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2. Oct 2012

See Distribution

Dear Sir/Madam,

BUILDING AND CONSTRUCTION INDUSTRY SECURITY OF PAYMENT (AMENDMENT) REGULATIONS 2012

This circular is to inform the industry of the amendments to the Building and Construction Industry Security of Payment (SOP) (Amendment) Regulations 2012. The amendments listed in the attached Annex A will take effect from 1 Dec 2012.

2 The amendments to the Regulations have been published in the Government Gazette. Gazetted copies of the amendments to the Regulations, and compiled editions of the Regulations incorporating the amendments, can be downloaded from our corporate web site at – http://www.bca.gov.sg/SecurityPayment/security_payment.html

3 BCA will be conducting briefing sessions on the amendments to the Building and Construction Industry Security of Payment (SOP) (Amendment) Regulations 2012 within this month. More details on these briefing sessions can be found at http://www.bca.gov.sg/SecurityPayment/others/briefing_sessions.pdf

4 We would appreciate it if you could bring to the attention of your members the contents of this circular. Thank you.

Yours faithfully,

HOR WAi YEE (MS)
DEPUTY DIRECTOR, PROCUREMENT POLICIES DEPARTMENT for CHIEF EXECUTIVE OFFICER
BUILDING AND CONSTRUCTION AUTHORITY
1) **AMENDED REQUIREMENTS TO THE BUILDING AND CONSTRUCTION INDUSTRY SECURITY OF PAYMENT (SOP) (AMENDMENT) REGULATIONS 2012 THAT WILL COME INTO EFFECT ON 1 DEC 2012**

<table>
<thead>
<tr>
<th>Section</th>
<th>Requirement</th>
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</thead>
<tbody>
<tr>
<td>7 – (2A)</td>
<td>The adjudicator appointed under section 14 of the Act may, at any time before the making of the determination and on such terms as to costs or otherwise as he thinks just, allow such amendments to be made to an adjudication application as he thinks fit.</td>
</tr>
<tr>
<td>8 – (1A)</td>
<td>The adjudicator appointed under section 14 of the Act may, at any time before the making of the determination and on such terms as to costs or otherwise as he thinks just, allow such amendments to be made to an adjudication response as he thinks fit.</td>
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<td>12</td>
<td>For the purposes of section 30 (1) of the Act –</td>
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<td>(a) the fee payable to an authorised nominating body shall not exceed –</td>
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<td>(i) $600 for each adjudication application; and</td>
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<td>(ii) $1,200 for each adjudication review application;</td>
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<td>(b) fee payable to an adjudicator (excluding a review adjudicator or a panel of review adjudicators) shall be computed on the basis of a rate not exceeding $300 per hour or $2,400 per day, and shall not exceed in the aggregate the following maximum amount:</td>
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<td></td>
<td>(i) where the claimed amount exceeds $24,000, 10% of the claimed amount; or</td>
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<td></td>
<td>(ii) in any other case, $2,400; and</td>
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<td>(c) the fee payable to a review adjudicator or a panel of review adjudicators shall be computed on the basis of a rate not exceeding $300 per hour or $2,400 per day, and shall not exceed in the aggregate the following maximum amount:</td>
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<tr>
<td></td>
<td>(i) where the claimed amount exceeds $24,000, 10% of the claimed amount; or</td>
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<td></td>
<td>(ii) in any other case, $2,400.&quot;</td>
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2) NEW REQUIREMENTS TO THE BUILDING AND CONSTRUCTION INDUSTRY SECURITY OF PAYMENT (SOP) (AMENDMENT) REGULATIONS 2012 THAT WILL COME INTO EFFECT ON 1 DEC 2012

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<tr>
<td>13</td>
<td>Deposit for adjudicator’s fees for adjudication proceedings</td>
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<tr>
<td></td>
<td>(1) An authorised nominating body may require the claimant to pay an initial deposit in respect of the fees payable to the adjudicator for the adjudication proceedings, and such initial deposit shall be paid at the time of lodgement of the adjudication application.</td>
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<td></td>
<td>(2) Where the adjudicator requests a longer period for making a determination on an application and both the claimant and the respondent agree to that longer period under section 17(1)(b) of the Act, the adjudicator shall immediately inform the authorised nominating body —</td>
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<td></td>
<td>(a) of such part, if any, of the claimant’s initial deposit that is in excess of his accrued fees for the adjudication; and</td>
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<td></td>
<td>(b) to what extent an additional deposit (if any) by the claimant is required in respect of the adjudicator’s fees for the additional days to be taken for the adjudication during the longer period,</td>
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<td>and the authorised nominating body may require the claimant to pay the additional deposit (if any) within 3 days after being required to do so.</td>
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<td>(3) The initial deposit referred to in paragraph (1) shall not exceed —</td>
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<td>(a) $2,400 where the claimed amount does not exceed $24,000; or</td>
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<td>(b) where the claimed amount exceeds $24,000, 10% of the claimed amount or $33,600, whichever is lower.</td>
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<td>(4) The initial deposit and the additional deposit referred to in paragraphs (1) and (2), respectively shall not exceed in the aggregate —</td>
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<td>(a) $2,400 where the claimed amount does not exceed $24,000; or</td>
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<td>(b) where the claimed amount exceeds $24,000, 10% of the claimed amount.</td>
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<td>(5) In the event the additional deposit is not fully paid within the time limit referred to in paragraph (2), the claimant is deemed to have withdrawn his agreement to the longer period for making a determination and the adjudicator shall determine the application forthwith.</td>
</tr>
</tbody>
</table>
Deposit for review adjudicator's fees for adjudication review proceedings

(1) An authorised nominating body may require the respondent to pay an initial deposit in respect of the fees payable to the review adjudicator or panel of review adjudicators, as the case may be, for the adjudication review proceedings, and such initial deposit shall be paid at the time of lodgement of the adjudication review application.

(2) Where the review adjudicator or panel of review adjudicators, as the case may be, requests a longer period for making a determination on an application and both the claimant and the respondent agree to that longer period under section 19(3) of the Act, the review adjudicator or panel of review adjudicators, as the case may be, shall immediately inform the authorised nominating body —

(a) of such part, if any, of the respondent's initial deposit that is in excess of the accrued fees for the adjudication review; and

(b) to what extent an additional deposit (if any) by the respondent is required in respect of the fees of the review adjudicator or panel of review adjudicators, as the case may be, for the additional days to be taken for the adjudication review during the longer period,

and the authorised nominating body may require the respondent to pay the additional deposit (if any) within 3 days after being required to do so.

(3) The initial deposit referred to in paragraph (1) shall not exceed —

(a) $2,400 where the claimed amount does not exceed $24,000; or

(b) where the claimed amount exceeds $24,000, 10% of the claimed amount or $33,600, whichever is lower.

(4) The initial deposit and additional deposit referred to in paragraphs (1) and (2), respectively shall not exceed in the aggregate —

(a) $2,400 where the claimed amount does not exceed $24,000; or

(b) where the claimed amount exceeds $24,000, 10% of the claimed amount.

(5) In the event the additional deposit is not fully paid within the time limit referred to in paragraph (2), the respondent is deemed to have withdrawn his agreement to the longer period for making a determination and the review adjudicator or panel of review adjudicators, as the case may be, shall determine the application forthwith."
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