



# MANAGED BUILDER PROGRAM (MBP) BUILDER AGREEMENT

Mailing Address:  
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## Section 1 - Contractor Details (MBP Service Provider)

Name

Registered Business Name (if different)

ABN

Registered Business Address (not P.O. Box Address)

Postcode

Postal Address (leave blank if same as above)

Postcode

Telephone Number

Facsimile Number

Mobile Phone Number

Email Address (of key contact)

Contact Person (regarding this application)

Position Title of Key Contact

## Section 2 - Builder Details

Builder's Licence Name

Registered Business Name (if different from Builder's Licence Name)

ABN

Builder's Licence Number

Licence Expiry Date

Eligibility Number

Registered Business Address (not P.O. Box Address)

Postcode

Postal Address (leave blank if same as above)

Postcode

Telephone Number

Facsimile Number

Mobile Phone Number

Email Address (of key contact)

Contact Person (regarding this application)

Position Title of Contact Person

Builder's Insurance Agent

Builder's Intermediary

Intermediary Contact Name

Intermediary Reference

Intermediary Email Address

Telephone Number

### Section 3 - Project Details

Address of the Service Site

Postcode

Proposed Value of the Building Contract

Project Description

  
  

Total Contract Price for the Services under this MBP Builder Agreement

GST EXCLUSIVE

GST APPLICABLE

GST INCLUSIVE

### Section 4 - Agreement Executed And Authorised By

#### Builder

Signature

Name

Position

Builder Legal Name

Date

#### Contractor (MBP Service Provider)

Signature

Name

Position

Contractor Legal Name

Date

## Section 4 - Agreement Conditions

### 1. The Services

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- 1.1 The services to be supplied by the Contractor under the Managed Builder Program (MBP) - MBP Builder Agreement (Agreement) are listed at Schedule 1 hereto.
- 1.2 Subject to clauses 7 and 8, the Contractor must provide all the services listed at Schedule 1.

### 2. Contract Price

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- 2.1 Subject to clause 7 and 8, the Total Contract Price is the total price payable as stated at Page 1 for all services.
- 2.2 A breakdown of the Total Contract Price is detailed at Schedule 1.
- 2.3 The Contractor warrants that the Total Contract Price is based on current rates approved by the NSW Self Insurance Corporation (SICorp) as manager of the Home Warranty Insurance Fund.

### 3. Payment

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#### 3.1 Payment of Contract Price

- 3.1.1 In consideration of the Contractor providing the services under this Agreement, the Builder shall, subject to the terms and conditions of this Agreement, pay the Contractor in accordance with this clause 3.

#### 3.2 Invoices and Time for Payment

- 3.2.1 The Contractor may invoice the Builder for Components 1 to 3, prior to undertaking the Builder Services for these components. For variations to Components 1 to 3 and for Building Services provided under Component 4, the Contractor may invoice the Builder for each individual activity, service and/or inspection immediately upon completion of that activity, service and/or inspection.
- 3.2.2 All claims for payment made by the Contractor shall be in the form of a Tax Invoice. No amount is payable until a valid Tax Invoice is received.
- 3.2.3 All claims for payment must include, and be substantiated by, itemised details of the account and the Contractor shall provide any further details in regard to the account that are reasonably requested by the Builder.
- 3.2.4 Components 1, 2 and 3 Services
- Subject to receipt of a valid Tax Invoice and documents necessary to support the invoiced amount being provided to the Builder, the Builder shall make payment to the Contractor, in advance for the services required under each component for Components 1 to 3 of the MBP.
- Variations to Components 1, 2 and 3 and Component 4
- Subject to the services having been provided and this clause 3.2, the Builder shall make payment for variations to Components 1, 2 and 3 and individual Component 4 activities, services and/or inspections, no later than 30 days from the date of receipt of a valid Tax Invoice and documents necessary to support the invoiced amount being provided to the Builder.
- Regardless of the terms of payment under this clause 3.2.4, no further Component 4 services shall be provided by the Contractor to the Builder until such time as all previously provided services have been paid in full.
- 3.2.5 If the Builder disputes an invoice amount the Builder shall certify the amount it believes is due for payment and shall pay that amount and the liability for the balance of payment shall be determined in accordance with the Dispute Resolution process at clause 6 below. The Contractor shall continue to perform the services to the Builder, pending the outcome of any dispute.
- 3.2.6 The Contractor will not be entitled to any credit charge, service fee or any other fee or charge for extending credit or allowing time for the payment by the Builder of money becoming due for the provision of the services.

