



Volume 1

CONDITIONS OF CONTRACT

<<Insert Network Name>> Network Outcomes Contract
Contract No: <<insert Contract Number>>



NZ TRANSPORT AGENCY
WAKA KOTAHI



New Zealand Government

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DOCUMENT CHANGE FORMAT CODES

Black

Black text is mandatory and may not be changed without approval from the Network Outcomes Contract Model Control Group.

~~Black~~

~~Struck out black text is used for removing mandatory content that has been prior approved by the Network Outcomes Contract Model Control Group to be removed. Struck out text provides transparency of changes to an otherwise nationally consistent document. All struck out text must be confirmed within Section 7.1 of the Maintenance Specification.~~

Red

Red text is used for data which requires fields to be updated or at least considered for each contract. Text can also be used as is, modified or replaced. All red text adjustments must have the State Highway Manager's approval.

Blue

Blue text is used for optional clauses which can be included as is or deleted in full.

<<Guidance Notes>>

Blue text with yellow highlighting and marked at the beginning with << and the end with >> are guidance notes for the Tender Document creator. Guidance notes must be removed prior to tender document release.

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Contract Agreement

CONTRACT FOR _____

CONTRACT NUMBER _____

THIS AGREEMENT is made on _____

20 _____

BETWEEN _____

(‘the Contractor’)

AND

The NZ Transport Agency a Crown entity, established on 1 August 2008 by Section 93 of the Land Transport Management Act 2003 (‘the Principal’)

<<Insert Local Authority Name if Joint Principals>>

IT IS AGREED as follows:

1. The Contractor shall carry out the obligations imposed on the Contractor by the Contract.
 2. The Principal shall pay the Contractor the sum of \$ _____ or such greater or less sum as shall become payable under the Contract together with goods and services tax at the times and in the manner provided in the Contract.
 3. Each party agrees to the terms and conditions as set out in the Contract.
 4. The Contract comprises the following documents:
 - (a) This Contract Agreement;
 - (b) The notification of acceptance of tender or award of Contract;
 - (c) The following post-tender documents <<Guidance note: identify any agreed post-tender documents to be included, for example correspondence or minutes of pre-let meetings dealing with tender tags etc>>
-
- (d) Schedule 2: Special Conditions of Contract – Other Conditions of Contract;
 - (e) Schedule 1: Special Conditions of Contract – Specific Conditions of Contract;
 - (f) The General Conditions of Contract NZS3917: 2013 (including other Schedules);
 - (g) Specifications issued prior to the Date of Acceptance of Tender;
 - (h) Appendices
 - (i) Drawings issued prior to the Date of Acceptance of Tender;
 - (j) The Schedule of Prices & Basis of Payment
 - (k) The Contractor’s tender;
 - (l) Notices to Tenderers <<guidance note: give details with dates>>:

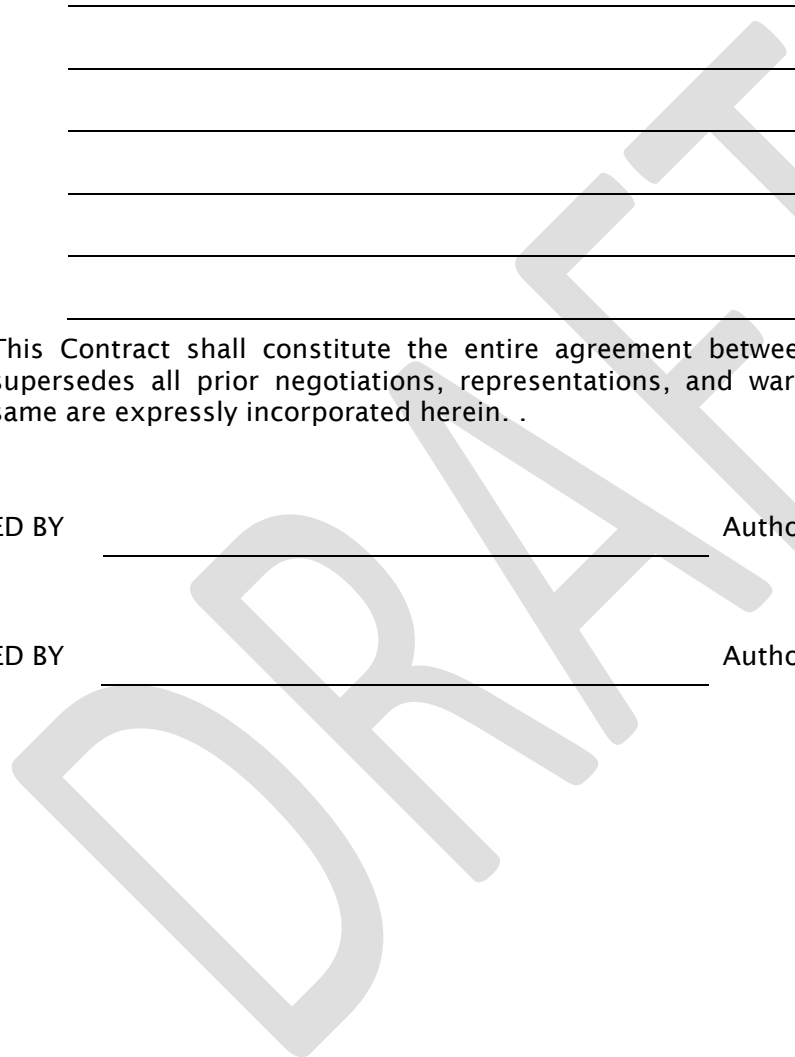
(Select if *NOT* applicable)

- (m) The Schedule to the Conditions of Tendering;
- (n) The Conditions of Tendering; and
- (o) The following additional documents: <<Identify any additional documents to be included for example agreed correspondence>>

5. This Contract shall constitute the entire agreement between the parties. This Contract supersedes all prior negotiations, representations, and warranties, except insofar as the same are expressly incorporated herein. .

SIGNED BY _____ Authorised Signatory of Contractor

SIGNED BY _____ Authorised Signatory of Principal



General Conditions

The General Conditions of Contract shall be those included in NZS 3917: 2013 **Conditions of contract for building and civil engineering - Fixed term** and the following clauses.

DRAFT

Schedules to the General Conditions of Contract

Schedule 1 - Special Conditions of Contract – Specific Conditions of Contract

(Clause numbers refer to General Conditions)

<<Guidance note: remove all "guidance notes" for final publication.>>

Contract for:	[Contract Number, Contract Name]
----------------------	----------------------------------

Clause <i>in General Conditions</i>	Title and subject matter	Specific condition data <i>(Expand cells if required or add reference to further detail provided in Schedule 2.)</i>
1	INTERPRETATION	
1.2	Definitions	
	The Principal is:	The Principal is: the NZ Transport Agency (Transport Agency) , a Crown entity, established on 1 August 2008 by Section 93 of the Land Transport Management Act 2003
	of:	Click to enter street address
	and: << Guidance note: Where the contract has joint principals the following clauses (a) to (d) are to be added otherwise delete the following clauses.>>	<<insert Local Authority Name if Joint Principal, otherwise delete row. >>
	(a) References to the Principal References to the Principal in the Contract Documents are references to the <<Insert Name>> Council and Transport Agency. Except where the entities constituting the Principal are referred to individually, all provisions in the Contract Documents relating to the Principal shall be deemed to be the references to the entities constituting the Principal acting jointly.	
	(b) Several Liability of Principal Notwithstanding (a) above, the liability of Transport Agency and the <<Insert Name>> Council under the Contract Documents shall not be joint, nor a joint and several liability but shall be a several liability, to the intent that: (i) Transport Agency's several liability is limited to acts, omissions, liabilities and obligations of the Principal in relation to those State Highways for which Transport Agency has statutory responsibility as described in the Schedule of	

Clause <i>in General Conditions</i>	Title and subject matter	Specific condition data <i>(Expand cells if required or add reference to further detail provided in Schedule 2.)</i>
	<p>Prices and the Maintenance Specification.</p> <p>(ii) The [Insert Name] Council's several liability is limited to acts, omissions, liabilities and obligations of the Principal in relation to those local roads for which the [Insert Name] Council has statutory responsibility as described in the Schedule of Prices and the Maintenance Specification.</p> <p>(iii) Transport Agency is not liable to the Contractor for the separate acts or omissions of, or for any breach of any obligations or warranty in the Contract Documents by [Insert Name] Council.</p> <p>(iv) [Insert Name] Council is not liable for the separate acts or omissions of, or for any breach of any obligation or warranty in the Contract Documents by Transport Agency.</p>	
	<p>(c) Payment for Services</p> <p>In accordance with the principle of several liability, the lump sum and measure and value payments for the Contract Works shall be divided between Transport Agency and [Insert Name] Council as follows:</p> <p>(i) Transport Agency shall be liable for payments for Contract Works provided in respect of the State Highways</p> <p>(ii) [Insert Name] Council shall be liable for payments for Contract Works provided in respect of the local roads.</p> <p>Whenever the Contractor submits a payment in accordance with clause 12.1 or 12.4 of the General Conditions, the Contractor shall specify in the payment claim the amount that is payable by the Transport Agency and [Insert Name] Council apportioned in accordance with the above requirements.</p>	
	(d) Principal's Joint Venture Agreement	<<include joint Principal's agreement.>>
1.2, 10.2	Separable Portions <ul style="list-style-type: none"> Are there any Separable Portions in this Contract? 	No
2	THE CONTRACT	
2.1	Type of Contract	
2.1.1	This Contract is a: <ul style="list-style-type: none"> (a) Measure and value contract governed by 2.3 	<input checked="" type="checkbox"/>
2.4	Cost reimbursement contract	Clause 2.4 shall not apply to this contract
2.5	Local authority contracts	
2.5.1	Is this Contract a local authority contract to which 2.5.2 applies	State yes or no <<select yes if contract includes local authority roads>>

