> which has not been referred to the <i>tribunal</i> within four weeks of that decision.”
	Delete	The last paragraph: “A change assessment becomes conclusive evidence of the final amount due under or in connection with the contract.”
60 Compensation events		
60.1	Replace	sub-clause (2) by the following new sub-clause (2): “The <i>Client</i> does not allow access to and use of a part of the Site on its <i>access date</i> .”
	Add	“, the <i>Cost Manager</i> ” after “The <i>Project Manager</i> ” in the sub-clauses (6) and (8).
	Add	“or the <i>Cost Manager</i> ” after “The <i>Project Manager</i> ” in the sub-clauses (9) and (17).
	Replace	sub-clause (13) by the following new sub-clause (13): “One or more of the following weather conditions affecting the Site: (i) the hoisting of tropical cyclone warning signal No. 8 or above and/or its consequences adversely affecting the progress of the <i>works</i> , or (ii) Black Rainstorm Warning and/or its consequences adversely affecting the progress of the <i>works</i> , or (iii) Red Rainstorm Warning and/or its consequences adversely affecting the progress of the <i>works</i> , or (iv) Amber Rainstorm Warning and/or its consequences adversely affecting the progress of the <i>works</i> , or (v) inclement weather and/or its consequences adversely affecting the progress of the <i>works</i> ”
	Replace	sub-clause (21) as follows: “A Change in Law as defined in Clause A1 of the <i>additional conditions of contract</i> .”
	Add	sub-clause (22) after sub-clause (21) as follows: “A shortage of labour which would have been unreasonable for an experienced contractor to have allowed for at the tender closing date.”
	Add	sub-clause (23) after sub-clause (22) as follows: “A suspension or reduction in the rate of progress of the carrying out of construction work or the supply of related goods and services under this contract by the <i>Contractor</i> pursuant to SOP Clause 37.”

Core Clauses		
Clause No.	Action	Details
60.4	Add	the word “provisional” before “quantity stated for an item” in the first sentence.
	Add	“or \$1,100,000, whichever is the largest” at the end of the third bullet point.
60.5	Add	the word “provisional” before “quantity stated for an item” in the first sentence.
60.6	Replace	<p>the whole Clause 60.6 by the following new Clause 60.6:</p> <p>“The <i>Cost Manager</i> corrects:</p> <p>(i) mistakes in the Bill of Quantities which are departures from the rules for item descriptions and for division of the work into items in the <i>method of measurement</i>, or are due to ambiguities or inconsistencies; or</p> <p>(ii) errors in quantities other than provisional quantities.</p> <p>Each such correction is a compensation event which may lead to reduced Prices.”</p>
61 Notifying compensation events		
61.1	Add	“, the <i>Cost Manager</i> ” before “or the <i>Supervisor</i> giving an instruction” in the first sentence.
61.3	Add	“, the <i>Cost Manager</i> ” before “or the <i>Supervisor</i> giving an instruction” in the last sentence.
61.4	Replace	“one week after the <i>Contractor's</i> notification” with “six weeks for events requiring to obtain confirmation of no objection from the <i>Client</i> in accordance with Clause B1 of the <i>additional conditions of contract</i> , or three weeks for other events after the <i>Contractor's</i> notification” at the first bullet point of the first paragraph in the clause.
61.6	Add	“or the <i>Cost Manager</i> ” after “the <i>Project Manager</i> ” wherever it appears in the clause.
62 Quotations for compensation events		
62.2	Replace	<p>the first sentence by the following:</p> <p>“Quotations for compensation events comprise, where applicable, proposed changes to the Prices, and/or any changes to the Completion Date and/or Key Dates assessed by the <i>Contractor</i>. For the avoidance of doubt, quotations for compensation events under Clauses 60.1(5), 60.1(13), 60.1(19) and 60.1(22) only comprise proposed changes to the Completion Date and/or Key Dates assessed by the <i>Contractor</i>, but not changes to the Prices.”</p>
62.3	Replace	“The <i>Project Manager</i> replies within two weeks of the submission.” by “The <i>Project Manager</i> or the <i>Cost Manager</i> replies within six weeks for events requiring to obtain confirmation of no objection from the <i>Client</i> in accordance with Clause B1 of the <i>additional conditions of contract</i> , or three weeks for other events after receiving the submission.” in the clause.

