

This Contract is made the day of 20
between²
of ³
..... ("the Customer") of the one part
and⁴
of⁵
..... ("the Contractor") of the other part.

It is agreed as follows:

1. Description of the Works

The Customer wishes the following work⁶
..... ("the Works") to be carried out at⁷
.....
..... ("the Premises").

2. Work Details

The details of the Works are given in the documents ticked below:⁸
 Contractor's quotation dated;
 Drawings numbered;
 Specification numbered;
 Other documents
.....
which are parts of this Contract and are collectively called the "Work Details".

3. Price

3.1 The price for the Works is Hong Kong Dollars
..... (HK\$).

3.2 The price is deemed to include the cost of all works necessary for the timely and satisfactory completion of the Works in its entirety, whether it is expressly stated in the Work Details or not.

¹ This Contract must be prepared in duplicate. Delete as appropriate.
² Insert the name of the Customer.
³ Insert the address of the Customer.
⁴ Insert the name of the Contractor.
⁵ Insert the address of the Contractor.
⁶ State accurately the nature and scope of the Works to be carried out.
⁷ Insert the address of the Premises where the Works will be carried out.
⁸ Tick the appropriate box(es) and fill in the relevant details. Both the Customer and the Contractor must sign all documents and the Customer must keep the original documents with his copy of this Contract.

4. Contractor’s obligations

- 4.1 The Contractor shall organize, carry out and complete the Works diligently and in a good and workmanlike manner, in accordance with the Work Details and the provisions of this Contract. The Contractor shall complete the design for the Works using reasonable skill and care including the selection or specification of the materials and goods and workmanship to be used in the Works so far as not stated in the Work Details.
- 4.2 The Contractor shall comply with any and all statutory requirements applicable to the Works including obtaining all approvals and consents and paying all fees and charges including those due to statutory undertakers and utility companies. The Contractor shall also comply with any Deed of Mutual Covenant and Management Agreement and House Rules of the Premises in respect of the working hours, control of air, noise, wastewater and waste, delivery of materials and goods, connection to public services, etc.

5. Working period and hours

- 5.1 The Contractor shall commence the Works on and shall complete by⁹
- 5.2 The Contractor shall carry out the Works at the Premises between a.m. and p.m.¹⁰ from Monday to Saturday, excluding any Sundays and Public Holidays. The Customer shall give the Contractor access to the Premises during these working hours throughout the working period.

6. Sufficient working areas

The Customer shall keep the working areas sufficiently clear of obstructions to allow the Contractor to carry out the Works so as to enable him to complete the Works on time.

7. Materials, goods and workmanship

- 7.1 The Contractor must supply materials and goods which are of satisfactory types, standards and quality and as set out in the Work Details. The Contractor warrants that all materials and goods are reasonably fit for the intended purposes.
- 7.2 The Contractor must carry out the Works in a good and workmanlike manner, as set out in the Work Details and to the Customer’s satisfaction.

8. Change of the Works

- 8.1 The Customer may request changes to the Works. These may include the alteration of the design, quality or quantity of the Work Details.
- 8.2 If the Contractor agrees to execute the change requested by the Customer, he shall quote both a price for the change and the time involved for the Customer’s agreement. The Contractor shall proceed with the change after receiving the Customer’s written agreement.

⁹ State the commencement date and completion date.

¹⁰ State the working hours.

9. Sub-contracting

The Contractor shall not sub-contract any part of the Works without the Customer’s prior consent.

10. Injury, damage and insurance

10.1 The Contractor shall be liable for, and shall indemnify the Customer against, any expense, liability, loss, claim and damage which may be caused to his employees and his sub-contractor’s employees of all tiers, or to the Premises and its contents, the Works or neighbouring properties.

