



PRINCIPAL BUILDING AGREEMENT Contract Data CE

Project	
Employer	
Contractor	
Contract Date	File Code

prepared by the **JOINT BUILDING CONTRACTS COMMITTEE Inc**

RECOMMENDED BY THE JBCC CONSTITUENTS
Association of Construction Project Managers
Association of South African Quantity Surveyors
Master Builders South Africa
South African Association of Consulting Engineers
South African Institute of Architects
South African Property Owners Association
Specialist Engineering Contractors Committee



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CONTRACT DATA - CONTRACTOR

1.0 CONTRACTING PARTY

1.1 **Contractor** _____
Postal address _____
_____ Code _____
Tel _____ Fax _____ E-mail _____
Tax / VAT registration No
[1.2] Physical address _____
_____ Tel _____ Fax _____ E-mail _____

2.0 SECURITIES

2.1 The security provisions selected are:

2.1.1 Variable Construction Guarantee (yes/no)
[14.3]

2.1.2 Fixed Construction Guarantee and Payment Reduction (yes/no)
[14.4]

2.1.3 Advanced Payment is required. Where "Yes" (Amount)
[14.5]

2.1.4 An Advance Payment Guarantee to be provided (yes/no)
[14.5]

3.0 PAYMENT AND ADJUSTMENT OF PRELIMINARIES

3.1 **Payment of preliminaries**
The payment of preliminaries shall be according to the option selected by the **contractor**. The amount included in each monthly **payment certificate** in respect of preliminaries as stated in the **contract data** shall be:

3.1.1 **Option A**
Assessed by the **principal agent** as an amount prorated to the value of the work duly executed in the same ratio as the preliminaries bears to the **contract sum** excluding:

- The amount for preliminaries
- Any contingency sum
- Any amount in respect of **CPAP**

All inclusive of **tax**

3.1.2 **Option B**
Calculated from the priced items in the **bills of quantities/lump sum document**. The **contractor** and the **principal agent** shall agree on a division of the priced preliminaries items into:

- An initial or establishment charge
- A monthly charge
- A final or disestablishment charge

All inclusive of **tax**

In arriving at such a division cognisance shall be taken of such factors as:

- Premiums for annually renewable insurance policies
- Plant, scaffolding and the like remaining the property of the **contractor** or the hiring company and the capital costs thereof not treated as part of the initial charge

Where the initial **construction period** is extended the monthly charge shall be recalculated on the same basis as was originally applied but taking into account the revised **construction period** and the amounts already paid to the **contractor**

Should the **contractor** and the **principal agent** be unable to agree such division then the **principal agent** shall make a division of the amount of preliminaries to be incorporated in the valuations for each monthly **payment certificate**

3.2 **Adjustment of preliminaries**

The amount or items of preliminaries shall be adjusted to take account of the theoretical financial effect which changes in time and/or value have on preliminaries. Such an adjustment shall be based on the particulars provided by the **contractor** for this purpose in terms of Option A or B and shall preclude any further adjustment of preliminaries

Adjustment of preliminaries in terms of Options A or B shall apply notwithstanding the actual employment of resources by the **contractor** in the execution of the **works**. The adjustment of preliminaries shall be based on the option as selected in the **contractor's** tender

For the adjustment of the preliminaries both the **contract sum** and the **contract value** shall exclude:

- The amount of preliminaries
- Any contingency sum
- Any amount in respect of **CPAP**

All inclusive of **tax**

3.2.1 **Option A**

The amount of preliminaries shall be adjusted in the following categories:

- An amount which shall not be varied
- An amount which shall be varied in proportion to the **contract value** as compared with the **contract sum**
- An amount which shall be varied in proportion to the **construction period** as compared to the initial **construction period** excluding revisions to the **construction period** for which the **contractor** is not entitled to adjustment of the **contract value** in terms of the **agreement**

The **contractor** shall, within fifteen (15) working days of taking possession of the **site**, give the **principal agent** a breakdown, subdivided into the above categories, of the amount for preliminaries in tabulated form, all to the satisfaction of the **principal agent**

