

DECLARATION BY CORPORATION AFTER PRESCRIBED EVENT

This declaration is to be completed by a nominee or an appropriate person on behalf of a corporation only **when a "prescribed event" has occurred:**

Please note:

A body corporate that makes a false statement in this declaration under section 48CA is liable to a maximum penalty of 430 penalty units. A body corporate that makes a false statement in this declaration under Regulation 20E is liable to a maximum penalty of 80 penalty units.

A body corporate required to make the declaration under section 48CA and fails to do so within 14 days of completing building work is liable to a maximum penalty of 430 penalty units. A body corporate required to make the declaration under Regulation 20E and fails to do so within 14 days of completing building work is liable to a maximum penalty of 80 penalty units.

SECTION 1	Property details
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**LOT
NUMBER**

LOCATION
eg Town of
Darwin

**PROPERTY
ADDRESS**

SECTION 2	Declaration by corporation after prescribed event
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I (insert name) on behalf of <insert corporation name> hereby declare, that the building work for the *construction/demolition /removal of <insert description of building work> approved under building permit no. <insert building permit no.> issued on <insert date issued> has been carried out in accordance with the building permit on the basis of information supplied to me by the corporation.

The following information was supplied to me by the corporation:

<you must include the following:

1. A description of the prescribed event that occurred; and,
2. Information about how the corporation has satisfied itself that the work has been performed in accordance with the building permit i.e. test reports, certifiers reports, photographs and attach supporting documentation that they provided to you>.

Commencement date of work by previous builder: ____ day of _____ 20__.

Date previous builder ceased performing building work: ____ day of _____ 20__.

Declared this ____ day of _____ 20__	<i>Note: for prescribed work this must be signed by the Registered Building Contractor or Owner Builder</i>
Signature	<i>For non prescribed work this must be signed by the person that completed the building work</i> * cross out or delete section that is not applicable
Print name	
*REGISTRATION NUMBER/OWNER BUILDER CERTIFICATE NUMBER (if applicable)	

GUIDELINES

DECLARATION BY CORPORATION AFTER A PRESCRIBED EVENT

Section 1 – Property details

Please provide details of the property where the building work has been carried out.

Section 2 – Declaration by corporation after prescribed event

Who signs this declaration?

This declaration must be completed by a **natural person** on behalf of a corporation. Only a registered building contractor may sign the declaration for building work that can only be carried out by a registered building contractor. For example, an unregistered director of a corporation cannot sign this declaration on behalf of the corporation if a registered building contractor was required to undertake the building work.

When is this declaration made?

This declaration must be made when the following has occurred:

- **A corporation is responsible** for carrying out building work; and
- **A prescribed event has occurred** (see below) preventing the builder responsible for carrying out the building work from signing a builder's declaration for the portion of work they carried out; and
- **The corporation is satisfied** the work carried out by the builder who is unable to sign was carried out in accordance with the building permit. To satisfy itself the corporation must undertake inquiries and provide the results of those inquiries to the new builder who will carry on with the work.

What is a prescribed event?

A prescribed event is where the person required to provide the certification has:

- died;
- cannot be found;
- become incapacitated;
- has ceased to be registered;
- become bankrupt or insolvent (excludes owner-builders);
- withheld certification (due to the bankruptcy or insolvency of a building practitioner); or where
- the building contract has been terminated;
- certification has been destroyed or cannot be found.

What are the corporation's responsibilities?

If a prescribed event occurs during a building project which a corporation is responsible for, the corporation must take all steps necessary within a reasonable time to ensure that the building work carried out by the builder who is unable to make the builder's declaration was carried out in accordance with the building permit. To comply with this requirement, the corporation may have to engage suitably qualified and experienced persons to inspect the building work to provide a report about the status of the work.

As soon as the corporation is satisfied that the building work has been carried out in accordance with the building permit, it must provide the information that it relied upon to the incoming builder and ensure that this declaration is provided to the certifier within 14 days by the incoming builder.

What are the incoming builder's responsibilities?

By completing this form, the incoming builder is declaring that, on the basis of information supplied by the corporation, he or she can make a statement that the work carried out by the previous builder was in accordance with the building permit. As the incoming builder was not responsible for the work that has already been carried out, they cannot be prosecuted for statements made in this declaration (if they were made in good faith).

The incoming builder must provide details about the following on this declaration:

1. **The prescribed event**, for example:

"The previous builder, John Smith, died on X/X/XX"; and,

2. **The way the corporation has satisfied itself that the work has been carried out in accordance with the building permit**, for example:

"The corporation supplied me with the following reports and documentation about this building project:

- Report by certifier dated X/X/XX as to progress between the following stages: pre-pour and frame.
- Structural engineer report dated X/X/XX evidenced that the slab was in accordance with the design of the approved plans.
 - Photographs taken on X/X/XX etc.

3. The date that the previous builder commenced and ceased work on the building project.

The declaration must be made by the new builder and be provided to the certifier within 14 days of receipt of the information from the corporation about the status of the building work.

There are serious penalties for non-compliance with these requirements (see below). If you are unsure of how to complete this form, or would like more information regarding your obligations, please contact Building Advisory Services on 8999 8985.

Example:

Sarah and John enter into a contract with XYZ Homes Pty Ltd for the construction of a new house. The company has a nominee and no registered directors. Alex is the registered building contractor in charge of carrying out the building work. During the project Alex dies unexpectedly. To comply, XYZ Homes Pty Ltd must ensure that the new nominee assigned to complete the home is provided with the results of inquiries they undertook to confirm that the portion of work Alex was responsible for was carried out in accordance with the building permit. The new nominee is then able to make the declaration for the portion of work Alex carried out and will not be liable for the statement made in that declaration, if it was made in good faith. The corporation may be liable, as they were responsible for entering into the contract with Sarah and John.

PENALTIES

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