10.2 Without prejudice to his obligation to indemnify the Customer, the Contractor shall take out and maintain, in the joint names of the Customer, himself and his sub-contractors of all tiers,

- (a) Contractor’s All Risks insurance to cover the full reinstatement value of the Works;
- (b) Third Party Liability insurance to cover the liability to the third party in respect of bodily injury or death and damage to properties with a minimum amount of HK\$¹¹ for any one occurrence or series of occurrences arising out of any one event; and
- (c) Employees’ Compensation insurance in compliance with the Employees Compensation Ordinance to cover claims for bodily injury to or the death of any workers employed in connection with the Works.

11. Extension of working period

The Customer shall extend the working period by a fair and reasonable amount if the Contractor

- (a) has to spend extra time on the Works because of the change requested by the Customer; or
- (b) cannot complete the Works on time because of any delay caused by the Customer.

12. Payment

12.1 The Customer shall pay the Contractor in accordance with clauses 12.3 and 12.4 by the method ticked below:

- one payment when the Works are all completed; or
- stage payment¹² shown below when each of the following stages of the Works is completed.

Work stage	Payment
.....	HK\$.....
.....	HK\$.....
.....	HK\$.....
.....	HK\$.....

12.2 When all of the Works are properly completed or when each stage of the work described in clause 12.1 is properly completed, the Contractor shall give the Customer an itemized invoice for the amount due taking account only of any price increase or decrease due to changes made to the Works under clause 8. For the purposes of this clause, the Works shall be considered as being properly completed only when they are free from obvious defects.

¹¹ Insert the appropriate amount.

¹² State the details of each work stage together with the corresponding amount of payment, including any advance payment.

12.3 The Customer shall pay 90% / %¹³ of the amount of the invoice within 7 days after receiving the invoice from the Contractor unless a greater sum has already been paid.

12.4 The Customer shall pay the remaining portion of the amount of the invoice or invoices within 7 days of the Contractor having made good all defects in the Works which may be or become apparent at any time within 3 months / months¹⁴ after its completion.

13. Occupation and security of the Premises

13.1 The Premises shall be / shall not be¹⁵ occupied during the working period.

13.2 If the Premises are unoccupied at any time during the working period, the Contractor shall take practical precautions to deter intruders entering.

14. Use of facilities on the Premises

The Customer shall allow the Contractor to use, free of charge, the facilities ticked below:

- | | |
|---|---------------------------------|
| <input type="checkbox"/> electricity | <input type="checkbox"/> toilet |
| <input type="checkbox"/> telephone (local call) | <input type="checkbox"/> water |

15. Health and safety

15.1 The Contractor shall take all practical steps to:

- (a) prevent health and safety risks to the Customer and other people occupying or visiting the Premises; and
- (b) minimize environmental pollution, nuisance, disturbance or inconvenience to the existing and neighbouring occupants.

15.2 The Contractor shall provide suitable safety/precautionary measures for carrying out the Works particularly on external walls of the Premises.

15.3 The Customer shall take notice of all warnings the Contractor gives about any health and safety or environmental risks which he is taking measures to prevent or minimize.

16. Protection and cleaning of the Works

16.1 The Contractor shall stow away his tools, equipment and ladders at the end of each working day in a place agreed to be used for such storage and shall regularly dispose of any rubbish from the Premises.

16.2 The Contractor shall protect the finished works and the Premises during the progress of the Works and bear all costs incurred in making good any damage caused.

16.3 Upon completion of the Works, the Contractor shall remove all plant, tools and surplus materials, make good and reinstate all damages, clean the Works and leave the Premises in a clean and tidy condition to the Customer's satisfaction.

¹³ If a different payment percentage is required, delete 90% and insert the desired percentage.

¹⁴ If a different period is required, delete 3 months and insert the desired period.

¹⁵ Delete as appropriate.

17. Customer's right to terminate the Contract

17.1 If the Contractor

- (a) does not regularly and diligently carry out the Works; or
- (b) does not comply with his health and safety and environmental responsibilities; or
- (c) is incompetent so that the Works are of an unacceptable standard and not in accordance with the Work Details;

and if the Contractor does not remedy the default within 7 days of receiving a written warning from the Customer summarising the Contractor's default, the Customer may terminate this Contract by giving the Contractor a written notice of termination which is to take immediate effect.

