

## NAIM GROUP AUTHORITY LIMIT (NGAL)

NGAL	V5 1/2024 (w.e.f 1.3.2024)	Section F - PROCUREMENT (OPERATING EXPENDITURE)
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### F4 PAYMENT CERTIFICATE (PC)

(for all works awarded via contracts)

Items	Limit of Authority	BOD	GMD	RCOO	HCOM	PM	RCOM	Remarks
F4.1	With external parties							
	a) Contractors' claims							
	30% of work done			JA		JA	JA	Either two approve, one of them must be RCOO in charge
	>30% and ≤ 90% of work done			JA	JA			Jointly approve. In the absence of RCOO, the PC shall be jointly approved by HCOM, PM and RCOM.
	>90% of work done (with approval criterias stated in <b>Note 6</b> below)		JA	JA	JA	Either R		Either two approve, but subject to approval criterias as in <b>Note 6</b> below.
	b) Consultants' claims (for projects related only)			JA		JA	JA	Either two approve, one of them must be RCOO in charge
	>30% and ≤ 90% of work done			JA	JA			Jointly approve. In the absence of RCOO, the PC shall be jointly approved by HCOM, PM and RCOM.
	>90% of work done (with condition stated in <b>Note 7</b> below)		JA	JA	JA	Either R		Either two approve, but subject to approval criterias as in <b>Note 7</b> below.
F4.2	Within Naim group of companies			JA		JA	JA	Either two approve, one of them must be RCOO in charge
	(In house projects)		JA	JA	JA	Either R		Either two approve.

#### IMPORTANT NOTE TO COMPLY:

- Any departure from the terms and conditions from the signed letter of award/acceptance with contractors/consultants **need to obtain written approval** from GMD with justification, and recommended by all Exco members. This include payment credit terms, LAD rates, retention sum %/amount, bank/performance guarantee, variation in contra arrangement etc

- 2 If particular payment certificate (PC) submitted for approval include VO amount, that VO shall be duly approved in accordance with GAL before the VO is included as part of the particular payment certificate.  
For any unapproved VO reflected in the payment certificate, no payment will be processed for the VO amount.
- 3 For any payment certificate that are only issued and certified 6 months or more after the works have been completed, that particular payment certificate is to be approved by GMD, with justification made on the delay in finalisation of that particular PC
- 4 All personnel involved in verifying and signing off the PC are required to fill in Date of Signing. No payment will be made if the date of signing is not indicated until this has been rectified.
- 5 For any contract that involves purchase or payments on behalf, summary of back charging is to be attached with certified PC and is to be duly confirmed by PM and QS incharge and approved by RGM.  
The back-charging terms (including payment terms) shall be determined and approved by CEO/COO in charge, with consultation to CFO.

**Additional approval criterias to be complied for approval of certification of work done more than 90% by contractors/suppliers/consultants**

- 6 For certification more than (>) 90% of work done, additional approval criterias are as follows:

<b>Last 10% of works to be certified (including final account)</b>	<b>LAD imposition</b>	<b>Approved by</b>
a) Up to 500,000	No	Either two
	Yes	Either two and one of them must be GMD
b) > RM500,000	All cases	Either two and one of them must be GMD

- 7 For certification more than 90% of consultant work claims, additional approval criterias are as follows:

<b>Last 10% of works to be certified (including final account)</b>	<b>Approved by</b>
a) No variation to original contract	Either two
b) Increase in fee claims due to variations	Either two and one of them must be GMD
c) Decrease in fee claims due to variations	Either two
d) Abortive fee claims	Either two and one of them must be GMD

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F5

## EXTERNAL CONSULTANCY FEE SERVICES

This applies to consultant services such as architect, quantity surveyor, landscape, mechanical, electrical, civil & structure, environment, town planning, valuation, market study and feasibility study etc  
For any fee more than RM300,000 per engagement, it shall go through proper tender process. Refer to F2 authority approval and persons to execute appointment letter.

### A - Standard scale fee

Items	Limit of Authority	BOD	SubBOD	GMD	Exco	HCOM	RCOO	HOD	PM/ROU	Remarks	Signing of Appointment (letter of awards, contract doc, supplementary agreements etc)
F5.A1	Standard Professional fee scale										
							A	A	R	Either one	RCOO and RCOM or RCOO and PM or RCOO and HOD or RCOO and HCOM
				N		N	JA	JA	R	Either two. One of them must be Head of Commercial (HCOM)	
			E	N	A	R	Either P				GMD and RCOO or GMD and RCOM or GMD and HCOM or GMD and HOD
			E	A	R		Either P				

### B. Negotiated basis

Items		Limit of Authority	BOD	SubBOD	GMD	Exco	HCOM	RTC	RCOO	HOD	PM/ROU	Remarks	Signing of Appointment (letter of awards, contract doc, supplementary agreements etc)
F5.B1	Negotiated basis												
		Below RM10,000							A	A	R	Either approve	
		RM10,000 and below RM50,000					N		JA	JA	JA	Either two. One of them must be Head of Commercial (HCOM)	RCOO and RCOM or RCOO and PM or RCOO and HOD or RCOO and HCOM
		RM50,000 and below RM300,000			N		N	A (tier 1 under Section F2)	Either R		P		
		Above RM300,000	Refer to Section F2, Tendering of Contracts for approval process and authorised personnel for contract execution.										

### IMPORTANT NOTE TO COMPLY:

- Professional fee such as audit fee and non-audit fee (e.g. statutory tax fee) incurred with the statutory auditors are excluded from this GAL as they are reviewed separately by the Audit Committee who will recommend to BOD for approval.
  - For GAL F5.A1, a copy of the standard professional scale shall be obtained from the consultant as the supporting for discounted value of the professional fee, if can.
  - Government taxes (including SST) and stamp duy are exempted from the GAL as they are the statutory taxes imposed by the government.
  - The appointment of consultant shall apply e-bidding process based on the sourcing limit amount as defined under e-bidding SOP. All users shall refer to E-bidding SOP/process before any sourcing is done.
- Pls refer to [e-bidding SOP for the pre-approved exemption list](#) on certain consultancy services where no bidding is required.