Clause <i>in General Conditions</i>	Title and subject matter	Specific condition data <i>(Expand cells if required or add reference to further detail provided in Schedule 2.)</i>
2.6	Evidence of Contract	
2.6.2	How is the Contract Agreement executed?	
	(a) As stated in 2.6.2	<input checked="" type="checkbox"/>
2.7	Documents prepared by the Engineer or Principal	
2.7.1	Copies of the Contract shall be supplied without charge to the Contractor in the following electronic format:	A single pdf copy shall be supplied.
3.	BONDS	
3.1	Contractor's Bond	
3.1.1	Is a Contractor's Bond required? Note - Bonds are accepted in principle from those insurance companies and banks approved by Transport Agency. The current approved list is scheduled in Transport Agency's "Contract Procedures Manual" (SM021).	Yes
3.1.2	If yes, the amount of the Contractor's Bond shall be:	\$500,000 And shall be submitted within 21 Calendar days following acceptance of tender <<For high risk project specific contracts with unusual circumstances including but not limited to Milford, Wellington or Auckland, Insurance Levels must be reviewed and approved by the "Insurance Risk Sub VAC" via Appendix XXIII of SM021 Manual (insurance@TransportAgency.govt.nz)>>
3.2	Principal's Bond	
3.2.1	Is a Principal's Bond required?	No
5.	GENERAL OBLIGATIONS	
5.4	Occupancy of the Site	
5.4.4	Limits on the Contractor's right of entry to adjoining properties are:	Nil or List Details <<Nil is default. If deemed to apply, Regions are to provide details of specific right of entry requirements as required >>
5.5	Separate Contractors	
5.5.1	Separate Contractors who may be carrying out work on the Site concurrently with the Contract Works are:	<input type="checkbox"/> Traffic Counting <input type="checkbox"/> Bridge Consultancy <input type="checkbox"/> Structure Bridge Renewals <input type="checkbox"/> Tunnels <input type="checkbox"/> Traffic Signals <input type="checkbox"/> Street Lighting <input type="checkbox"/> Street Cleaning <input type="checkbox"/> High Speed Data <input type="checkbox"/> RAMM Condition Rating

Clause <i>in General Conditions</i>	Title and subject matter	Specific condition data <i>(Expand cells if required or add reference to further detail provided in Schedule 2.)</i>
		<input type="checkbox"/> National ITS Contracts <<check boxes and / or add where applicable>>
5.5.2	Are facilities for Separate Contractors required?	Select yes or no
	If yes, details of facilities required are:	Enter text as required
5.6	Care of works and Site	
5.6.6(f)	Further risks specifically excepted are:	Provided in Schedule 18
5.11	Compliance with laws	
5.11.3	Exceptions to the Principal's obligations to obtain licences under 5.11.3 are:	Nil <<Default is "Nil" unless Principal feels that the Contractor is best to obtain certain licences.>>
5.11.4	Exceptions to the Contractor's obligations to give notices and obtain other licences under 5.11.4 are:	Nil
5.11.8	Prior to the issue of the Certificate of Expiry:	<i>(select one to apply, (a), (b) or (c))</i>
	(a) Producer Statements in the form of Schedule 6 are required;	<input type="checkbox"/>
	(b) Producer Statements as set out in the following parts of the Contract are required;	<input checked="" type="checkbox"/> <i>(Maintenance Specification Section, 6.12 Pavement Rehabilitation & Section 6.13, Sealed Road Resurfacing.</i>
	(c) Producer Statements are not required	<input type="checkbox"/>
5.17	Safety plan	
	Is a Site-specific safety plan required to be prepared by the Contractor?	Yes And shall be submitted [20] working days following acceptance of tender, unless otherwise stated under Maintenance Section 4.1.
5.18	Quality plan	
	Is a quality plan required to be prepared by the Contractor?	Yes And shall be submitted [20] working days following acceptance of tender, unless otherwise stated under Maintenance Section 4.2.
5.19	Traffic management plan	
	Is a traffic management plan required to be prepared by the Contractor?	Yes And shall be submitted [20] working days following acceptance of tender, unless otherwise stated under Maintenance Section 4.3
5.20	As-built drawings and operation and maintenance manuals	
5.20.1(a)	Are as-built drawings required to be prepared by the Contractor?	No

Clause <i>in General Conditions</i>	Title and subject matter	Specific condition data <i>(Expand cells if required or add reference to further detail provided in Schedule 2.)</i>
5.20.1(b)	Are operation and maintenance manuals required to be prepared by the Contractor?	No
5.20.1(c)	Are maintenance records required to be prepared or updated by the Contractor?	Yes
6. THE ENGINEER		
6.1 Appointment of the Engineer		
6.1.2	The Engineer is:	Name, Company, Street Address
	Whose professional qualification is:	Click to enter text
6.4.6	The Principal will recover the cost for reinspection, remeasuring or retesting at the following rates:	
	• Engineer or other professional	[\$220.00] per hour (exclusive of GST)
	• Engineer's Representative	[\$150.00] per hour (exclusive of GST)
	• Contract Manager Other personnel	[\$150.00] per hour (exclusive of GST)
	• Vehicle running	[\$1.00] per km (exclusive of GST)
8. INSURANCES		
8.1 General		
8.1.1	The party identified below shall arrange the following insurances referred to in the following clauses	
	8.3 or 8.8 Construction	Principal <<Guidance note: Principal (PAI) set as default. Exemption requires sub VAC approval>>
	8.9 Existing property	Select Principal if insurance is required <<Guidance note: Principal (PAI) set as default. Exemption requires sub VAC approval>>
	8.4 Plant	Contractor <<Guidance note: Default is "Contractor">>
	8.5 or 8.10 Public liability	Select Contractor or Principal <<Guidance note: Principal (PAI) set as default. Exemption requires sub VAC approval>>
	8.5.2 Motor Vehicle	Contractor
	8.6 Professional Indemnity	Contractor <<Guidance note: Default is "Contractor" The value of the level of insurance is stated in 8.6.1 below.>>
8.1.6	The following forces of nature shall be specifically insured under 8.3 or 8.8 as applicable:	<<Guidance note: Select "yes" on all items under 8.1.6 if PAI is used, otherwise yes or no, as appropriate given the location of the site, for Volcanic, Hydrothermal and Geothermal Activity.>>
	(a) Landslip	Yes

Clause <i>in General Conditions</i>	Title and subject matter	Specific condition data <i>(Expand cells if required or add reference to further detail provided in Schedule 2.)</i>
	(b) Earthquake	Yes
	(c) Tsunami	Yes
	(d) Tornado	Yes
	(e) Cyclone	Yes
	(f) Storm	Yes
	(g) Flood	Yes
	(h) Lightning strike	Yes
	(i) Volcanic activity	Select yes or no
	(j) Hydrothermal activity	Select yes or no
	(k) Geothermal activity	Select yes or no
8.3, 8.8	Construction insurance <i>(These items are required to be completed whether the Contractor or the Principal is the insuring party (see 8.1 above))</i>	
8.3.2, 8.8	The following shall have their respective interests noted in the construction insurance policy:	<<Guidance Note: list any third parties interests that need to be a named "Insured" in the insurance policy>>
8.3.3, 8.8	Where construction insurance is required (see 8.1 above), the amount of insurance to be effected for the Contract Works and Materials shall be for not less than the sum of the Contract Price, after acceptance of the tender or other offer, plus the following allowances:	
	(a) An allowance for the Cost of demolition, disposal and preparation for replacement work, equal to:	<i>(Select one to apply, (i) or (ii))</i>
	(i) The amount in the right hand column:	<input type="checkbox"/> [\$xxxxx]
	(ii) The percentage of the Contract Price adjusted as above, stated in the right hand column:	<input type="checkbox"/> [5%]
	(b) An allowance for professional services fees including the Cost of clerks of works and inspectors, equal to:	<i>(Select one to apply, (i) or (ii))</i>
	(i) The amount in the right hand column:	<input type="checkbox"/> [\$xxxxx]
	(ii) The percentage of the Contract Price adjusted as above, stated in the right hand column:	<input type="checkbox"/> [5%]
	(c) An allowance for items to be incorporated in the Contract Works, the Cost of which is not included in the Contract Price, equal to:	<i>(Select one to apply, (i) or (ii))</i>
	(i) The amount in the right hand column:	<input type="checkbox"/> [\$xxxxx]
	(ii) The percentage of the Contract Price adjusted as above, stated in the right hand column:	<input type="checkbox"/> [5%]

Clause <i>in General Conditions</i>	Title and subject matter	Specific condition data <i>(Expand cells if required or add reference to further detail provided in Schedule 2.)</i>
	(d) An allowance for an increase in the Contract Price due to Variations, equal to:	<i>(Select one to apply, (i) or (ii))</i>
	(i) The amount in the right hand column:	<input type="checkbox"/> [\$xxxxx]
	(ii) The percentage of the Contract Price adjusted as above, stated in the right hand column:	<input type="checkbox"/> [5%]
	(e) An allowance for an increased construction Costs due to inflation, equal to:	<i>(Select one to apply, (i) or (ii))</i>
	(i) The amount in the right hand column:	<input type="checkbox"/> [\$xxxxx]
	(ii) The percentage of the Contract Price adjusted as above, stated in the right hand column:	<input type="checkbox"/> [5%]
The insurance shall make provision for automatic change of cover for items (a) and (e) above, to provide insurance for any additions to or deductions from the Contract Price which occur after acceptance of the tender or other offer.		
8.4	Contractor arranged Plant insurance	
	Where Plant is required to be insured (see 8.1 above):	<i>(Select one to apply, (a) or (b))</i>
	(a) The Contractor shall insure the following items of Plant on Site for the amounts stated:	<input type="checkbox"/> [list specific items] <<Guidance note: List any items of plant of an exceptional nature and specifically critical to the timely completion of the Contract Works>>
	(b) The Contractor shall insure each item of Plant on the Site having a current market value of more than:	<input checked="" type="checkbox"/> \$200,000 <<Guidance note: default is \$200k if required, otherwise choose "Not required">>
8.5	Contractor arranged public liability insurance	
8.5.1	Where required (see 8.1 above), public liability insurance shall be effected by the Contractor for an amount not less than:	[\$5,000,000]
	Such public liability insurance may include sub limits:	
	<ul style="list-style-type: none"> For liability arising out of vibration, weakening or removal of support, of not less than: 	[\$250,000.00] <<Guidance note: For any contract in an urban or built up area, cover shall be increased to the full minimum limit of \$5M. Ensure your sub-limits match those listed within Schedule 9>>
	<ul style="list-style-type: none"> For liability under the Forest and rural Fires Act 1977, of not less than: 	<<Guidance note: For any contract in forested area or vineyard, cover shall be increased to the full minimum limit of \$5M. Ensure your sub-limits match those listed within Schedule 9>>
8.5.2	Where required (see 8.1 above), motor vehicle third party liability insurance shall be effected for an amount	[\$5,000,000]