Core Clauses		
Clause No.	Action	Details
	Replace	the third bullet point by the following: that the <i>Project Manager</i> and/or the <i>Cost Manager</i> will be making the assessment in accordance with Clause 64.
	Add	the following at the end of this clause: “After the <i>Cost Manager</i> considers the proposed change to the Prices in a quotation as submitted by the <i>Contractor</i> and subject to the above reply periods, <ul style="list-style-type: none"> • he replies directly to the quotation if it comprises a change to the Prices only or • he advises the <i>Project Manager</i> on his decision in respect of the proposed change to the Prices and then the <i>Project Manager</i> replies to the quotation if it comprises changes to the Prices, and/or changes to the Completion Date and/or Key Date.”
62.4	Add	“or the <i>Cost Manager</i> ” after “the <i>Project Manager</i> ” in the first sentence.
	Add	“to the <i>Project Manager</i> ” after “The <i>Contractor</i> submits the revised quotation” in the clause.
62.5 and 62.6	Add	“or the <i>Cost Manager</i> ” after “the <i>Project Manager</i> ” wherever it appears in the clauses.
62.6	Replace	“a further two weeks” by “a further two weeks or a longer period to which the <i>Contractor</i> has agreed” in the last sentence of the clause.
63 Assessing compensation events		
63.1	Replace	the first word “The” by “Subject to the provisions of Clause 63.2, the”.
63.1	Add	“or the <i>Cost Manager</i> ” after “or the <i>Supervisor</i> ” in the clause.

Core Clauses		
Clause No.	Action	Details
63.2	Replace	<p>the whole clause 63.2 by the following new clause 63.2:</p> <p>“Where the effect of a compensation event is changes to the Prices, the assessment of the compensation event will be based on the rates and lump sums in the Bill of Quantities, instead of the Defined Cost and the resulting Fee, under the scenarios specified in sub-clauses (i) to (iii) below:</p> <ul style="list-style-type: none"> (i) Any item of work omitted is assessed at the rate or lump sum set out in the Bill of Quantities except that in the absence of such a rate or lump sum in the Bill of Quantities, the assessment of the item of work omitted is at a rate or price based on Defined Cost and the resulting Fee. (ii) Any work carried out which is the same as or similar in character to and executed under the same or similar conditions and circumstances to any item of work priced in the Bill of Quantities is assessed at the rate or lump sum set out in the Bill of Quantities for such item of work. (iii) Any work carried out which is not the same as or similar in character to or is not executed under the same or similar conditions or circumstances to any item of work priced in the Bill of Quantities is assessed at a rate or lump sum based on the rates or lump sums in the Bill of Quantities so far as may be reasonable, failing which, at a rate or lump sum based on Defined Cost and the resulting Fee. <p>For the avoidance of doubt, any assessment based on rates or lump sums in the Bill of Quantities is not subject to adjustment of the <i>fee percentage</i>.”</p>
63.2A	Add	<p>a new Clause 63.2A with the following:</p> <p>“Notwithstanding Clause 63.2, where the effect of a compensation event involving an instruction changing the Scope given by the <i>Project Manager</i> under Clause B3A(2) of the <i>additional conditions of contract</i> is changes to the Prices, the assessment of such compensation event will be based on Defined Cost and the resulting Fee.”</p>
63.4	Add	<p>“or the <i>Cost Manager</i>” after “the <i>Project Manager</i>” in the second bullet point.</p>
63.6	Replace	<p>the whole Clause 63.6 by the following new Clause 63.6:</p> <p>“The rights of the <i>Client</i> and the <i>Contractor</i> to changes to, where applicable, the Prices and/or the Completion Date and/or the Key Dates are their only rights in respect of a compensation event. For compensation events under Clauses 60.1(5), 60.1(13), 60.1(19) or 60.1(22), the <i>Contractor</i> is only entitled to changes to the Completion Date and/or the Key Dates but not changes to the Prices. For other compensation events, the assessment of changes to the Prices, if any, is not affected by any concurrent compensation event under Clauses 60.1(5), 60.1(13), 60.1(19) or 60.1(22).”</p>

