

Supplementary Agreement for Acceleration

AN AGREEMENT

FOR

ACCELERATION OF THE SATELLITE ANTENNA FARM  
CONSTRUCTION

BETWEEN

TELEVISION BROADCASTS LTD.

AND

GAMMON CONSTRUCTION LTD.

SUPPLEMENTAL TO

SATELLITE ANTENNA FARM CONTRACT

FOR

THE NEW TV CITY

AT

TSEUNG KWAN O INDUSTRIAL ESTATES, NEW TERRITORIES

Acceleration  
Essential terms:-

- ① Time for completion
- ② Payment for acceleration
- ③ Payment Method
- ④ LD
- ⑤ BOT
- ⑥ Any revised Scope of work.
- ⑦ Any penalty.
- ⑧ Arrangement for NSCB work

The story  
behind

THIS AGREEMENT is made the \_\_\_\_\_ day of \_\_\_\_\_, 2000.

Date of signing SA for acceleration.

BETWEEN SA parties

- (1) The Television Broadcasts Ltd. whose registered office is situated at TV City, Clear Water Bay Road, Kowloon, Hong Kong (hereinafter called "the Employer") of the one part and
- (2) Gammon Construction Ltd. whose registered office is situated at 28/F., Devon House, Taikoo Place, 979, King's Road, Hong Kong (hereinafter called "the Contractor") of the other part.

WHEREAS: SA agreed Sum

- (A) This Agreement is supplemental to an agreement (hereinafter called "the Contract") dated the \_\_\_\_\_ and made between the Employer of the one part and the Contractor of the other part whereby the Contractor agreed to carry out and complete the works as defined therein ("the Works") comprising the construction of the Satellite Antenna Farm for the New TV City at Tseung Kwan O Industrial Estates.
- (B) According to the Contract, the Contractor agreed to complete the Works in two stages, the contract period being 120 calendar days for Stage I Works and 175 calendar days for Stage II Works all counted from the Date for Possession of the Contract.
- (C) It is the Employer's original requirement for the completion of the Works and the operation of the Satellite Antenna Farm on or before 1 June 2000. Delay had subsequently occurred in the target commencement date of the Works and the Date for Possession of the Contract was finally fixed to be 14 January 2000. Accordingly, the Dates for Completion of the Contract are as follows:

Stage I Works  
Stage II Works

12 May 2000  
6 July 2000

Acceleration  
(cc.) 8

the interests of the project to mitigate the delay in the completion and therefore the operation of the Satellite Antenna Farm subsequent to the late commencement of the Works, the Employer and the Contractor have agreed to an acceleration arrangement of the Works in the manner hereinafter set out.

NOW IT IS HEREBY AGREED AS FOLLOWS:

# 1 Interpretation (Scope of works)

- 1.1 This agreement shall be read with and construed together with the Contract and where the context so requires the Contract shall be deemed amended by the provisions of this Agreement. Where there is a conflict between the provisions of this Agreement and the Contract, this Agreement shall prevail.
- 1.2 Save where the context requires, words and expressions used in this Agreement shall have the definitions assigned to them in the Contract.

# 2 Revised Dates for Completion

2.1 The Dates for Completion under the Contract shall be revised as follows:

Stage I works	8 May 2000
Stage II Works	30 June 2000

# 3 Revised Milestone Dates (Payment Date)

3.1 The following revised milestone dates as compared with the original milestone dates in the Contract have been agreed:

Milestones	Original Dates	Revised Dates
(1) Handover of Transformer Room to CLP	11 April 2000	8 April 2000
(2) Handover of TBE Room/associated cable ducts to HKT	12 May 2000	8 April 2000
(3) Handover of NTV4 Antenna Base to GSI	12 May 2000	25 April 2000
(4) Handover of Satellite Equipment Room to GSI and Completion of Stage I Works	12 May 2000	8 May 2000
(5) UPS Power-on	19 June 2000	12 May 2000
(6) Completion of Stage II Works	6 July 2000	30 June 2000

# 4 Acceleration Expenses and Payment (Acceleration Cost)

acceleration cost

Negotiated lump sum.

payment terms

Milestone payment

- 4.1 The Mobilisation Payment together with the Bonus Payments payable to the Contractor for achieving the revised Dates for completion and Milestone Dates stated in Item 2.1 and 3.1 above shall be the sum of Hong Kong dollars ON MILLION FOUR HUNDRED FIFTY TWO THOUSAND (HK\$1,452,000).
- 4.2 Payment shall be made to the Contractor in stages upon the achievement of the revised milestone dates and the staged completion of the Works as follows:

	Target Dates	Stage Payment to Contractor
1) Mobilisation Payment (non-refundable) A Letter of Guarantee of Payment will be issued within 7 days from the date of the execution of this Agreement by the Employer and payment to be made as per the Contract Conditions Clause 30 (but not subject to retention)		HKS 600,000
2) Bonus Payments		
a) Upon the achievement of the Revised Milestone Dates (1) to (4) inclusive stated in Item 3.1 above and the completion of the Stage I Works	8 May 2000	600,000
b) Upon the achievement of the Revised Milestone Dates (5) and (6) inclusive stated in Item 3.1 above and the completion of the Stage II Works	30 June 2000	252,000
Total Acceleration Expenses Payable		1,452,000

For the avoidance of doubt, it is hereby agreed that Bonus Payments for Items 2(a) and 2(b) above shall be effected in accordance with Clause 30 of the Contract Conditions (but not subject to retention) and upon the satisfactory



★ penalty

deduction for  
failure in achieving  
target completion  
date

achievement of the revised Milestone Dates and completion of the Works in Stages as stipulated above.

Penalty

For the avoidance of further doubt, the Bonus Payments for Item 2(a) and 2(b) above shall only be made in full should the Revised Milestone Dates (1) to (4) for Item 2(a) and Revised Milestone Dates (5) to (6) for Item 2(b) have all been achieved respectively. A deduction of HK\$ 150,000 shall be made for each of the Revised Milestone Dates (1), (2), (3) and (5) that are missed but Revised Milestone Dates (4) and (6) are attained. No payment for Item 2(a) and 2(b) shall be paid if Revised Milestone Date (4) and Revised Milestone Date (6) cannot be achieved respectively.

5. Liquidated and Ascertained Damages

(A further consideration provided by the Contractor)

5.1 As agreed, liquidated and ascertained damages in accordance with the Contract shall be applied for the Stage I Works from 9 May 2000 onwards and Stage II Works from 1 July 2000 onwards subject to the extension of time for the Works in accordance with the contract.

6. Extension Of Time

The revised Dates for Completion shall be extended by reasons of extension of time granted in accordance with the Contract.

The Contractor shall at all times be proactive in the resolving of problems and shall actively seek ways to avoid or mitigate courses of actual or potential delay that might arise.

7. The obligation of the Contractor herein shall not be affected by any variations and amendments to the Contract, extension of time for performance, release of retention or other securities, other concessions or waivers granted by the Employer to the Contractor for the performance of his obligations and/or any other concessions or waivers by the Employer of any right or remedy the Employer may have against the Contractor.

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WITNESS the hands of the said parties hereto the day and year first above written.

Signed by

Sign L  
← insert date (same as sign)

For and on behalf of Television Broadcasts Ltd.

Date

In the presence of

Signed by

For & on behalf of  
GAMMON CONSTRUCTION LIMITED

THOMAS O S HO  
Executive Director

Insert date  
← (same as agreement date)

For and on behalf of Gammon Construction Ltd.

Date

In the presence of

PATRICIA MAK SIK KEE