Clause <i>in General Conditions</i>	Title and subject matter	Specific condition data <i>(Expand cells if required or add reference to further detail provided in Schedule 2.)</i>																							
	not less than:																								
8.6	Contractor arranged professional indemnity insurance <<For high risk project-specific contracts Insurance Levels must be reviewed and approved by the "Insurance Risk Sub VAC" via Appendix XXIII of SM021 Manual (insurance@TransportAgency.govt.nz).>>																								
8.6.1	Where required (see 8.1 above), professional indemnity insurance for design by the Contractor shall be effected for an amount not less than:																								
	• For any one claim:	\$1,000,000.00																							
	• And for an amount in the aggregate of:	[XXXXXX]																							
8.6.2	Sub limits of liability for design of parts of the Contract Works by Subcontracts shall not be less than:	[List specific parts] or [Not required] <<Guidance note: list specific part(s) of Contract Works and applicable \$ sub-limits for any one claim and for an amount in the aggregate, or state if not required>>																							
8.8	Principal arranged construction insurance (refer also to 8.3)																								
	In accordance with 8.7.2, the insurance policy wording title is:	The NZ Transport Agency as Principal and its Contractors and their Sub Contractors for their respective rights and interests																							
	In accordance with 8.7.2, the extraordinary exclusions, conditions, warranties or endorsements to the policy are:	Specific policy wording applicable to this contract can be read at the following website: http://nz.marsh.com/TransportAgency-pai																							
8.8.1	Where the Principal is required to effect construction insurance (see 8.1 above).																								
	The lead insurer is:	Great Lakes																							
	Address of lead insurer:	Corporate Branch, UK																							
	The Nominal Deductibles are:																								
		<table border="1"> <thead> <tr> <th rowspan="2"></th> <th colspan="3">Original Estimated Contract Value</th> </tr> <tr> <th>>0 to 10m</th> <th>>10m to 20m</th> <th>>20m</th> </tr> </thead> <tbody> <tr> <td>Each loss except as below:</td> <td>\$10,000</td> <td>\$25,000</td> <td>\$50,000</td> </tr> <tr> <td>Major Perils</td> <td>\$25,000</td> <td>\$50,000</td> <td>\$100,000</td> </tr> <tr> <td>Wet Work Contracts</td> <td>\$300,000</td> <td>\$300,000</td> <td>\$300,000</td> </tr> <tr> <td>Tunnelling Contracts (including excavations / underpasses</td> <td>\$300,000</td> <td>\$300,000</td> <td>\$300,000</td> </tr> </tbody> </table>		Original Estimated Contract Value			>0 to 10m	>10m to 20m	>20m	Each loss except as below:	\$10,000	\$25,000	\$50,000	Major Perils	\$25,000	\$50,000	\$100,000	Wet Work Contracts	\$300,000	\$300,000	\$300,000	Tunnelling Contracts (including excavations / underpasses	\$300,000	\$300,000	\$300,000
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Clause <i>in General Conditions</i>	Title and subject matter	Specific condition data <i>(Expand cells if required or add reference to further detail provided in Schedule 2.)</i>															
		>100m)															
		LEG 3/06 Defects Claims	\$250,000	\$250,000	\$500,000												
		<p>For this contract, the Original Estimate Contract Value is in the range Select Value</p> <p><<Guidance note: Ensure the above deductibles table is consistent with the Transport Agency's latest and current PAI policy wording at the time of tender close>></p>															
8.9	Principal arranged existing property insurance	<p>Nil</p> <p><<Guidance note: default position is that this is not relevant to Transport Agency contracts. If unsure email insurance@TransportAgency.govt.nz for project specific guidance>></p>															
8.9.1(b)	Other structures in the vicinity are:	<p>Nil</p> <p><<Guidance note: default position is that this is not relevant to Transport Agency contracts. If unsure email insurance@TransportAgency.govt.nz for project specific guidance>></p>															
8.9.1(c)	Contents insurance are:	<p>Nil</p> <p><<Guidance note: default position is that this is not relevant to Transport Agency contracts. If unsure email insurance@TransportAgency.govt.nz for project specific guidance>></p>															
8.10	Principal's option to insure public liability																
	Where required (see 8.1 above), the Principal shall effect public liability insurance for an amount not less than:	<p>\$20,000,000</p> <p><<Guidance note: Consultant to ensure the below deductibles table is consistent with the Transport Agency's latest and current PAI policy wording at the time of tender close>></p>															
	The lead insurer is:	Vero Liability New Zealand Ltd / Lloyd's of London															
	Address of lead insurer:	<<Guidance note: leave this blank>>															
	The Nominal Deductibles are:																
		<table border="1"> <thead> <tr> <th data-bbox="927 1644 1086 1749"></th> <th colspan="3" data-bbox="1091 1644 1445 1749">Original Estimated Contract Value</th> </tr> <tr> <th data-bbox="927 1756 1086 1839"></th> <th data-bbox="1091 1756 1206 1839">>0 to 5m</th> <th data-bbox="1211 1756 1326 1839">>5m to 10m</th> <th data-bbox="1331 1756 1445 1839">>10m</th> </tr> </thead> <tbody> <tr> <td data-bbox="927 1845 1086 2011">Each occurrence (including Maintenance Contracts)</td> <td data-bbox="1091 1845 1206 2011">\$10,000*</td> <td data-bbox="1211 1845 1326 2011">\$20,000*</td> <td data-bbox="1331 1845 1445 2011">\$25,000*</td> </tr> </tbody> </table>					Original Estimated Contract Value				>0 to 5m	>5m to 10m	>10m	Each occurrence (including Maintenance Contracts)	\$10,000*	\$20,000*	\$25,000*
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Clause <i>in General Conditions</i>	Title and subject matter	Specific condition data <i>(Expand cells if required or add reference to further detail provided in Schedule 2.)</i>
		*Including costs and expenses For this contract, the Original Estimate Contract Value is in the range Select value
	In accordance with 8.7.2:	
	<ul style="list-style-type: none"> The policy wording title is: 	Specific policy wording applicable to this contract can be read at the following website: http://nz.marsh.com/Transport_Agency-pai
	<ul style="list-style-type: none"> Extraordinary exclusions, conditions, warranties, or endorsements to the policy are: 	Specific policy wording applicable to this contract can be read at the following website: http://nz.marsh.com/Transport_Agency-pai
8.9.2	Such public liability insurance may include sub-limits for: <i>(specify as applicable or state 'not applicable')</i>	
	<ul style="list-style-type: none"> Liability arising out of vibration, weakening or removal of support 	\$250,000 Specific policy wording applicable to this contract can be read at the following website: http://nz.marsh.com/Transport_Agency-pai
	<ul style="list-style-type: none"> Liability under the Forest and Rural Fires Act 1977: 	\$250,000 Specific policy wording applicable to this contract can be read at the following website: http://nz.marsh.com/Transport_Agency-pai
9. VARIATIONS		
9.3 Valuation of Variations		
9.3.9	For On-site Overheads:	<i>(select one to apply, (a) or (b))</i>
	(a) The prices and rates in the Schedule of Prices are inclusive of full allowance for On-site Overheads;	<input checked="" type="checkbox"/>
	(b) The prices and rates in the Schedule of Prices are exclusive of On-site Overheads;	<input type="checkbox"/>
9.3.7, 9.3.9	The allowance for On-site Overheads to be added in accordance with 9.3.9 is:	<i>(select one to apply, (i), (ii), (iii), or (iv))</i>
	(i) Agreed percentage:	<input type="checkbox"/> [XX%]
	(ii) As nominated in the Schedule of Prices.	<input type="checkbox"/>
	(iii) As nominated in the Contractor's tender.	<input checked="" type="checkbox"/>
	(iv) A reasonable percentage.	<input type="checkbox"/>
9.3.10	For Off-site Overheads and Profit:	<i>(select one to apply, (a) or (b))</i>
	(a) The price and rates in the Schedule of Prices are inclusive of Off-site Overheads and Profit;	<input type="checkbox"/>
	(b) The price and rates in the Schedule of Prices are exclusive of Off-site Overheads and Profit;	<input type="checkbox"/>

Clause <i>in General Conditions</i>	Title and subject matter	Specific condition data <i>(Expand cells if required or add reference to further detail provided in Schedule 2.)</i>
9.3.7, 9.3.10	The allowance for Off-site Overheads and Profit to be added in accordance with 9.3.10 is: (i) Agreed percentage: (ii) As nominated in the Schedule of Prices. (iii) As nominated in the Contractor's tender. (iv) A reasonable percentage.	<i>(select one to apply, (i), (ii), (iii), or (iv))</i> <input type="checkbox"/> [XX%] <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>
9.3.14	For processing of Variations, the percentage to be paid in accordance with 9.3.14 is: (a) Agreed percentage: (b) As nominated in the Schedule of Prices. (c) As nominated in the Contractor's tender. (d) A reasonable Cost of processing the Variations.	<i>(select one to apply, (a), (b), (c,) or (d))</i> <input type="checkbox"/> [XX%] <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <<Guidance note: This is to be agreed via negotiation with contractor on a case by case basis>>
10. TIME FOR COMPLETION		
10.1 Date of Commencement		
	(a) For the Contract Works:	Click here to enter a date.
10.2 Date of Expiry		
10.2.1	(a) For the Contract Works: (i) [7] Years with a maximum term of [9] years	<i>(select one to apply, (i) or (ii))</i> <input type="checkbox"/> Subject to Schedule 2, Clause 10.8 and the performance management framework requirements as set out in Section 2 of the Maintenance Specification
11. DEFECTS LIABILITY		
11.4 Final Completion Certificate		
11.4.2(a)	Prior to issue of the Final Completion Certificate: (a) Producer Statements are not required	<input checked="" type="checkbox"/>
11.4.2(b)	Prior to issue of the Final Completion Certificate: (b) As-built drawings and operation and maintenance manuals are not required.	<input checked="" type="checkbox"/>
11.4.2(c)	Prior to issue of the Final Completion Certificate: (a) Outstanding maintenance records are required; (b) Outstanding maintenance records are not required.	<i>(select one to apply, (a) or (b))</i> <input checked="" type="checkbox"/> <input type="checkbox"/>
11.6 Warranties		
11.6.1	(a) No warranties are required; (b) The Contractor shall provide warranties as set out	<input checked="" type="checkbox"/> <<Default>> <input type="checkbox"/>