Core Clauses		
Clause No.	Action	Details
63.15	Replace	<p>the whole Clause 63.15 by the following new Clause 63.15:</p> <p>“Assessments for changed Prices for compensation events are in the form of changes to the Bill of Quantities.</p> <ul style="list-style-type: none"> • For the whole or a part of a compensation event for work not yet done and for which there is an item in the Bill of Quantities, the changes are <ul style="list-style-type: none"> • a changed rate, • a changed quantity or • a changed lump sum. <p>For work not yet done with firm quantity, the change may, if agreed by the <i>Cost Manager</i> and the <i>Contractor</i>, become a new lump sum item in the Bill of Quantities.</p> <ul style="list-style-type: none"> • For the whole or a part of a compensation event for work not yet done and for which there is no item in the Bill of Quantities, the change is a new priced item which, unless the <i>Cost Manager</i> and the <i>Contractor</i> agree otherwise, is compiled in accordance with the <i>method of measurement</i>. • For the whole or a part of a compensation event for work already done, the change is a new lump sum item in the Bill of Quantities.”
63.16	Delete	the whole Clause 63.16.
64 The Project Manager’s or the Cost Manager’s assessments		
64	Replace	the title by “The <i>Project Manager</i> ’s or the <i>Cost Manager</i> ’s assessments”
64.1	Replace	<p>the whole Clause 64.1 by the following new Clause 64.1:</p> <p>“If the <i>Contractor</i> has not submitted a quotation and details of its assessment within the time allowed or if the <i>Project Manager</i> or the <i>Cost Manager</i> decides that the <i>Contractor</i> has not assessed the compensation event correctly in a quotation and he does not instruct the <i>Contractor</i> to submit a revised quotation, the <i>Project Manager</i> and/or the <i>Cost Manager</i> assess the compensation event.</p> <p>If, when the <i>Contractor</i> submits quotations for a compensation event, it has not submitted a programme or alterations to a programme which the contract requires him to submit or the <i>Project Manager</i> has not accepted the <i>Contractor</i>’s latest programme for one of the reasons stated in the contract, the <i>Project Manager</i> assesses the compensation event.”</p>
64.3 and 64.4	Add	“and/or the <i>Cost Manager</i> ” after “ <i>Project Manager</i> ” wherever it appears in the clauses.
	Add	“and/or the <i>Cost Manager</i> ’s” after “the <i>Project Manager</i> ’s” in the last sentence of Clause 64.3.

Core Clauses		
Clause No.	Action	Details
65 Proposed instructions		
65.1 and 65.2	Add	“or the <i>Cost Manager</i> ” after “ <i>Project Manager</i> ” wherever it appears in the clauses.
66 Implementing compensation events		
66.1	Add	“or the <i>Cost Manager</i> ” after “the <i>Project Manager</i> ” wherever it appears in the clause.
70 The <i>Client</i>’s title to Plant and Materials		
70	Add	a new Clause 70.3 after Clause 70.2 as follows: “The <i>Contractor</i> procures that the title passed to the <i>Client</i> pursuant to this Clause 70 is full unencumbered title.”
80 <i>Client</i>’s liabilities		
80.1	Delete	“strikes,” in the second sub-bullet point of the fifth main bullet point.
	Replace	“before the issue of the Defects Certificate ... on the Site after take over” by “which is due to breach of the contract or other default of the <i>Contractor</i> ” in the sixth main bullet point.
	Replace	“activities of the <i>Contractor</i> on the Site after termination” by “breach of the contract or other default of the <i>Contractor</i> ” in the seventh main bullet point.
	Delete	The last bullet point.
81 <i>Contractor</i>’s liabilities		
81.1	Delete	“unless they are stated as being <i>Client</i> ’s liabilities” in the first sentence of the clause.
	Add	a new fifth bullet to the end of the clause as follows: “Events resulting from the <i>Contractor</i> ’s breach of the contract or other default.”
	Add	a new sixth bullet to the end of the clause a follows: “Any other liabilities not stated as being <i>Client</i> ’s liabilities.”
82 Recovery of costs		
82.2	Delete	the whole Clause 82.2
82.3	Replace	the whole Clause 82.3 by the following new Clause 82.3: “The right of the <i>Client</i> to recover these costs is reduced if an event for which the <i>Client</i> was liable contributed to the costs. The reduction is in proportion to the extent that event for which that the <i>Client</i> is liable contributed, taking into account each Party’s responsibilities under the contract.”
83 Insurance cover		
83.1	Delete	the whole clause 83.1.
83.2	Add	a new sentence after the first sentence as follows: “The <i>Contractor</i> provides such insurance(s) for at least the amount(s), with deductibles (if any) specified in the Contract Data, and in the form(s) (if applicable) specified in the Scope.”