Should the **contractor** fail to provide such information within the period stipulated then the amount for preliminaries shall be deemed to be subdivided into the following proportions:

- 10% (ten per cent) which amount shall not be varied
- 15% (fifteen per cent) which amount shall be varied in proportion to the **contract value** as compared with the **contract sum**
- 75% (seventy-five per cent) which amount shall be varied in proportion to the **construction period** as compared with the initial **construction period**

For a lump sum document, should the contractor fail to identify the amount for preliminaries, then such an amount shall be deemed to be 7,5% (seven and a half per cent) of the contract sum excluding:

- Any contingency sum
- Any amount in respect of **CPAP**

All inclusive of **tax**

Where sectional completion is required in terms of the agreement, the contractor shall provide the **principal agent** with the division of the above categorised amounts into sections. Should the **contractor** fail to provide such information within the period stipulated the categorised amounts shall be prorated to the value of each section

3.2.2 **Option B**

The **contractor** shall, within fifteen (15) **working days** of taking possession of the site, provide the **principal agent** with a detailed breakdown of the amount for preliminaries. This breakdown shall set out, among others, full particulars of administrative, supervisory and other personnel, plant, transport and other resources and charges included in the amount for preliminaries. The **contractor** shall show the periods to which the individual items relate with the charge rate for such items by means of a **programme** all to the satisfaction of the **principal agent**

Where sectional completion is required in terms of the **agreement**, the **contractor** shall provide the **principal agent** with details of the resources required for each section and those that are common to sections. Should the **contractor** fail to provide such information within the period stipulated, Option A shall apply

3.2.3 **Payment certificate cash flow**

The **contractor** shall provide all reasonable assistance to the **principal agent** in the preparation of cash flow projections of claims for **payment certificates** where required by the **employer**. The projections shall be based on the **programme** and shall be updated as

and when the **programme** requires updating. The cooperation of the **contractor** in terms of this item shall not prejudice his right to receive payment in terms of the **agreement**

- 3.2.4 The **contract value** shall be adjusted according **CPAP**[3.1] (yes/no)
- 3.2.5 Payment of preliminaries [3.1.1-2] (A or B)
- 3.2.6 Adjustment of preliminaries [3.2.1-2] (A or B)

4.0 EMPLOYER CHANGES TO JBCC STANDARD DOCUMENTS

- 4.1 Changes (if any) in terms of the Employer's Contract Data are accepted [3.11] (Yes or No)
Where "No" an addendum referenced to this clause is to be attached

5.0 THE TENDER

- 5.1 This tender is to be submitted to the principal agent at the street address provided in the invitation to tender before the tender closing date and time stated therein
- 5.2 By the submission of this tender to the **employer** the tenderer offers and agrees to contract for, execute and complete the **works** for the tender sum as stated below
- 5.3 Tenders will be opened in public directly after the stated closing time. Only the total tender sum as stated in each tender will be announced
- 5.4 The lowest or any tender will not necessarily be accepted
- 5.5 This tender shall remain in full legal force for thirty (30) **calendar days**. The tenderer accepts liability for damages as may be suffered by the **employer** should the tender validity period not be honoured
- 5.6 This tender takes into account all listed items [4.0] for the purpose of preparing and submitting this tender
- 5.7 The successful tenderer will be appointed in terms of the JBCC Principal Building Agreement

5.8 TENDER SUM COMPILATION Amount

- | | | |
|-------|---|--|
| 5.8.1 | Tenderer's work including prime cost amounts | |
| 5.8.2 | Employer allowances stated by the principal agent | |
| 5.8.3 | SUB TOTAL | |
| 5.8.4 | <i>Add tax</i> on 5.8.3 | |
| 5.8.5 | TOTAL TENDER SUM inclusive of tax | |
| 5.8.6 | Tender Sum in words | |

Thus done and signed at _____ on _____

Name of signatory

Capacity of authorised signatory

As witness

for and on behalf of the tenderer who warrants authorisation hereto