BUILDER-PROPOSED
IPEX IMPLEMENTATION PROFILES

IPEX®

Builder
PROFILE 1

DIFFERENTIATE BID FROM COMPETITORS BY REDUCING INSOLVENCY RISK/IMPACT FOR CLIENT

DETER ANY BUILDER WITH PRE-EXISTING CASH FLOW ISSUES FROM BIDDING, KEEPING MARGINS 'FAIR'

BUILD TRUST WITH SUB-CONTRACTORS & SUPPLIERS BY PROVIDING ADDITIONAL PAYMENT PROTECTION

ESTABLISH LONG-TERM RELATIONSHIP WITH DEVELOPER/LENDER & BECOME A PREFERRED BUILDER

PROTECT DEVELOPER/LENDER FUNDS WITHOUT REVEALING EXACT MARGINS/CONTRACT VALUES

IPEX AGREED IMPLEMENTATION	'PROVE' SOLID FINANCIAL POSITION WITHOUT REVEALING MARGINS/CONTACT VALUES
Security Requirements	Standard 5% Performance Guarantee
Developer IPEX Portal View: Transparency over Sub-Contractor/Supplier Payments	Standard Portal View All Developer to check against 'stat dec', verifying who has been paid & when. No payment or contract values, only % of contract paid
Enforcement of Sub-Contractor/Supplier Payment through IPEX	Only high value contracts paid through IPEX
Declaration of Trust/Account Transfer Deed Enforced	Yes Only actionable in a 'payment default' event so should not be a concern for the Builder but gives Developer additional comfort
Head Contractor Payments	Payment in arrears as per standard via QS approval process
Builder Payments: Transparency on Margin	Automated Margin Payment: Set to 0% Builder to 'hide' exact margin by claiming all residual funds after all major Sub-Contractor/Supplier invoices have been verified as paid
Builder Payments: Transparency on Prelims & Additional Trade Letting Wins	Low/Moderate Builder to request release of claim balance which includes prelims/margin & any direct costs to Builder once all Sub-Contractor/Supplier payments have been verified. Cost breakdown not required provided overall figure being requested achieves QS approval/meets client expectations

Builder
PROFILE 2

DIFFERENTIATE BID
FROM COMPETITORS BY
REDUCING INSOLVENCY
RISK/IMPACT FOR CLIENT

DETER ANY BUILDER
WITH PRE-EXISTING CASH FLOW
ISSUES FROM BIDDING, KEEPING
MARGINS 'FAIR'

BUILD TRUST WITH SUB-CONTRACTORS
& SUPPLIERS BY PROVIDING ADDITIONAL
PAYMENT PROTECTION

ESTABLISH LONG-TERM RELATIONSHIP
WITH DEVELOPER/LENDER & BECOME
A PREFERRED BUILDER

REDUCE UPFRONT SECURITY
REQUIREMENTS & NEGOTIATE
AN INITIAL PAYMENT IN ADVANCE

IPEX AGREED IMPLEMENTATION	LEVERAGE SECURITY & TRANSPARENCY FOR MAXIMUM CASH FLOW ASSISTANCE
Security Requirements	Negotiate reduced upfront security requirements (Defect Liability only)
Developer IPEX Portal View: Transparency over Sub-Contractor/Supplier Payments	**Open Book Portal View** Allow Developer to see exact values paid to each Sub-Contractor/Supplier against contract value.
Enforcement of Sub-Contractor/Supplier Payment through IPEX	Only medium/high value contracts paid through IPEX
Declaration of Trust/Account Transfer Deed Enforced	**Yes** Only actionable in a 'payment default' event so should not be a concern for the Builder but gives Developer additional comfort
Head Contractor Payments	**Negotiate an Initial Head Contract payment to be made in advance** Builder to draw down on initial payment for site establishment/long lead time material costs rather than needing to fund themselves
Builder Payments: Transparency on Margin	**Automated Margin Payment: Set to 0%** Builder to 'hide' exact margin by claiming all residual funds after all major Sub-Contractor/Supplier invoices have been verified as paid
Builder Payments: Transparency on Prelims & Additional Trade Letting Wins	**Low/Moderate** Builder to request release of claim balance which includes prelims/margin & any direct costs to Builder once all Sub-Contractor/Supplier payments have been verified. Cost breakdown not required provided overall figure being requested achieves QS approval/meets client expectations