Core Clauses		
Clause No.	Action	Details
83.3	Replace	The entire Clause 83.3 by the following: “[Not used.]”
83.4	Add	a new clause 83.4 after clause 83.3 as follows: “The <i>Contractor</i> provides the insurance against liability for death of or bodily injury to employees of the <i>Contractor</i> , and its subcontractors of all tiers if applicable, arising out of and in the course of their employment in connection with the contract to comply with the applicable law.”
84 Insurance policies		
84.1	Replace	“ <i>Project Manager</i> for acceptance” by “ <i>Cost Manager</i> for consideration and thereafter for acceptance by the <i>Project Manager</i> ”.
85 If the <i>Contractor</i> does not insure		
85.2	Add	the following new Clause 85.2 after Clause 85.1: “If through no fault of the <i>Contractor</i> or for reasons not attributable to the <i>Contractor</i> or its past records it becomes impracticable for the <i>Contractor</i> to provide the insurance(s) in form(s) specified in the Scope, the <i>Contractor</i> proposes to the <i>Project Manager</i> for acceptance any necessary change to the Scope for providing insurance(s) as close as practically possible to the form(s) specified. The <i>Contractor</i> submits with the proposed change a quotation for a reduction to the Prices as a result of the proposed change to the <i>Project Manager</i> and the <i>Cost Manager</i> for consideration. If, following the advice by the <i>Cost Manager</i> , the <i>Project Manager</i> accepts the proposed change, he gives an instruction to change the Scope accordingly and the Prices are reduced as quoted.”
86 Insurance by the <i>Client</i>		
86	Delete	the whole Clause 86.
86.1	Delete	the whole Clause 86.1.
86.2	Delete	the whole Clause 86.2.
86.3	Delete	the whole Clause 86.3.
90 Termination		
90.2	Replace	“R1-R15, R18 or R22” by “R1-R15, R18, R22 or R23” in the first line of the table.
90.3	Replace	“R1 to R15, R18 or R22” by “R1 to R15, R18, R22 or R23” in the first line of second paragraph in this clause.

Core Clauses		
Clause No.	Action	Details
90.5	Add	a new Clause 90.5 as follows: “Termination is without prejudice to any other rights and remedies of the Parties.”
91 Reasons for termination		
91.8	Replace	the whole Clause 91.8 by the following new Clause 91.8: “The <i>Client</i> may terminate if any of the <i>Contractor's</i> directors, employees, agents, Subcontractors or suppliers is convicted of an offence against any provision of the Prevention of Bribery Ordinance, Cap. 201 when conducting business in connection with the contract, unless the <i>Contractor</i> has taken all necessary measures (including by way of contractual provisions and/or providing training workshops where appropriate) to ensure that its directors, employees, agents, Subcontractors and suppliers are aware of the prohibition on offering, soliciting or accepting any advantage as defined in the Prevention of Bribery Ordinance when conducting business in connection with the contract (R22).”
91.9	Add	the following new Clause 91.9 after Clause 91.8: “The <i>Client</i> may terminate if the <i>Contractor</i> has engaged or is engaging in acts or activities that are likely to constitute or cause the occurrence of offences endangering national security or which would otherwise be contrary to the interest of national security, or the continued engagement of the <i>Contractor</i> or the continued performance of the contract is contrary to the interest of national security (R23).”
93 Payment on termination		
93.1	Replace	“advanced payment” by “advance payment” in the last bullet point.

Secondary Option Clauses (Amendments to adopted Secondary Options X1, X7, X11, X14 and X16)		
Clause No.	Action	Details
Option X1: Price adjustment for inflation		
X1	Replace	the word “index” by “ <i>index figure</i> ” wherever it appears in all sub-clauses of this Option.
X1.1	Replace	the whole sub-clause X1.1 by the following: “(a) The Base Date Index (B) is the latest available <i>index figure</i> applicable to the <i>base date</i> . (b) The Latest Index (L) is the latest available <i>index figure</i> applicable to the date 42 days before the date of assessment of an amount due. (c) For each Schedule of Proportions in the Contract Data (i.e. Table A for the <i>works</i> other than Building Services Works and Table B for Building Services Works), the Price Adjustment Factor (PAF) is the total of the products of each of the calculated proportions stated in that Schedule of Proportions multiplied by $(L - B)/B$ for the <i>index figure</i> linked to it. Differences between the actual proportions of the <i>works</i> and the calculated proportions stated in these Schedule of Proportions in the Contract Data shall not constitute a compensation event.”
X1.2	Replace	the first sentence of the clause by the following: “If an <i>index figure</i> is changed after it has been used in calculating a PAF, the calculation is repeated and a correction included in the next assessment of the amount due.”
X1.3	Delete	the word “and” at the end of the first bullet point.
	Replace	the full stop at the end of the second bullet point by “and”.
	Add	a new bullet point and a paragraph to the end of Clause X1.3 as follows: “● correcting amounts, not included elsewhere, which arise from changes to <i>index figures</i> used for assessing previous amounts for price adjustment. For the purpose of this sub-clause only, the reference to “Price for Work Done to Date” shall exclude any payment for items not subject to price adjustment for inflation. Further, the price adjustment shall be separately calculated for each Schedule of Proportions in the Contract Data (i.e. Table A for the <i>works</i> other than Building Services Works and Table B for Building Services Works).”
X1.5	Delete	The first bullet point.
	Delete	“, for other amounts” in the second bullet point.