Clause <i>in General Conditions</i>	Title and subject matter	Specific condition data <i>(Expand cells if required or add reference to further detail provided in Schedule 2.)</i>
	in the Contract for the following items of work:	[State the items]
11.7	Guarantees	
11.7.1,11.7.2		
	(a) No guarantees are required;	<input checked="" type="checkbox"/> <<Default>>
	(b) The Contractor shall provide guarantees in the following form:	<input type="checkbox"/> [State form]
12.	PAYMENTS	
12.1	Contractor's payment claims	
12.1.3(b) (iii)	Advances for Materials delivered to the Site	
	(a) Advances for Materials delivered to the Site but which have yet to be incorporated in the Contract Works shall not be made;	<input checked="" type="checkbox"/> <<Default>>
12.1.3(b) (iv)	Advances for Temporary Works or Plant	
	(a) Advances for Temporary Works or Plant shall not be made.	<input checked="" type="checkbox"/> <<Default>>
12.1.3(b) (iv)	Advances for Materials not yet on Site	
	(a) Advances for Materials not yet on Site shall not be made.	<input checked="" type="checkbox"/> <<Default>>
12.3	Retention monies	
12.3.1,12.3.2	Retentions shall or shall not apply as follows:	<i>(select one to apply, (a) or (b))</i>
	(a) Retentions shall not apply	<input type="checkbox"/>
	(b) Retentions shall apply as follows:	<input checked="" type="checkbox"/>
	(ii) The retention formula in the right hand column.	<input checked="" type="checkbox"/> For the Contract Works, a total retention of: <ul style="list-style-type: none"> • 10% on the first \$200,000, and • 5% on the next \$800,000, and • 1.75% on amounts in excess of \$1,000,000, and • With a maximum total retention when aggregated of \$200,000, and • With a defects liability retention of half the total retention.
12.3.3	Bond in lieu of retention	
	(a) The Contractor may provide a bond in lieu of retentions.	<input checked="" type="checkbox"/> The percentage to be retained from each progress payment and the limit of the total sums retained shall be nil if the Contractor provides a Bond in Lieu of Retentions (Schedule 5). The value of the bond shall be the applicable retention amount plus a further 10%

Clause <i>in General Conditions</i>	Title and subject matter	Specific condition data <i>(Expand cells if required or add reference to further detail provided in Schedule 2.)</i>
12.8	Cost fluctuations (b) Cost fluctuations shall be paid in accordance with the method described in:	<i>(select one to apply, (a), (b) or (c))</i> <input checked="" type="checkbox"/> Schedule 17
12.13	Goods and services tax	
12.13.2	Payment Schedules provided by the Engineer: (a) Shall not be in the form of a tax invoice; (b) Shall be in the form of a buyer created tax invoice and the parties agree not to issue any other tax invoice for items covered by the Payment Schedule.	<i>(select one to apply, (a) or (b))</i> <input type="checkbox"/> <input type="checkbox"/>
12.14	Performance payments	<i>(select one to apply, (a) or (b))</i>
12.14.1, 12.14.2	(a) Performance payments shall not apply; (b) Performance payments shall apply, and the performance indicators and performance payments are contained in the following parts of the Contract:	<input type="checkbox"/> <input checked="" type="checkbox"/> Maintenance Specification
12.15	Liquidated damages	
12.15.1, 12.15.2	(a) Liquidated damages shall not apply	<input checked="" type="checkbox"/>
13. DISPUTES		
13.4 Arbitration		
13.4.3	If required, the arbitrator shall be nominated by the following Person:	[Name, Position] <<Guidance note: default is Engineer to the Contract>>
15. SERVICE OF NOTICES		
15.1.2	For the purposes of service of written notice: (a) The address of the Principal is: Postal address: Delivery address: Mark for the attention of: Email address: Other agreed means of electronic communication and address detail: (b) The address of the Contractor is: Postal address: Delivery address: Mark for the attention of:	

Clause <i>in General Conditions</i>	Title and subject matter	Specific condition data <i>(Expand cells if required or add reference to further detail provided in Schedule 2.)</i>
	Email address:	
	Other agreed means of electronic communication and address detail:	
	(c) The address of the Engineer is:	
	Postal address:	
	Delivery address:	
	Mark for the attention of:	
	Email address:	
	Other agreed means of electronic communication and address detail:	

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Schedule 2 - Special Conditions of Contract – Other Conditions of Contract

In addition to 1.2, Definitions, the following definitions are provided:

CONTRACT MANAGEMENT PERSONNEL means the Contractor's Representative or Contract Manager (see Information for Tenderers, Clause 4.4).

CONTRACT PERIOD means the period defined in clause 10.2.1.

NETWORK means the network described in Maintenance Specification, Section 1.

WINTER PERIOD means **June** to **September** inclusive.

Delete the existing working day definition and replace with the following:

WORKING DAY means any calendar day other than Sunday, or a Public Holiday where the day observed as the Public Holiday falls on any day of the week, except a Sunday.

Section 2 – The contract

Clause 2.8.2 is deleted and replaced with:

2.8.2 The Contractor shall upon request by the Engineer supply without charge hard copy sets of copies of Drawings and Specifications which have been prepared by, or on behalf of, the Contractor as provided in the Maintenance Specification.

Section 5 – General obligations

Insert new clause 5.1.7 as follows:

5.1.7 During the term of the contract the Contractor must advise the Engineer of any potential or actual conflicts of interest with any individual or company engaged to complete any part of the Contract Works. This includes Subcontractors and individuals and companies engaged under any other supply arrangement to supply any part of the Contract Works. The Contractor must advise the Engineer of the means by which it intends to remove or mitigate such conflicts of interest. The Engineer must inform the Principal of any conflicts of interest notified to the Engineer by the Contractor in accordance with this clause, and the Principal will, in discussion with the Engineer and taking into account (but not bound by) the Contractor's intended action, decide the appropriate action required to remove or mitigate any actual or potential conflict of interest. The Engineer must ensure the Contractor implements such required action.

Insert new clauses 5.12.3 through 5.12.7 as follows:

- 5.12.3 All intellectual property rights of the Contractor that are not developed commissioned or created under or in connection with this contract remain the property of the Contractor.
- 5.12.4 All new intellectual property rights that are developed, commissioned or created under or in connection with this contract (including any intellectual property rights in photographs or video footage taken by the Contractor at the Site will be owned by the Principal as such rights are created.
- 5.12.5 In all cases where the Principal does not own the intellectual property rights in the Contract Works, the Contractor grants (or shall procure the grant) to the Principal a perpetual, non-exclusive, worldwide and royalty-free licence to use, copy, modify and distribute all such intellectual property rights for any purpose.
- 5.12.6 For the purposes of this contract, "intellectual property rights" means all intellectual property rights and interests, including copyright, trademarks, designs, patents and other proprietary rights, recognised or protected by law (whether registered or not).
- 5.12.7 Notwithstanding any other provisions of the Contract Documents, any new intellectual property rights developed, commissioned or created by the Contractor under or in connection with this contract which are not predominantly for or connected to the performance of the Contract Works but which have general industry application shall be the absolute property of the Contractor and the Contractor shall grant to the Principal a perpetual, non-exclusive, worldwide, royalty free license to use such intellectual property rights solely in connection with the Contract Works.

Section 6 – Engineer’s Powers and Responsibilities

Clause 6.2.1 is deleted and replaced with:

- 6.2.1 The role of the Engineer in the administration of this contract is:
- a) Independently of either contracting party, to fairly and impartially make decisions entrusted to him or her under the Contract Documents, to confirm the valuation of the Contract Works and issue certificates at due times.
 - b) To deal with contract administration other than issues relating to:
 - The day-to-day programming and management of general maintenance activities; and
 - Directing the Contractor on which defects to repair and/or accepting or rejecting completed maintenance works
 - c) Not to supervise the Contract Works.

Clause 6.3.3 is deleted and replaced with:

- 6.3.3 The Engineer’s representative may exercise any of the powers vested in the Engineer under the contract except:
- a) The reviewing of matters in dispute
 - b) The valuing of Variations above \$500,000, the issuing of Payment Schedules or certificates in the form of provisional Payment Schedules, the issuing of a certificate of Practical Completion or Defects Liability Certificate, the granting of extensions of time and any changing of the Drawings or Specifications unless expressly authorised by the Engineer by written notice to the Contractor

- c) Any other powers excluded by the Engineer by written notice to the Contractor.

Section 8 – Insurance

A new clause 8.1.7 is added as follows:

- 8.1.7 Responsibility for pursuing any claim under any insurance policy shall rest with the party bearing the deductible or excess. Where the Contractor is pursuing a claim, the Contractor is required to advise the Engineer of the outcome of the claim and provide the Engineer with information in relation to the claim on request.

A new clause 8.2.3 (c) is added as follows:

- 8.2.3 (c) The actions of one insured shall not affect the rights of any other insured.

A new clause 8.5.1 (d) is added as follows:

- 8.5.1 (d) Public Liability Insurance shall include liability arising out of damage to Underground Services and will be for a sub limit amount not less than **\$250,000.00**.

<<Guidance note: For any contract where works are taken out above Underground Services of significant economic importance cover shall be increased to the full minimum limit of \$5M. Ensure your sub-limits match those listed within Schedule 9.>>

Section 9 – Variations

In Clauses 9.1.1, 9.1.2, 9.1.3, 9.2.1, 9.2.2 and 9.4.2 the term Engineer is deleted and replaced with the term Principal or Principal's Representative.

Clause 9.1.5 is deleted and replaced with

- 9.1.5 The value of Variations shall, either:
- Be added to, or deducted from, the Contract Price; or
 - Be offset, in part or in full, by a Variation instructing an addition to, or deduction from, the Contract Works.

