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SPECIAL CONDITIONS OF CONTRACT (Cont'd)

SCC-29 Fluctuations

It is expressly agreed that clause 38.1 and 38.2 shall be deleted from the Contract and replaced by the following :-

"38. Fluctuations

- (1) The sum certified by the Architect in any interim certificate as being due (other than sums due under this Clause) shall be increased or decreased in accordance with the provisions of this Clause if there shall be any changes in the Index Figures listed in the "Index Numbers of the Costs of Labour and Materials used in Public Sector Construction Projects (April 2003 = 100)" compiled by the Census and Statistics Department of the Government of the Hong Kong Special Administrative Region and applicable to those items included in the respective "Schedule of Proportions".
- (2) The net total of such increases and decreases shall be given effect to in determining the Final Contract Sum for the Works.
- (3) For the purpose of this Clause :
 - (a) "Index Figure" shall mean any Index Figure appropriate to sub-clause (1) of this Clause.
 - (b) "Base Index Figure" shall mean the appropriate Index Figure applicable to the date 42 days prior to the date for the return of tenders.
 - (c) "Current Index Figure" shall mean the appropriate Index Figure to be applied in respect of any interim certificate by the Architect and shall be the appropriate Index Figure applicable to the date 42 days prior to :
 - (i) the due date (or extended date) for substantial completion of the Works, or
 - (ii) the date of substantial completion of the Works certified pursuant to Clause 17, or
 - (iii) the last day of the period to which the Architect's certificate relates,

whichever is the earliest.

Provided that in respect of any work the value of which is included in any such certificate and which work forms part of a Section for which the due date (or extended date) for completion has passed without completion pursuant to Clause 17 being achieved, the Current Index Figure shall be the Index Figure applicable to the date 42 days prior to the due date (or extended date) for completion of that Section.

SPECIAL CONDITIONS OF CONTRACT (Cont'd)

SCC-29 Fluctuations (Cont'd)

"38. Fluctuations (Cont'd)

- (3) For the purpose of this Clause : (Cont'd)
 - (d) The "Effective Value" in respect of the Works or any Section thereof shall be the difference between :
 - (i) the sum of the Works exclusive of any increases or decreases made in accordance with this Clause, which in the opinion of the Architect is due to the Contractor under Clause 32, before deducting retention and before deducting previous payments on account and items based on actual cost or current prices; and
 - (ii) the sum of the Works calculated in accordance with (i) above and included in the last preceding interim certificate issued by the Architect.

Provided that in the case of the first Architect's certificate the Effective Value shall be the sum of the Works calculated in accordance with (i) above.

- (4) The increase or decrease in the respective sums of the Works otherwise payable in an interim certificate pursuant to sub-clause (1) of this Clause shall be calculated by multiplying the Effective Value by a Price Fluctuation Factor which shall be the net sum of the products obtained by multiplying each of the calculated proportions given in column 4 of the "Schedule of Proportions" by a fraction the numerator of which is the relevant Current Index Figure minus the relevant Base Index Figure and the denominator of which is the relevant Base Index Figure.

Provided that if any appropriate Current Index Figure has not been published at the time of issue of any Architect's certificate, the increase or decrease in the sum of the Works payable in respect of that certificate will be provisionally calculated and added to or deducted from the sum of the Works payable in the certificate by the Architect using the latest published Current Index Figure and shall be corrected in the next Architect's certificate following the publishing of the relevant Current Index Figure.

F.A.
C.C.74

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SPECIAL CONDITIONS OF CONTRACT (Cont'd)

SCHEDULE OF PROPORTIONS TO BE USED IN
CALCULATING THE PRICE FLUCTUATION FACTOR

SCC-29 Fluctuations (Cont'd)

"38. Fluctuations (Cont'd)

- (5) The "Schedule of Proportions" shall (irrespective of the actual constituents of the work) be the respective "Schedule of Proportions to be used in calculating the Price Fluctuation Factor" submitted with the Tender and with the calculations duly completed.
- (6) The Schedule of Proportions to be used for calculating the Price Fluctuation Factor for Building Works of the Works is included in Schedule A – the "Schedule of Proportions to be used in Calculating the Price Fluctuation Factor for Building Works".

The list of labour and selected materials included in the respective Schedule of Proportions is pre-determined and shall not be changed during the currency of the Contract.

The Schedule of Proportions shall be completed in accordance with the instructions contained in Schedule of Proportions to be used in Calculating the Price Fluctuation Factor.

The Price Fluctuation Factor for each payment certificate shall be calculated by the Quantity Surveyor. The following shall apply to such calculation :-

- (a) The figure of 0.150000 given in the column (4) of the Schedule of Proportions for Building Works (Schedule A) represents 15% of the Effective Value of the appropriate sections of the Bills that will not be subject to fluctuation adjustment. The figure of 0.150000 will therefore not be used in the calculation of the Price Fluctuation Factor.
- (b) The products obtained by multiplying each of the calculated proportions by the (index) fractions shall be to eight decimal places. Decimal places in excess of eight shall be rounded up or down to the nearest eighth decimal place.
- (c) The final calculated Price Fluctuation Factor shall be to six decimal places. Decimal places in excess of six shall be rounded up or down to the nearest sixth decimal place."

Instructions on completing the Schedule of Proportions

1. Conditions of Contract

- (a) The Schedule included in this Section is the Schedule of Proportions referred to in Clause 38 of the General Conditions of Contract and Special Conditions of Contract SCC-29. Refer also to Bill No. 1 – Preliminaries and the relevant Special Conditions of Contract.

2. The Schedule shall be completed as specified hereunder :-

(a) Pre-determined proportions

Columns (1) and (2) have been pre-determined before issue of tender documents. Under no circumstances shall these figures be changed.

(b) Completed by tenderer

- (i) The TENDERER SHALL COMPLETE COLUMN (3) ONLY.

- (ii) Column (3) shall be completed in whole numbers and the total of column (3) shall equal to 100. The percentages set against the individual items are to be assessed by the tenderer within the pre-determined limits shown in columns (1) and (2).

(c) Completion of remainder of Schedule

Column (4) shall be calculated in accordance with the following and shall be completed by the Quantity Surveyor before execution of the Articles of Agreement.

- (i) Schedule of Proportions for Building Works (Schedule A) – Column (4) shall be the figures in column (3) multiplied by 0.0085. The total of column (4), including the figure not subject to adjustment, shall equal 1.0000.

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Schedule A

**Schedule of Proportions to be used in
Calculating the PRICE FLUCTUATION FACTOR (PFF)
for Building Works**

Item of Labour and Selected Materials applicable to Package 1, this Contract	Percentage of "Effective Value" of the Works		Calculated Proportions
	LIMITS		Index Proportion (0.0085x(3))
	Max.	Min.	
(Column No.)	(1)	(2)	(3)
Composite labour for building contracts	37	26	
Aggregates	3	1	
Portland cement (ordinary)	20	8	
Concrete blocks	2	1	
Sand	3	1	
Steel reinforcement	18	6	
Galvanised mild steel	4	1	
Timber formwork	21	14	
Hardwood	2	1	
Teak	4	1	
Glazed ceramic wall tiles	4	1	
uPVC lined GMS pipes	2	1	
uPVC pipes	2	1	
Glass	2	1	
Paint	8	2	
All other costs not subject to adjustment	-	-	0.1500
TOTAL	-	-	100
			1.0000

Signature:

(+) Column (3) to be filled in by
tenderer within the limits set
by the Quantity Surveyor in
columns (1) and (2)

Name of tenderer:

Company:

Date:

Date for return of tender: