



## You really should sign a Contract!

The MBA receives regular approaches to assist with disputes on small, medium and even larger contracts, many of which could have been avoided had a standard contract been entered into between the parties. But by then matters are often too late to resolve through alternative dispute resolution such as mediation or adjudication and end up in Arbitration or even in the courts resulting in large expense and delays for both parties.

It still remains a mystery to us why so many parties continue to enter into verbal agreements without using one of the several Standard Forms of printed Building Contracts, drafted by experts, and available to suit every type of project.

Building agreements continue to be entered into on “a wish and a prayer” or the back of a cigarette box leaving many questions unanswered and creating a contractual time bomb loaded with risks for both parties.

The cost of buying a Standard Form of Agreement is inevitably a fraction of the costs involved when the “wheels come off” yet many chose to ignore this vital step and use unsatisfactory home grown documentation or none at all.

A Standard Forms of Contract will contain all the necessary provisions including:

- *Legal Compliance*
- *Subcontract provisions*
- *Design responsibility*
- *Guarantees*
- *Insurances*
- *Duties and obligations of parties*
- *Execution of the works*
- *Stages of completion*
- *Defects liability*
- *Payment*
- *Final Accounts*
- *Disputes*
- *Etc.*

Don't end up in costly litigation or sour the relationship with your contractor with constant disputes and disagreements when a simple standard agreement can pave the way for a happy contractor and a successful building project.

The MBA requires that all contracting members make use of the appropriate Standard Forms of Agreements available for a particular project. Protect your client and protect yourself – simply call one of our offices for assistance in selecting the correct contract for your project.

***Finally remember that verbal agreements are not worth the paper they are not written on!!***

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