### 4. Punctual Delivery

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- 4.1 The Contractor must deliver the services promptly so as not to delay the Builder's schedule or progress.
- 4.2 As soon as practicable after becoming aware of any matter which is likely to delay the delivery of services, the Contractor must notify the Builder of the circumstances which the Contractor considers will give rise to the delay, and the extent or likely extent of the delay.
- 4.3 Notwithstanding such notification, the Contractor shall proceed to promptly rectify any delay, and provide the services in a timely manner.

### 5. Sharing of Information

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- 5.1 The Builder acknowledges that the Contractor has obligations as part of the services provided under the MBP to provide information in relation to this Agreement and the Builder to SICorp directly or through its authorised Insurance Agents and/or their Intermediaries.
- 5.2 The Builder authorises the Contractor to make available to SICorp directly or through its authorised Insurance Agents and/or their Intermediaries information obtained as part of the services plus any other information concerning the Builder, including any information provided by the Builder to the Contractor and any information relating to the Builder's financial position or the Builder's performance under the MBP.
- 5.3 The Builder acknowledges that SICorp has the right to disclose such information for purposes relating to the Home Warranty Insurance Fund, and expressly authorises the Contractor, SICorp or its agents to provide to and share with NSW Government parties, including other agency personnel, Ministers and Parliament, any information relating to the Builder.

## **6. Disputes**

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- 6.1 Disputes in relation to this Agreement shall be managed in accordance with SICorp's approved complaints processes detailed on the Contractor's website.

## **7. Variations to Agreement**

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- 7.1 The parties acknowledge that the Total Contract Price for services is based on information provided by the Builder to the Contractor, when applying for services under the MBP. The Agreement may be varied as a result of the need for additional activities to be undertaken, including additional monitoring and inspections, to meet the requirements of the MBP, as determined by the Contractor, which will have the result of also varying the Total Contract Price.
- 7.2 Any variation to the Total Contract Price under the Agreement must be in writing and signed by both the Builder and the Contractor.

## **8. Termination**

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- 8.1 In the event that a home warranty insurance certificate has been issued, neither party to this Agreement may terminate this Agreement unless and until they have received the written permission of SICorp, through the Builder's Insurance Agent and/or its Intermediary, in accordance with the Termination procedures detailed in clause 8.2.
- 8.2 Termination Procedures
- a. The party/parties to this Agreement requiring termination shall submit an application or joint application for termination to SICorp, through the Builder's Insurance Agent and/or its Intermediary, stating the reasons for seeking termination.
  - b. In the event that the application is from one party to this Agreement only, and not a joint application, SICorp, through the Builder's Insurance Agent and/or its Intermediary shall seek further information from the other party to this Agreement.
  - c. The outcome of the application shall be determined by SICorp in its absolute discretion and advised, in writing, to the parties to this Agreement, through the Builder's Insurance Agent and/or its Intermediary.
  - d. If SICorp does not approve the termination of this Agreement, both the Contractor and the Builder must perform their respective obligations under this Agreement.
- 8.3 In the event that:
- a. a home warranty insurance certificate has yet not been applied for by and on behalf of and/or issued to the Builder, and
  - b. the Builder has engaged the Contractor to provide services under this Agreement, and the Builder does not subsequently proceed to enter into contract with the homeowner for the Project, for whatever reason,  
the Builder may immediately terminate the remaining services required under this Agreement by giving notice in writing to the Contractor.
- 8.4 In the event of termination in accordance with this clause 8, the Contractor is entitled to payment for all services properly provided in accordance with this Agreement up until the date of termination.