Section 10 – Time for Completion

New Clauses 10.1.3 and 10.8 are added as follows:

- 10.1.3 No sealing operations shall take place over the Winter Period without the prior approval from the Principal.

10.5 Contract Period and Adjustments

- 10.5.1 The Contract Period will be <<five/seven - delete as applicable>> Contract Year, as adjusted in accordance with clause 10.5.2. Nothing in this clause 10.5 prejudices the Principal's right to terminate this contract.

- 10.5.2 The Contract Period will be adjusted as follows:

- Subject to clause 10.5.2(b):

- (i) The Contractor's performance will be assessed for the period to 1 July every year during the Contract Period (**Annual Performance Assessment**).
- (ii) The annual performance assessment under the Maintenance Specification will be determined from the three preceding four-month periods, being July to October, November to February and March to June (each an **Assessment Period**).
- b) There will be a grace period of a minimum of 3 months prior to the first assessment period applying, following the commencement date (determined in accordance with clause 10.1.1). So, for example, if the commencement date is on:
- (i) 1 July, there will be a grace period of 4 months, and the first annual performance assessment will only take into account the November to February and March to June assessment periods
- (ii) 1 August, there will be a grace period of 3 months, and the first annual performance assessment will only take into account the November to February and March to June assessment periods
- (iii) 1 September, there will be a grace period of 6 months, and the first annual performance assessment will only take into account the March to June assessment period.
- c) Where an annual performance assessment rates the overall performance level as Minimum Condition of Satisfaction, Best Practice or Outstanding (as per the Maintenance Specification), the applicable extension (if any) stated in the table below is earned.
- d) Where an annual performance assessment within the contract period rates the overall annual performance level as poor (as per the Maintenance Specification), the applicable reduction (if any) as stated in the table below.
- e) If, following an annual performance assessment, the Contract Period has less than 24 months remaining and no further extensions can be earned, no further adjustments will be made to the Contract Period and this contract will terminate at the end of the then applicable Contract Period.
- f) If, following an annual performance assessment, the remaining Contract Period is, or would be (but for this clause 10.5.2(f)), reduced to 12 months or less, then notwithstanding anything else in this clause 10.5.2, the Contract Period shall end on the next 30th of June.
- g) The Contract Period will not reduce below three Contract Years or be extended to more than <<seven/nine - delete as applicable>> Contract Years. <<delete columns not applicable to contract term>>

Contract Period Extensions and Reductions

Annual performance assessment number	Five-year Contract Period		Seven-year Contract Period	
	Contract Period extension years able to be earned	Contract Period reduction years able to be incurred	Contract Period extension years able to be earned	Contract Period reduction years able to be incurred

Contract Period Extensions and Reductions

Annual performance assessment number	Five-year Contract Period		Seven-year Contract Period	
	Contract Period extension years able to be earned	Contract Period reduction years able to be incurred	Contract Period extension years able to be earned	Contract Period reduction years able to be incurred
1 st	0	1	0	1
2 nd	1	1	1	2
3 rd	1	1	1	1
4 th	1	1	1	1
5 th	0	0	1	1
6 th	0	0	1	1
7 th	0	0	0	0
8 th	0	0	0	0
9 th	0	0	0	0

10.5.3 The Principal will give prompt written notice to the Contractor of any extension or reduction of the Contract Period under this clause 10.5.

10.5.4 Notwithstanding **anything** else in this contract, the Principal is not obliged to extend the Contract Period if, at its absolute discretion, it determines that an extension is not in its operational interests. Before making any such determination, the Principal will consult with the Contractor.

Section 11 – Defects Liability

Clause 11.1.1 is deleted and replaced with the following:

11.1.1 The Contractor shall remedy all defects in the Contract Works arising prior to or within the Date of Expiry of the Contract Works Period, from defective workmanship or Materials. The Engineer's Representative shall give notice in writing to the Contractor during the Defects Notification Period or within five Working Days thereafter of defects to be remedied, including a date by which their remedy is required. In setting this date, the Engineer's Representative shall make an assessment of what is a reasonable time for the remedy of each of the defects identified. That date shall not be more than 20 Working Days from the date the defect is notified to the Contractor unless the Engineer's Representative agrees otherwise in writing.

Clause 11.1.2 is deleted and replaced with the following:

11.1.2 If the Contractor fails to complete the remedial works by the required date as set out under clause 11.1.1, the Principal shall be entitled, after giving the Contractor notice, to employ others to carry out such remedial work. The Principal shall be entitled to recover the reasonable cost of such work from the Contractor, including all reasonable costs and expenses of assessment and supervision whether by the Engineer or otherwise, and a reasonable allowance for associated administrative and professional costs and expenses..

New Clauses 11.1.4, 11.1.5, 11.1.6 and 11.1.7 are added as follows:

11.1.4 The Contractor is liable for all defects on renewal sites constructed within the last two years before contract completion. The Defects Notification Period applies to each renewal site within that period. All defects as defined in the Maintenance Specification Section 6.1.1 shall be addressed, to the satisfaction of the Principal, which are deemed to be as a result of poor construction.

11.1.5 For pavement rehabilitation sites constructed within the last two years before contract completion the Pavement Rehabilitation Post Construction Design Assessment requirements as defined in Maintenance Specification, Section 6.1.2 shall apply. The assessment outside the Contract Period shall be completed by the Principal.

11.1.6 For resurfacing sites constructed within the last two years before contract completion the Chip Seal and AC Post Construction Design Assessment requirements as defined in Maintenance Specification, Section 6.1.3 shall apply. The assessment outside the Contract Period shall be completed by the Principal.

11.1.7 The Defects Notification Period shall be in respect of the renewal sites:

- (a) In respect of the Contract Works:
 - i. Term of the Contract (all works), plus
 - ii. Sealed Road Resurfacing, constructed in the last two years of the contract - 104 weeks commencing at practical completion at each site.
 - iii. Pavement Rehabilitation, constructed in the last two years of the contract - 104 weeks commencing at practical completion at each site

Section 12 - Payments**New Clause 12.2.10 is added as follows:**

12.2.10 The Principal reserves the right to deduct moneys from payments, otherwise due to the Contractor in respect of the implementation of schemes covered in Section 2 and Section 6 of the Maintenance Specification, in addition to and not in substitution for the Principal's other rights and remedies under the Contract Documents arising from any breach by the Contractor of its obligations under the Contract Documents.

Schedule 3 – Form of Contractor’s performance bond

CONTRACT FOR _____

THIS DEED is made on _____

BY _____

of _____

(‘the Contractor’)

AND _____

of _____

(‘the surety’)

(Address of surety for service)

IT IS MADE IN THE FOLLOWING CIRCUMSTANCES:

- A The Contractor has entered into an agreement with the NZ Transport Agency <<and <<insert Local Authority name>> (“the Principal”) to carry out and fulfil the obligations imposed on the Contractor (‘the Contract’).
- B The Contract requires the Contractor to provide the Principal with security in the form of a bond to ensure performance of the Contractor’s obligations under the Contract.
- C Words and phrases with capital initial letters that are not otherwise defined in this bond shall have the meaning set out in the Contract.

BY THIS DEED:

1. **THE** Contractor and surety are jointly and severally held and bound to the Principal in the sum of \$NZ and bind themselves, their successors and assigns jointly and severally for the payment of that sum.
2. **THE** conditions of this bond are that it shall be released if and when:
 - (a) The Final Completion Certificate has been issued for the Contract Works in accordance with 11.4 of the General Conditions;
 - (b) The surety receives a notice from the Principal releasing the Contractor and surety from this bond; or
 - (c) The surety receives a notice from the Principal confirming that a replacement Contractor’s Bond has been received and accepted and releasing the Contactor and surety from this bond.
3. **EXCEPT** as provided in clause 2 above this bond shall be and remain in full force and effect.
4. **THE** surety shall not be released from any liability under this bond:

- (a) By any alteration in the terms of the Contract;
- (b) By any alteration in the extent or nature of the Contract Works to be completed, delivered, and having defects remedied;
- (c) By any allowance of time by the Principal or by the Engineer appointed by the Principal under the Contract; or
- (d) By any forbearance or waiver by the Principal or by the Engineer in respect of any of the Contractor's obligations or in respect of any default on the part of the Contractor.

5. **THIS** bond shall be governed by New Zealand law.

In witness of which this deed has been executed.

SIGNED on behalf of the surety by:

Director

Director

SIGNED on behalf of the Contractor by:

Director

Director

NOTE - This bond shall be executed by the Contractor and by the surety in the manner required for execution of a deed. Any of these parties which are a company shall execute the bond by having it signed, under the name of the company, by two or more directors. If there is only one director, it is sufficient if the bond is signed under the name of the company by that director, but the signature shall be witnessed by another person. The witness shall not only sign, but shall also add his or her occupation and address. Alternatively, companies may execute under the power of attorney. Any party which is a body corporate (other than a company) shall execute in the same manner as a company by persons in a comparable position to a company director or otherwise in accordance with section 9 of the Property Law Act 2007. In the case of a party who is an individual, the party shall sign and the signature shall be witnessed by another person. The witness shall not only sign but must also add his or her occupation and address.

Schedule 4 – Form of Principal’s bond

CONTRACT FOR _____

This Section Not Used

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Schedule 5 - Form of Contractor's bond in lieu of retentions

CONTRACT FOR _____

THIS DEED is made on _____

BY _____

of _____ ('the Contractor')

AND _____

of _____ ('the surety')

(Address of surety for service)

IT IS MADE IN THE FOLLOWING CIRCUMSTANCES:

- A The Contractor has entered into an agreement with the NZ Transport Agency <<and <<insert Local Authority name>> ("the Principal") to carry out and fulfil the obligations imposed on the Contractor ('the Contract').
- B The Contractor has agreed to provide the Principal with security in the form of a bond in lieu of retentions additional to any other bond required under the Contract.
- C Words and phrases with capital initial letters that are not otherwise defined in this bond shall have the meaning set out in the Contract.