17.2 Upon termination of this Contract under clause 17.1, the Customer shall not be bound to make any further payment to the Contractor until after completion of the Works by another contractor. The Customer may recover from the Contractor the additional cost to him of completing the Works and any direct loss and/or damage caused to him by the termination of this Contract.

18. Contractor's right to terminate the Contract

18.1 If the Customer

- (a) does not pay an amount properly due to the Contractor without having good reason; or
- (b) prevents or obstructs the Contractor from carrying out the Works for a continuous period of at least 14 days;

and does not remedy the default within 7 days of receiving a written warning from the Contractor, the Contractor may terminate this Contract by giving the Customer a written notice which is to take immediate effect.

18.2 Upon termination of this Contract under clause 18.1, the Customer shall pay the Contractor within 14 days for the value of work properly executed and unfixed materials and goods ordered for the Works.

19. Settlement of disputes

19.1 The Customer and the Contractor shall attempt to resolve any disputes through mediation. The Customer and the Contractor shall agree a person to act as the mediator. If the Customer and Contractor fail to agree a person to act as the mediator within 14 days of one party requesting the other to agree on a mediator then, either party can request the President of the Hong Kong Institute of Surveyors to appoint a mediator for them.

19.2 The Customer or the Contractor may also start legal proceedings to settle any disputes.

20. Law of the contract

This Contract shall be governed by and construed according to the laws for the time being in force in the Hong Kong Special Administrative Region.

Customer's signature

Contractor's signature

Guidance Notes

(This Guidance Notes do not form part of, and shall not affect the interpretation of, any contract.)

Use of this Contract

This Contract is designed for use where the Customer deals directly with a Contractor making improvements to his premises such as decorations, repairs, maintenance or minor alterations, and the Works involved is simple in character with a contract value up to HK\$400,000 (at 2008 prices).

Where the Works are of a complex nature or involve building works defined under Buildings Ordinance, the Customer should consider appointing a professional consultant who will act for you, including choosing the appropriate contract.

Choice of a suitable contractor

The Customer should choose a reputable contractor for the Works. Personal recommendations from friends can be very useful.

The Customer should decide exactly the Work Details before asking the contractor(s) to quote for the Works. This will avoid misunderstandings and disputes later on.

The Customer should get quotations from more than one contractor in order to obtain a competitive price for the Works. Three quotations are quite usual. Before they tender you should tell the tendering contractors that you want to use this Contract; otherwise, you may find that the contractor's quotation is based on their own terms and conditions which might not be fair and reasonable.

Before signing the Contract, the Customer and Contractor should agree all contract details, including the Work Details, price, working period and hours, etc. The Customer should make sure that all the appropriate parts of the Contract have been filled in.

Outline of the Contract

Price

This is the lump sum stated in the Contract. This lump sum may be increased or decreased, depending only on whether any changes to the Works are requested by the Customer.

Customer's obligations

The Customer should keep the working areas sufficiently clear of obstructions so as not to prevent or obstruct the Contractor from carrying out and completing the Works on time. The Customer should also make payments to the Contractor in accordance with clause 12, except where the Works have not been properly executed.

Extension of working period

If the Works cannot be completed within the original working period due to the change requested or delay caused by the Customer, the Customer should grant a reasonable extension of time.

Termination

Either the Customer or the Contractor may terminate this Contract if the other does not comply with certain obligations stated in the Contract.

Disputes

If the Customer and the Contractor have any disputes while the Works is being done or afterwards, both parties should try to resolve it through negotiation before considering going to mediation or to the courts.

Rights and remedies generally

This Contract does not limit any other legal remedies which may be available to the Customer or the Contractor. Proceedings can be commenced within 6 years from the date of breach.

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Suite 801, 8/F Jardine House, 1 Connaught Place, Central, Hong Kong

Telephone: 2526 3679

E-mail: info@hkis.org.hk

Web Site: www.hkis.org.hk

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