## **9. Disclaimer**

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- 9.1 The Builder acknowledges that the Contractor provides advice and services under this MBP Builder Agreement solely for the purposes and benefit of SICorp and the Home Warranty Insurance Fund and shall not under this Agreement be liable to the Builder or any third party other than SICorp and/or SICorp's agents, in relation to or in connection with the Builder Services or the quality of the work

## Section 5 - MBP Builder Agreement – Schedule 1

	SERVICE	CHARGES BREAKDOWN (hourly rate, number of hours)	Total \$	PROPOSED TIMETABLE
	<b>PRE-CERTIFICATE OF INSURANCE APPLICATION</b>			
1	<p><b>MBP Component 1 Contract Administration Component</b></p> <p>a. Review contract documentation for each project to ensure that:</p> <ul style="list-style-type: none"> <li>the correct parties to the residential building contract; site address etc. are identified;</li> <li>the correct name and licence number of the builder's trading entity is shown on all documentation (i.e. name on building contract, certificate of insurance and licence is the same);</li> <li>the building contract terms do not put the builder at risk of financial loss on a project because of unfair terms, provisions etc. (including contracts with developers and architect administered contracts);</li> <li>scheduled payments under the building contract relate directly to the progress of work carried out at each stage that a payment is scheduled.(ie. progress payments do not exceed the cost of work performed and materials supplied under the contract];</li> </ul> <p>b. Review the construction schedule/period to ensure that it is realistic; and</p> <p>c. Certify that requirements of Component 1 of the Managed Builder Program have been undertaken and found to be satisfactory, or have been adjusted so as to be satisfactory – provide copy of certification to Builder and SICorp (through its Insurance Agent and/or Intermediary).</p>		\$	
2	<p><b>MBP Component 2 Reasonableness of Cost Component</b></p> <p>a. Ensure that the Builder's quotation is reasonable for the Project requirements, type, size and value.</p> <p>b. Certify that requirements of Component 2 of the Managed Builder Program have been undertaken and found to be satisfactory, or have been adjusted so as to be satisfactory – provide a copy of certification to Builder and SICorp (through its Insurance Agent and/or Intermediary).</p>		\$	
3	<p><b>MBP Component 3 Quality Assurance/Building Inspection Component – Part 1</b></p> <p>a. Determine the number of inspections required to be undertaken, depending on the nature of Project (and as determined by SICorp) in order to ensure that:</p> <ul style="list-style-type: none"> <li>the quality of the residential work is of an acceptable standard; and</li> <li>the work complies with the provisions of the building contract (including plans, specifications and the implied statutory warranties under Part 2C of the Home Building Act 1989).</li> </ul> <p>b. Certify that the requirements of Component 3 of the Managed Builder Program have been undertaken and document details of required inspections (number and stage) – provide copy of certification and details of required inspections (number and stage) to Builder and SICorp (through its Insurance Agent and/or Intermediary).</p>		\$	

	SERVICE	CHARGES BREAKDOWN (hourly rate, number of hours)	Total \$	PROPOSED TIMETABLE
	<b>POST-CERTIFICATE OF INSURANCE ISSUANCE</b>			
4	<p><b>MBP Component 4 Quality Assurance/Building Inspection Component - Part 2</b></p> <p>a. Monitor progress of construction period and identify delays;</p> <p>b. Check that contract variations are in writing, properly costed and notified to SICorp (through its Insurance Agent and/or Intermediary).</p> <p>c. Undertake inspections as determined under Component 3 to determine whether the residential building work is of an acceptable standard and does comply with the provisions of the building contract (including plans, specifications and the implied statutory warranties under Part 2C of the Home Building Act 1989).</p> <p>d. For each inspection, complete an Inspection Report and where appropriate certify that the residential building work is of an acceptable standard and does comply with the provisions of the building contract (including plans, specifications and the implied statutory warranties under Part 2C of the Home Building Act 1989) and provide copies of Inspection Report and certification to the Builder and SICorp (through its Insurance Agent and/or Intermediary).</p> <p>e. Certify whether it is appropriate for any scheduled progress payment to be made and provide a copy of the certification to the Builder</p> <p>f. Immediately report to SICorp (through its Insurance Agent and/or Intermediary), any instances of concerns as to a builder's capacity to complete existing projects (including concerns as to time delays, standard of work performed, and where payments have been made or sought other than as scheduled under the residential building contract) and/or to take on new work.</p> <p>g. On completion of the Project, complete a Final Report including details as to whether there are any unresolved issues of concern and provide a copy of the Final Report to the Builder and SICorp (through its Insurance Agent and/or Intermediary).</p>		\$	