BY THIS DEED:

- 1. THE Contractor and surety are jointly and severally held and bound to the Principal in the sum of \$NZ and bind themselves, their successors and assigns jointly and severally for the payment of that sum.
- 2. THE conditions of this bond are that it shall be released if and when:
 - (a) The Final Completion Certificate has been issued for the Contract Works in accordance with 11.4 of the General Conditions; or
 - (b) The surety receives a notice from the Principal releasing the Contractor and surety from this bond.
- 3. EXCEPT as provided in Clause 2 above this bond shall be and remain in full force and effect until << insert expiry date>> (the "Expiry Date").
- 4. THE surety shall not be released from any liability under this bond:
 - (a) By any alteration in the terms of the Contract;
 - (b) By any alteration in the extent or nature of the Contract Works to be completed, delivered, and having defects remedied;

- (c) By any allowance of time by the Principal or by the Engineer appointed by the Principal under the Contract; or
- (d) By any forbearance or waiver by the Principal or by the Engineer in respect of any of the Contractor's obligations or in respect of any default on the part of the Contractor.

5. **THIS** bond shall be governed by New Zealand law.

In witness of which this deed has been executed.

SIGNED on behalf of the surety by:

Director

Director

SIGNED on behalf of the Contractor by:

Director

Director

NOTE - This bond shall be executed by the Contractor and by the surety in the manner required for execution of a deed. Any of these parties which are a company shall execute the bond by having it signed, under the name of the company, by two or more directors. If there is only one director, it is sufficient if the bond is signed under the name of the company by that director, but the signature shall be witnessed by another person. The witness shall not only sign, but shall also add his or her occupation and address. Alternatively, companies may execute under the power of attorney. Any party which is a body corporate (other than a company) shall execute in the same manner as a company by persons in a comparable position to a company director or otherwise in accordance with section 9 of the Property Law Act 2007. In the case of a party who is an individual, the party shall sign and the signature shall be witnessed by another person. The witness shall not only sign but must also add his or her occupation and address.

Schedule 6 - Form of Producer Statement – Construction

ISSUED BY _____ (Contractor)

TO The NZ Transport Agency _____ (Principal)

IN RESPECT OF _____ (Description of Contract Works)

AT _____
_____ (Address)

_____ has contracted to _____ the NZ Transport Agency
(Contractor) (Principal)

to carry out and complete certain building works in accordance with a Contract titled _____
_____ ('the Contract')

(Project)

I _____ (Duly Authorised Agent)

a duly authorised representative of _____ (Contractor)

believe on reasonable grounds that _____ (Contractor)

has carried out and completed:

All

Part only as specified in the attached particular of the contract works in accordance with the Contract

Date

(Signature of Authorised Agent on behalf of)

(Contractor)

(Address)

Schedule 7 - Information on Contractor arranged construction insurance

<<Guidance note: For contracts where PAI is used, delete the following schedule and replace with the words **This Section Not Used**>>

To whom it may concern:

From _____ (Name of Insurance Company)

(Branch)
(Address)

We confirm having effected construction insurance for:

The NZ Transport Agency (The Contractor)

(The Principal)
In respect of [Contract Number, Contract Name] (Project Title)

Policy wording title is _____

The following provisions apply:

- Project specific policy
- Annual run-off policy
- Annual cut-off policy

We advise that special terms, copy attached, have been applied to this policy Yes/No

8.1.6

The following forces of nature are insured:

- landslip earthquake tsunami
- tornado cyclone storm
- flood lightning strike volcanic activity
- hydrothermal activity geothermal activity

8.3.3

The sums insured are (GST exclusive):

Contract Price \$ _____
(a) Costs of demolition \$ _____
(b) Professional fees \$ _____
(c) Value of items to be incorporated \$ _____
(d) An allowance for an increase in construction costs \$ _____

(e) An allowance for increased reconstruction costs \$ _____

TOTAL SUM INSURED \$ _____

The policy deductibles are (GST inclusive)

Non-earthquake \$ _____

Natural disaster _____ % of _____ minimum of \$ _____

Other (name) _____ \$ _____

8.2.3(a)

Construction period from _____ to _____

Insurance maintenance period _____

Policy expiry date _____

Policy cover terms included are:

8.2.2 Discretionary cancellation clause Yes/No

8.2.3 Reinstatement provision on building and contents Yes/No

8.2.3 Severally insured Yes/No

No Settlement delay due to exercise of subrogation Yes/No

8.2.4 Void *ab initio* for non-payment of premium with prior notification Yes/No

Policy extensions included are:

8.3.1 Transit (in New Zealand) Yes/No Sub limit (if applicable) \$ _____

8.3.1 Materials in storage (in New Zealand) Yes/No \$ _____

Testing and commissioning Yes/No \$ _____

Expediting expenses Yes/No \$ _____

Overseas airfreight Yes/No \$ _____

We undertake that this policy will not be cancelled or amended by us within the period of insurance without written advice to the insured party which has arranged the insurances.

The insurance issued is subject to the terms and conditions of the policy. We do not warrant that this policy complies with the requirements of NZS 3917:2013.

Insurance Company

Stamp

(Or name of insurance broking company confirming cover)

Date

SIGNED BY _____

SIGNATORY TITLE _____

(Clause numbers refer to NZS 3917:2013 and are for information only)

Schedule 8 – Information on Contractor arranged Plant insurance

To whom it may concern:

From _____ (Name of Insurance Company)
_____ (Branch)

_____ (Address)

We confirm having effected Plant insurance for: _____ (The Contractor)

In respect of [Contract Number, Contract Name] _____ (Project Title)

Policy wording title is _____

We advise that special terms, copy attached, have been applied to this policy Yes/No

The following provisions apply:

- Annual policy
- Project specific policy

Policy expiry date _____

8.4

The insured are (GST exclusive):

- All items of Plant Sum insured \$ _____
- OR
- Valued schedule of construction Plant insured (copy attached)

The policy deductible (GST inclusive) is: \$ _____

Policy cover terms included are:

- 8.2.2 Discretionary cancellation clause Yes/No
- 8.2.3(a) Reinstatement provision Yes/No
- 8.2.4 Void *ab initio* for non-payment of premium without prior notification Yes/No
- No settlement delay due to exercise of subrogation Yes/No

We undertake that this policy will not be cancelled or amended by us within the period of insurance without written advice to the insured party which has arranged the insurances.

The insurance issued is subject to the terms and conditions of the policy. We do not warrant that this policy complies with the requirements of NZS 3917:2013.

**Insurance Company
Stamp**

(Or name of insurance broking company confirming cover)

Date

SIGNED BY

SIGNATORY TITLE

(Clause numbers refer to NZS 3917:2013 and are for information only)

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Schedule 9 - Information on public liability insurance

<<Guidance note: As PAI is applied to this contract, download and insert Schedule 9 from the Marsh insurance portal <http://nz.marsh.com/Transport Agency-pai>>>

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Schedule 10 - Information on Contractor arranged motor vehicle insurance

To whom it may concern:

From _____ (Name of Insurance Company)
 _____ (Branch)
 _____ (Address)

We confirm having effected motor fleet insurance for _____ (The Contractor)

In respect of **[Contract Number, Contract Name]** _____ (Project Title)

Policy wording title is _____

We advise that special terms, copy attached, have been applied to this policy Yes/No

The following provisions apply:

- Annual policy
- Project specific policy

Policy expiry date _____

8.5.2

The limits of liability are (GST exclusive):

Section 2 - Liability
 For any one occurrence arising out of the same event \$ _____

The policy deductibles are:

Section 2 - Liability (GST inclusive) \$ _____
 Plus under age penalties

8.2

Policy cover terms included are:

Section 2 Liability automatic reinstatement	Yes/No
Discretionary cancellation clause	Yes/No
Void <i>ab initio</i> for non-payment of premium without prior notification	Yes/No
No settlement delay due to exercise of subrogation	Yes/No

We undertake that this policy will not be cancelled or amended by us within the period of insurance without written advice to the insured party which has arranged the insurances.

The insurance issued is subject to the terms and conditions of the policy. We do not warrant that this policy complies with the requirements of NZS 3917:2013.



**Insurance Company
Stamp**

(Or name of insurance broking company confirming cover)

Date

SIGNED BY

SIGNATORY TITLE

(Clause numbers refer to NZS 3916: 2013 and are for information only)

DRAFT

Schedule 11 - Information on Contractor arranged professional indemnity insurance

To whom it may concern:

From _____ (Name of Insurance Company)
_____ (Branch)

_____ (Address)

We confirm having effected professional indemnity insurance for. _____ (The Contractor)

In respect of **[Contract Number, Contract Name]** _____ (Project Title)

Policy wording title is _____

We advise that special terms, copy attached, have been applied to this policy Yes/No

The following provisions apply:

- Annual policy
- Project specific policy

Policy expiry date _____

8.6.1

The limits of liability are (GST exclusive): \$ _____ any one occurrence
 in the aggregate
 during the period of
 insurance

Deductible (GST inclusive) \$ _____

We undertake that this policy will not be cancelled or amended by us within the period of insurance without written advice to the insured party which has arranged the insurances.

The insurance issued is subject to the terms and conditions of the policy. We do not warrant that this policy complies with the requirements of NZS 3917:2013.

Insurance Company Stamp _____ **Date** _____
 (Or name of insurance broking company confirming cover)

SIGNED BY _____

SIGNATORY TITLE _____

(Clause numbers refer to NZS 3917:2013 and are for information only)

Schedule 12 - Information on Principal arranged construction and existing property insurance

Guidance note: As PAI is applied to this contract, download and insert Schedule 9 from the Marsh insurance portal http://nz.marsh.com/Transport_Agency-pai>>

DRAFT

Schedule 13 – Form of Contract (or Subcontractor) warranty

This Section Not Used

DRAFT

Schedule 14 – Agreement for off-site Materials

<<Guidance note: Payments as provided for under 12.1.3(b)(iv) are not include under this contract

This Section Not Used.

DRAFT

Schedule 15 – Certificate on Expiry

This Certificate on Expiry is issued under 10.3.1.

Contract for [Contract Number, Contract Name]

Principal The NZ Transport Agency a Crown entity, established on 1 August 2008 by Section 93 of the Land Transport Management Act 2003 *(‘the Principal’)*

Contractor _____ *(‘the Contractor’)*

This certificate relates to:

- (a) The whole of the Contract Works referred to above;
- (b) The following Separable Portion _____ *(specify)*

In accordance with 10.3.1, the Engineer certifies that the Contract Works or Separable Portion to which this certificate relates qualify for a Certificate on Expiry under 10.3, notwithstanding that there may be obligations of the Contractor under the Contract which remain unperformed or not properly performed (as listed in the attached list of outstanding obligations) in terms of 10.3.2.

