**June 23, 2021**

Address : Imtiaz Super Market – Head Office Karachi

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**Attn: Mr. Bilal Habib – M/s. Pioneer Services – Karachi**

**Project:** **HVAC & Fire Fighting Works (FFW)** **at Imtiaz “The Place Mall Project” – Karachi**

This is with reference to your Bid submitted (referred as “Cost Proposal”) for carrying out and completion of HVAC & FFW at Imtiaz Super Market The Place Mall Branch, - Karachi (“Site”). Subject to following terms and conditions of this Letter of Award (“LOA”), M/s. Imtiaz Super Market (“the Client”) hereby accepts your Proposal for the subject works of “HVAC & Fire Fighting Works at Imtiaz Super Market “The Place Mall Branch – Karachi Project” (“Works”) on the rates given in your above-mentioned Proposal (BOQ) and specifically as under:

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| **Description of Scope** | **Total Contract Value After discount factor of 7.403666% & Inclusive of all kind of Taxes** |
| ***Mechanical Works*** *(HVAC & Fire Fighting Services Works)****:*** |  |
| *Materials Value* | 23,403,915 |
| *Installation Value* | 4,674,950 |
| ***Total Contract Value before Discount and taxes*** | **28,078,865** |
| *Less: Discount @ 7.403666%* | 2,078,865 |
| **Total Contract Value after Discount and before taxes** | **26,000,000** |
| Add: SST on Installation @ 13% | 562,748 |
| **Total Contract Value after Discount & Inclusive of all form of Taxes** | **26,562,748** |

1. ***M/s. Imtiaz Super Market*** shall act as **“Client”** under the agreement for this work.
2. ***M/s. Pioneer Services*** shall act as **“Contractor”** under the agreement for this work.
3. ***M/s. Y.H. Associates***shall act as **“Consultant”** under the agreement for this work.
4. The following documents constitute the components of the Contract Agreement;

* This letter of award
* Terms & Conditions of the Contract and Contract Data
* Technical Specifications
* Priced, signed and stamped copy of Bill of Quantities received by us
* Performance bond / irrevocable guarantee from insurance company as specified
* Tender Drawings
* Construction Drawings

1. **Completion Time:** The time of completion of the whole work as per this Letter of Award, our discussion and agreement shall be ***75 calendar days strictly*** from the date of this signed letter of award**.**
2. The unit rates / item quoted by you are final and are not subject to change for any reason whatsoever. However, the total value of this contract is already derived after the agreed discount factor indicated in your revised quote. Therefore, all the running payments will be subject to agreed discount factor if not already incorporated in your running bills. Further, this is a re-measureable contract, accordingly, contractor will be liable to get the variations approved in specified format from the client before execution, failure of which will render the work ineligible for payment.
3. **Mobilization on Site:** You are expected to mobilize at site and commence the work ***immediately*** from the date of issuance of this Letter of Award or as communicated by the Client.
4. **Strength at Site:** You shall immediately depute at site a qualified site engineer and one supervisor in accordance to the provisions of contract.
5. This is a **Zero Escalation Contract** during the validity of the Contract and it is expressly stated that no escalation in prices of any items shall be allowed under any circumstances. It is understood that you have accounted for all types of duties, taxes, GST, levies, budgetary or statutory increases, currency fluctuations, increase in cost of materials announced by the Government or increased otherwise by supplier, manufacturer, importer etc. The quoted unit price shall include all such increases both during the currency of the Contract as well as during the validity of the bid prior to signing of Agreement with the Client. No any claims will be entertained by Imtiaz later in respect of any such GST, levies, duties, price increases & fluctuations and any of charge or additional cost as mentioned in this clause specifically.
6. **Water:** For contract execution purposes, **Client** will provide water at one point at site. Its further distribution as per site requirement is the sole responsibility of the contractor and the contractor shall bear the expense related to the consumption of water. Contractor shall arrange drinking water in hygienic condition and required quantity as per their site strength at job site for their staff and labor. Moreover, timely payment of monthly water bill issued by utilities company will be the whole and sole responsibility of Contractor.
7. **Electricity:** For contract execution purposes, **Client** will provide electricity at one point, its further distribution (with all safety arrangements) as per site requirement is the sole responsibility of the contractor and contractor shall bear all the expense related to the consumption of electricity. Contractor shall be solely responsible to ensure smooth operations of the contract and no excuse shall be entertained regarding unavailability or interruption in the provision of such utility. Moreover, timely payment of monthly electricity bill issued by utilities company will be the whole and sole responsibility of Contractor.
8. Any additional element / article / item / services added on top of what is written in BOQ, first needed to be approved by the Consultant and Client in writing, then that particular element / article / item / services invoice will undergo the same tax treatment as agreed in general for the whole tender.
9. Kindly note that all the correspondence/conditions/stipulations/requests, if any, contained in your bid whether made a part of your bid or otherwise, or made subsequently, are to be treated as null and void unless and until accepted and confirmed in writing by the client to be the part of the Contract Documents. It is an express condition that should there be any discrepancy of inconsistency between the conditions incorporated in your bid or in the record / correspondence or in any document including the Contract and the conditions stated in this Letter of Award, then this letter of Award will take precedence and authority over all such correspondences and documents etc.
10. **Mobilization Advance / Payment Terms:**