Secondary Option Clauses (Amendments to adopted Secondary Options X1, X7, X11, X14 and X16)		
Clause No.	Action	Details
Option X7: Delay Damages		
X7.3	Replace	the whole of Clause X7.3 by the following new Clause 7.3: “If the <i>Client</i> takes over a part of the <i>works</i> before Completion, the daily rate of delay damages is reduced from the date on which the part is taken over. The <i>Project Manager</i> assesses the benefit to the <i>Client</i> of taking over the part of the <i>works</i> as a proportion of the benefit to the <i>Client</i> of taking over the whole of the <i>works</i> , or as the case may be, the relevant <i>section</i> as stated in the Contract Data, not previously taken over. The daily rate of delay damages is reduced in this proportion.”
X7.4	Add	the following Clause X7.4: “Notwithstanding Clause X7.3, the resulting rate for each day of delay damages for the <i>works</i> or any <i>section</i> after the reduction under Clause 7.3 shall not be less than the minimum rate per day of delay damages for the <i>works</i> or, as the case may be, the relevant <i>section</i> as stated in the Contract Data.”
Option X11: Termination by the <i>Client</i>		
X11.2	Replace	“A1, A2 and A4” by “A1 and A2” in the clause.
Option X14: Advance payment to the <i>Contractor</i>		
X14	Replace	the title and sub-title of “Advanced payment” to “Advance payment”
X14.1	Replace	the whole X14.1 by the following: “The <i>Contractor</i> may request the <i>Client</i> to make an advance payment to the <i>Contractor</i> of the amount stated in the Contract Data.”
X14.2	Replace	the whole Clause X14.2 by the following new Clause X14.2(a) to (d): “(a) The <i>Contractor</i> submits to the <i>Cost Manager</i> a statement requesting payment of the advance payment after execution of the Articles of Agreement (“Advance Payment Statement”). (b) The <i>Cost Manager</i> certifies payment within one week of the date of receipt of the Advance Payment Statement if the <i>Cost Manager</i> is satisfied that the <i>Contractor</i> has duly executed the Articles of Agreement. (c) The <i>Client</i> pays the advance payment to the <i>Contractor</i> within three weeks from the date the <i>Cost Manager</i> certifies the Advance Payment Statement for payment. If a certified payment is late, or if a payment is late because the <i>Cost Manager</i> does not certify payment which he should certify, no compensation event arises and no interest is payable on such late payment. (d) The Advance Payment Statement shall be submitted together with a declaration signed by the <i>Contractor</i> in a form prescribed and accepted by the <i>Client</i> to confirm compliance with the provisions on ethical commitment and confidentiality in <i>additional conditions of contract</i> Clauses A3 and D15. If the <i>Contractor</i> fails to submit the duly signed declaration with the Advance Payment Statement, the <i>Client</i> shall be entitled to withhold payment until such declaration is submitted and the <i>Contractor</i> shall not be entitled to interest in that period.”

Secondary Option Clauses (Amendments to adopted Secondary Options X1, X7, X11, X14 and X16)		
Clause No.	Action	Details
X14.3	Replace	“advanced payment” by “advance payment” wherever it appears in the sub-clause.
Option X16: Retention		
X16.1	Add	“but in any case not exceeding the <i>limit of amount retained</i> set out in the Contract Data” before the full-stop in the last sentence of the clause.
X16.2	Replace	<p>the whole Clause X16.2 by the following new Clause X16.2:</p> <p>“(i) The amount retained is halved</p> <ul style="list-style-type: none"> • in the next assessment after the Completion of the whole of the <i>works</i> has been certified by the <i>Project Manager</i> or • in the next assessment after the <i>Client</i> has taken over the whole of the <i>works</i> if this is before Completion of the whole of the <i>works</i> except Establishment Works. <p>(ii) The remaining amount retained following reduction in accordance with sub-clause (i) above (“the halved retained amount”) is further reduced in the next assessment following the <i>defects date</i> by the halved retained amount minus the anticipated cost of rectification of the Defects requiring for correction as at the <i>defects date</i> as assessed by the <i>Cost Manager</i>.</p> <p>(iii) The remaining amount retained following reduction in accordance with sub-clause (ii) remains unaltered until the Defects Certificate is issued. No amount is retained in the assessments made after the Defects Certificate has been issued.”</p>
X16.3	Delete	the whole Clause X16.3.