- (a) By this certificate the Engineer gives notice to the Contractor under 11.3.1 that the Engineer may instruct others to undertake those obligations listed in Part A of the attached list of outstanding obligations; *(delete if not applicable)*
- (b) The Contractor is required to carry out and complete those obligations listed in Part B of the attached list of outstanding obligations by the date stated against the relevant obligation, failing which the Engineer may give notice under 11.3.1. *(delete if not applicable)*

The Contract Works Period expired at the end of _____ *(insert date).*

Signed by the Engineer _____

Name _____

Date _____



LIST OF OUTSTANDING OBLIGATIONS

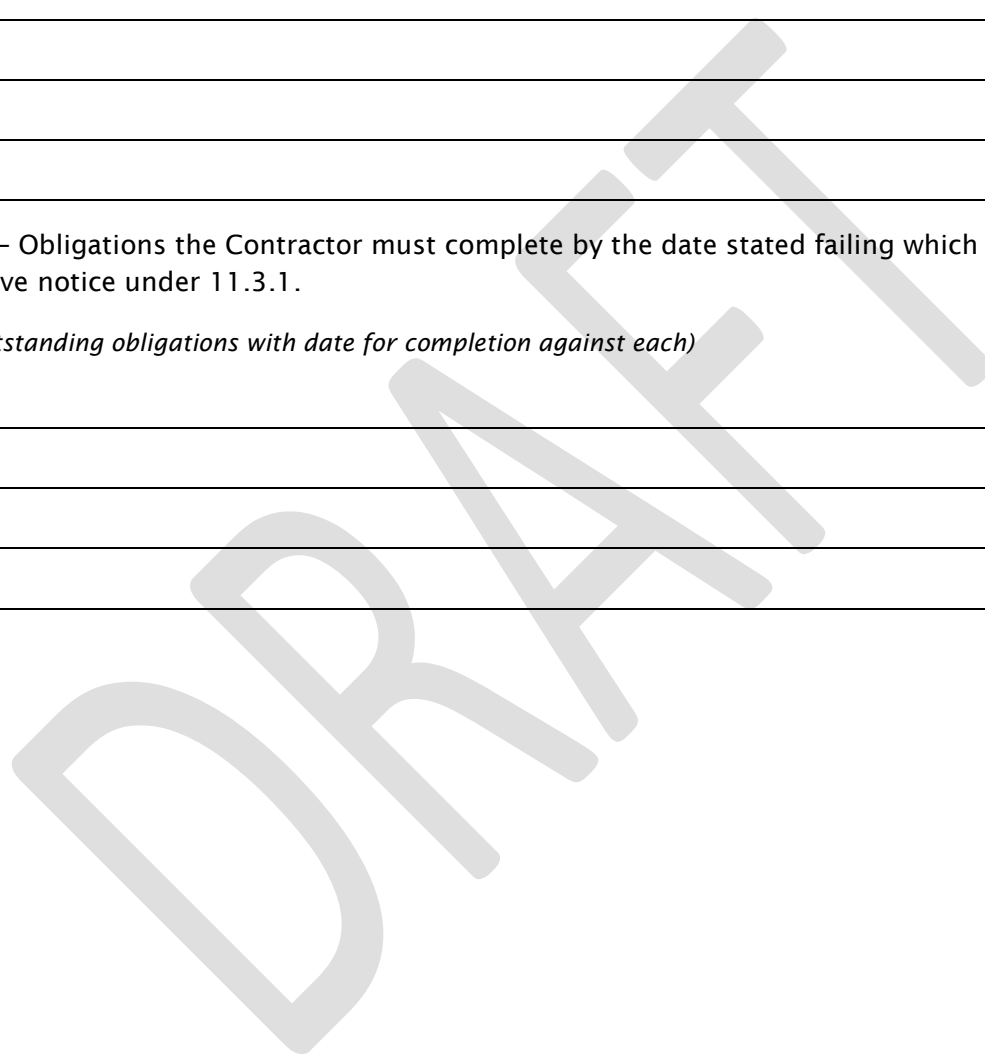
Obligations of the Contractor under the Contract which remain unperformed or not properly performed in terms of 10.3.2 and were identified during an inspection carried out by the Engineer or Engineer’s Representative on (*insert date*)

Part A – Obligations which may be completed by others at the Contractor’s Cost in accordance with 11.3.2 and 11.3.3

(list outstanding obligations)

Part B – Obligations the Contractor must complete by the date stated failing which the Engineer may give notice under 11.3.1.

(list outstanding obligations with date for completion against each)



Schedule 16 – Final Completion Certificate

This certificate is a Final Completion Certificate issued under 11.4.1.

Contract for [Contract Number, Contract Name]

Principal The NZ Transport Agency a Crown entity, established on 1 August 2008 by Section 93 of the Land Transport Management Act 2003 *(‘the Principal’)*

Contractor _____ *(‘the Contractor’)*

This certificate relates to:

- (a) The whole of the Contract Works referred to above;
- (b) The following Separable Portion _____ *(specify)*

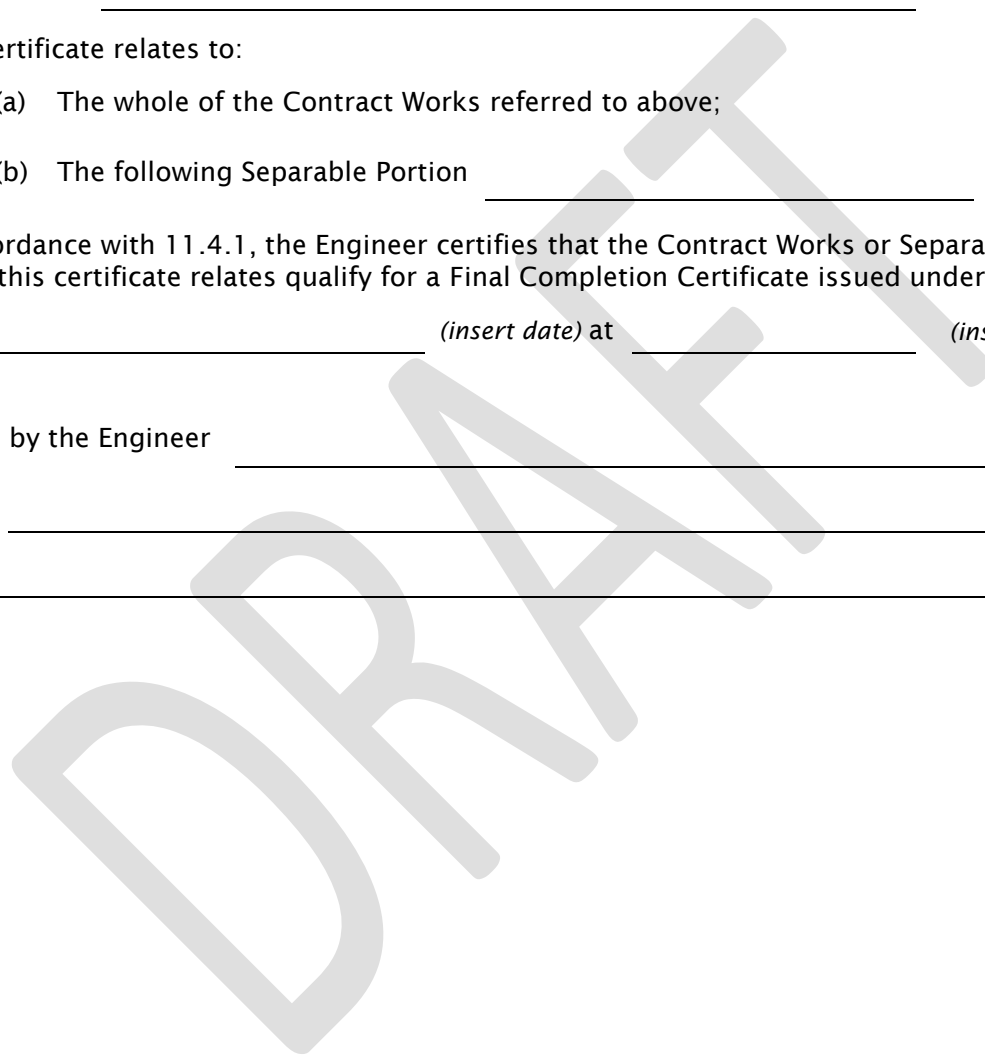
In accordance with 11.4.1, the Engineer certifies that the Contract Works or Separable Portion to which this certificate relates qualify for a Final Completion Certificate issued under 11.4

on _____ *(insert date)* at _____ *(insert time)*

Signed by the Engineer _____

Name _____

Date _____



Schedule 17 - Cost Fluctuations

Contract for: <<insert number and name>>

1. The provisions of this Schedule shall apply when provided for in the Special Conditions.
2. The amounts payable by the Principal, to the Contractor under the contract shall be adjusted up or down by amounts calculated in accordance with the following two part formula on a monthly basis:

$$C = CI + CB$$

Where

C = Cost fluctuation adjustment for the month under consideration

CI = [(Value x (p₁ / 100) x (p₂ / 100)) x (I / I' - 1)]

CB = [Volume x (Bit - Bit')]

And

Value = Valuation of work completed during the month under consideration taken from the Payment Schedule but without deduction for retentions and excluding the cost fluctuation adjustment

p₁ = The proportion of costs excluding bitumen supply (an estimate of total contract costs excluding bitumen supply divided by an estimate of total contract costs) is fixed for the duration of the contract and has a value of 91%

p₂ = The proportion of costs to be adjusted by the index after excluding bitumen supply is fixed for the duration of the contract and has a value of 100%

I / I' = The value of the index defined in Clause 3 for the month under consideration divided by the value of the index for the month during which tenders closed

Volume = Volume of residual bitumen binder applied during the month under consideration (litres) taken from the Payment Schedule. Residual bitumen is the non-volatile fraction of the bitumen binder that remains in service after evaporation. Volume is measured at 15 degrees Celsius

Bit = Value of the *NZ Transport Agency Bitumen cost adjustment series* for the month under consideration, published on the NZ Transport Agency website

Bit' = Value of the *NZ Transport Agency Bitumen cost adjustment series* for the month during which tenders closed, published on the NZ Transport Agency website.