* ***25% Mobilization Advance Payment***
* ***Remaining on basis of running bills as approved by the consultant and verified by Finance Department***

1. **Retention Money:**

* ***10% retention money on the gross amount will be deducted from each running bill***
* ***50% of total retention money will be released on Substantial Completion of Work / at the time of Payment of Final Bill against this Project &***
* ***Balance retention money will be released after 6 months of the issuance of Final certificate of Completion of work by Consultant / Client.***

1. The Contractor shall submit the running bills against the work done along with the sales tax invoice. All the bills shall be submitted to the consultant, who shall verify the bill before payment of the same.
2. You will submit necessary submittals and samples (with literature/brochure, in triplicate) on the prescribed Performa during the contract period as per procedure for approval from the concerned authority (giving 1-week time for such review and approval), before execution of any work. Payment will not be made for samples which do not comply with the specifications.
3. All the manufacturers, vendors, suppliers, fabricators and installers appointed by you for the captioned works shall be as per the list of approved manufacturers subject to the approval of the Consultant.
4. **Shop Drawings:** You are required to submit shop drawings (three sets) prior to execution of work for the approval of consultant (giving 1-week time for such review and approval).
5. **As-Built Drawings**: On completion, you are required to submit As-Built drawings. Final bill in the absence of as-built drawings will not be received or entertained, whatsoever be the case.
6. **Cleaning at Job Site:** Contractor is required to ensure the cleaning of site at all times during the ongoing phase of contract. In case of failure of above, Client has a right to have the cleaning executed through other sources at contractor’s risk, cost and time.
7. **Schedule of Work:** Contractor shall submit a schedule of execution of works on the basis of schedule prepared by civil contractor / architect. Moreover, contractor shall also prepare and submit to client such schedule to clearly reflect timelines of completion against each sub sections of BOQ itself and shall strictly comply with the timelines mentioned in such schedule.
8. **Schedule for requirement of OFM items:** Contractor shall submit a schedule for requirement of OFM items at site in order to ensure swiftness of the execution of the contract work. In case of any delay in provision of the schedule, the contractor shall be penalized as described below for the delay.
9. In case the Contractor fails to complete the project with in stipulated time mentioned above in the schedule or any extended time granted by the client as an exception, the Contractor shall be penalized a sum equivalent to ***0.01% of the total contract value*** specified above for each day of the delay respectively. The payment or deductions of such damages shall not relieve the Contractor from his obligation to complete the works or from any other of his obligation and liability under the contract.
10. You are not allowed to stop site works for even a single day without written permission from the Client / Consultant.
11. Only AHU and FCUs control wirings to the respective isolation boxes is included in Contractor’s scope.
12. By accepting this LOA, Contractor confirms that he has thoroughly read all the tender documents including specifications, drawings / designs requirements & BOQs complete in all respects. Any discrepancy highlighted later by the contractor in any above mentioned documents will not be entertained further then. As a result, any additional work scope not appearing on BOQ but specifically identified in drawings and designs documents, will have to be performed by contractor at his own expense (exception will be their only, if any of such additional work is timely highlighted by contractor to client and consultant for obtaining approval over such additional work scope in writing).
13. In case any defects, imperfections or other faults noted in the work by the Consultant / Client, the Contractor shall be liable to amend, redo, repair, modify or make good such defects, imperfections or other faults and all such amendment, repairing and modifications shall be carried out at the Contractor’s own expense subject to discretion of Client.
14. The Contractor shall not recruit, or attempt to recruit, staff and labor from amongst the Employer’s Personnel till the timeframe of execution of this contract. Similarly, neither the Employer nor the Engineer shall recruit, or attempt to recruit, staff and labor from amongst the Contractor’s Personnel till the timeframe of execution of this contract.
15. The general and special terms and conditions of contract issued with tender will be part of this agreement as well.

Please confirm your agreement to the terms, conditions and provisions of this LOA by signing on each page of this LOA.

IN WITNESS WHEREOF, the Parties here to have executed this Letter of Award effective the date above written.

Yours Sincerely,

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| **For and on behalf of Client:** |  | **For and on behalf of Contractor:** |
| **Signature:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** |  | **Signature:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** |
| **Name/ Title:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** |  | **Name/ Title:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** |
| **Dated:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** |  | **Dated:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** |