

PRE-QUALIFICATION ASSESSMENT ON CONSTRUCTION CONTRACTS

For the purposes of determining suitability of applicants to attend the SMC Adjudicator Training Course pursuant to the appointment of Adjudicators under the Building and Construction Industry Security of Payment Act (Cap. 30B)

NATURE OF EXAMINATION

Introduction

Candidates applying for the SMC Adjudicator Training Course and thereafter to be considered for appointment as an Adjudicator pursuant to Building and Construction Industry Security of Payment Act (Cap. 30B) (“the Act”) are expected to possess a basic knowledge of the principles governing the law of construction contracts. While the level expected is not that of counsel or legal advisors, it is considered essential that a candidate should have a sufficient grasp of the subject to follow the arguments and submissions made in the course of adjudication proceedings. This examination is intended to determine the suitability of candidates for this purpose on the areas as set out in the syllabus.

Exemptions

Exemptions are granted for candidates who hold one of the following qualifications:

- (a) Persons who have been admitted to the roll of advocates and solicitors in Singapore;
- (b) M.Sc. (Construction Law and Arbitration) degree from the National University of Singapore; or
- (c) Such other qualification as the Construction Adjudicator Accreditation Committee may from time to time approve.

SYLLABUS FOR THE EXAMINATION

1 Tenders and Award of Contract

- 1.1 Offer, Acceptance and Consideration
- 1.2 Features of a Construction Contract
- 1.3 Tenders and Award of Contract

- 1.4 Letter of Intent and Letter of Award
- 1.5 Effect of Contract Negotiations
- 1.6 Contract Documents: Conditions of Contract, Drawings, Bills of Quantities, Schedule of Rates, Specifications

2 Redress for Breach of Contract

- 2.1 Meaning of Breach of Contract
- 2.2 Consequences of a Breach and Repudiation
- 2.3 Damages as a Remedy
- 2.4 Assessment of Damages

3 Variations

- 3.1 What is a Variation?
- 3.2 Power to order variations
- 3.3 Limits to the power to vary work
- 3.4 The All Inclusive Price principle
- 3.5 Valuation of Variations
 - (a) Work valued at Contract Rates
 - (b) Work valued at Adjusted Rates
 - (c) "Fair Valuation"
- 3.6 Overheads and Profit Considerations

4 Payments and Certification

- 4.1 Employer's Obligation to Pay
- 4.2 Nature of Interim Certificates
- 4.3 Final Certificates
- 4.4 Duties of Certifier

5 Time

- 5.1 General Contract Provisions relating to Time
 - (a) Commencement of Works
 - (b) Reasonable Progress
 - (c) What constitutes Delay?
- 5.2 Liquidated Damages
- 5.3 Extensions of Time
 - (a) Significance of Time Extensions
 - (b) Acts of Prevention
 - (c) Date for Certifying Time Extensions.
- 5.4 Grounds for Extension of Time

- 5.5 Prolongation Claims: Cost of Preliminaries, Interest and Financing Charges, Loss of Productivity, Site Overheads, Head Office Overheads and Profit

FORMAT OF ASSESSMENT

Candidates will be provided a case study and required to answer questions set out at the end of the case study. Candidates will be given 2.5 hours to complete their answers.