3. The index shall be the *NZ Transport Agency network outcome index (costs excluding bitumen)* as published on the NZ Transport Agency website.
4. Cost Fluctuation provisions shall be applied from the commencement of the contract period except that for months 1 to 12 of the contract period CI shall be deemed = \$Nil.

5. For the purpose of calculating the cost fluctuation adjustment in Clause 2, any Daywork, Prime Cost Sums, Variations and other payment items which are based on actual cost, or current prices and any advances shall be excluded from the valuation of work completed.
6. The Contractor shall not be entitled to claim cost fluctuation adjustment for work completed after the Due Date for Completion greater than that which would apply had the work been completed on the Due Date for Completion.
7. The index values to be used in the calculation of the cost fluctuation in Clause 2 shall be those first published by the NZ Transport Agency for the appropriate quarter.
8. Where the index for the quarter has not yet been published, interim payments shall be made on the basis of the index for the most recent quarter for which an index is available. A correction to the interim monthly payment will be made following the publication of the applicable index and will be processed with subsequent progress payments.
9. If at any time any of the Statistics New Zealand indexes which are inputs into the NZ Transport Agency index(es) referred to in Clause 2 or later clauses are no longer published, or if the basis of any index is materially changed, the adjustment shall thereafter be calculated by using such other input index, or in such other manner as will fairly reflect the changes as previously measured by that index.
10. If at any time any of the inputs into the *NZ Transport Agency bitumen cost adjustment series* referred to in Clause 2 or later clauses are no longer published, or if the basis of the *NZ Transport Agency bitumen cost adjustment series* is materially changed, the adjustment shall thereafter be calculated by using such other inputs, or in such other manner as will fairly reflect the changes as previously measured by the *NZ Transport Agency bitumen cost adjustment series*.

Schedule 18 - Contract Risk Profile

Contract for: <<insert number and name>>

The Contract Risk Profile describes known risks and states whether the risk is included (Risk included) or excluded (Risk excluded) from the Contract Price.

Subject to clause 5.6.6, all other risks not specifically listed in the following schedule are deemed to be risk included and therefore need to be considered in the Contract Price.

Contract Risk Profile			
Risk Description		Risk Status	
Contract Works			
1	Changes to Network centreline length.		Risk Excluded
2	Maintaining private accessways and pedestrian facilities located outside the kerb line and/or edge of seal in the urban areas as defined in the RAMM database.		Risk Excluded
3	Legislative, regulatory or Principal's policy changes during Contract Period.		Risk Excluded
4	Maintaining pavement and surfacing, within 7m of any rail, at railway level crossings.		Risk Excluded
Value Management Proposition			
5	Any change in any individual KRA, KPI, measure or weightings.	Risk Included	
6	Asset additions and deletions during the Contract Period.		Risk Excluded
7	Changes to the accumulated annual pavement rehabilitation programme as reconciled against the Contractor's tendered accumulated Pavement Rehabilitation Baseline Plan.		Risk Excluded
8	Beyond a 10% change to the accumulated annual resurfacing programme as reconciled against the Contractor's tendered accumulated Resurfacing Baseline Plan.		Risk Excluded
Contract Management			
9	Unscheduled general, Principal and special structure inspections and reporting after a flood (or similar) event.		Risk Excluded
10	Maintenance, use of and management of stockpile and disposal Sites.	Risk Included	
11	Liability for damages to services and assets caused by the Contractor's operation.	Risk Included	

Contract Risk Profile

Risk Description		Risk Status	
12	Lump sum activity related land entry agreements.	Risk Included	
13	Deterioration to assets beyond the limit of Contract Works resulting from any traffic diversion or detour: <ul style="list-style-type: none"> a) to the extent that the event causing the traffic diversion or detour is the Principal's risk; b) where the traffic diversion or detour is instructed or implemented by the New Zealand Police, provided that the Contractor diligently completes works to allow the highway to be reopened to traffic. 		Risk Excluded
14	Traffic growth greater than the length weighted mean (=sum (treatment length x AADT)/total contract area length) growth rate of 5% compounded annually or 10 HCVs per day whichever is the greater.		Risk Excluded
Network Management			
15	RAMM updating as a result of third party activities or other Principal-engaged Contract Works.		Risk Excluded
16	Asset integrity after the Period of Defects Liability for third party works that have been consent-approved by the Principal and monitored by the Contractor.	Risk Included	
17	Defects on projects completed by other Principal-engaged suppliers within the individual liability periods.		Risk Excluded
18	The first 10 hours of any Incident Response event, from notification.	Risk Included	
19	Resource consent application and compliance activities for all lump sum work completed during this contract.	Risk Included	
20	Resource consent and designation compliance activities that existed prior to commencement of the contract, as shown in Appendix 5.2, Resource Consents and Designations.	Risk Included	
21	Routine surveillance of bridges and other structures and reporting.	Risk Included	
22	General and Principal bridges and other structures inspection and reporting.		Risk Excluded
23	Treatments of Priority A Sites, as identified within the annual skid resistance exception report, on road sections not treated by the Contractor and are not flushed.		Risk Excluded
24	On road aggregate ESC value (polishing) below the specified ESC value (IL-0.02), as measured at minimum after 24 months from construction by the Principal's SCRIM survey.		Risk Excluded

Contract Risk Profile

Risk Description		Risk Status	
25	Areas within a carriageway $\geq 10\text{m}$ long that are flushed and constitutes a safety hazard (i.e. macrotexture is \leq the threshold level for macrotexture as specified in T10 "Specification for State Highway Skid Resistance Management") and either: a) In addition to low texture the SCRIM coefficient is ≤ 0.35 unless a joint inspection has determined that SCRIM improvement is not warranted, or b) The texture will impact negatively on the life of a surfacing renewal treatment.	Risk Included	
Physical Works			
26	Work required addressing vibration and road noise complaints as a result of work completed by the Contractor, or completed by third parties who were consent-approved, which was monitored by the Contractor and the work is outside the Period of Defects Liability.	Risk Included	
27	Work required addressing vibration and road noise complaints for pavements that are otherwise in good condition (i.e. no defect(s)).		Risk Excluded
28	Completion of second coat seals on capital works projects completed under other contracts.		Risk Excluded
29	Reinstatement of all traffic detector loops and weather meters as a result of lump sum work completed under this Contract.	Risk Included	
30	Renewal or installation of culverts.		Risk Excluded
31	All bridge and other structures structural component repairs.		Risk Excluded
32	Bridge and other structures component replacements; with the exception of any: Sight rails Handrails		Risk Excluded
33	Reinstatement of structure railings, guardrail and wire rope as a result of vehicle crash damage beyond the first 20m in length.		Risk Excluded
34	Removal of debris and aggregate from bridge abutments and piers.		Risk Excluded
35	Reinstatement of guardrail terminal end systems as a result of vehicle crash damage.		Risk Excluded
36	Repair of debris protection fences.		Risk Excluded
37	Maintaining privately owned signs, such as heritage trail signs and signs owned by Local Authorities.		Risk Excluded

Contract Risk Profile

Risk Description		Risk Status	
38	Vandalism (other than graffiti), theft and vehicle crash damage to all standard and non-standard signs and supports with a sign area greater than 2.025m ² area.		Risk Excluded
39	Renewal or component replacement of sign gantries.		Risk Excluded
40	Replacement of signs with an area greater than 2.025m ² area.		Risk Excluded
41	Cleaning of signs with an area greater than 2.025m ² area.	Risk Included	
42	Renewal of noise walls.		Risk Excluded
43	Maintenance of noise walls.	Risk Included	
44	Rectification of existing barrier height and alignment non-compliance.		Risk Excluded
45	All frost and ice gritting work, excluding the inspection and monitoring for the need.		Risk Excluded
46	All snow clearance work, excluding the inspection and monitoring for the need.		Risk Excluded
47	Renewal of non-repairable rest area furniture, and facilities, including rubbish bins.		Risk Excluded
48	Emptying of stock effluent disposal receptors.		Risk Excluded
49	Structural maintenance of weigh station platform and control gear.		Risk Excluded
50	Maintenance of heavy commercial facilities.		Risk Excluded
51	Cleaning of electronic signs.	Risk Included	
52	Replacement, maintenance and repair of electronic signs.		Risk Excluded
53	Replacement of audio tactile profiled road Marking by lump sum activities e.g. resurfacing, pavement rehabilitation, rip and remake or other maintenance activities.		Risk Excluded
54	Maintenance of audio tactile profiled road markings.		Risk Excluded
55	Energy costs associated with operating the Principal's assets.		Risk Excluded
56	Maintenance of all electrical wiring beyond the Montrose box. In the absence of a Montrose box, beyond the base of a pole.		Risk Excluded
57	Crash damage or structural renewal for street light assets.		Risk Excluded
58	Work qualifying as Emergency Reinstatement under Work Category 141, see Transport Agency's Programming and Funding Manual.		Risk Excluded
59	The removal of the first 50 cubic metres in total volume of slip material.	Risk Included	

Contract Risk Profile			
Risk Description		Risk Status	
60	Road slumping settlement / slumping / dropout / washout of any part of the formation and pavement between the edge lines where more than: c) 100mm of gradual vertical subsidence or horizontal movement has occurred at each location and every such site in any calendar year d) 100mm of vertical subsidence or horizontal movement has occurred at each location and every such site in any single event.		Risk Excluded
61	Road slumping settlement / slumping / dropout / washout / over slip of any part of the formation and pavement on the sites listed within Appendix 6.15, Recurring Hazards.		Risk Excluded
All			
62	Accuracy of Principal's information provided to the Contractor at tender and commencement	Risk Included	

The Contractor will not be penalised for non-compliance on a performance measure where the defect lies within a Principal risk item. The Contractor will be expected to manage the process for bringing these items within compliance through collaboration with the Principal.

If a Principal's risk eventuates as a result of the Contractor's non-compliance, then the risk exclusion for that event becomes the Contractor's risk, including all costs and reinstatement.