



COPY

18 MAY 1999

2859 7751

TEL:

2548 5710

FAX:

OUR REF: (89) in Prop.S./876/09E/99-00

YOUR REF:

Employer's Notice to Deduct LD

China Civil Eng. Construction Corporation
23/F, Railway Plaza
No. 39 Chatham Road South
Tsimshatsui
Kowloon

Attn: Mr. Simon Lee

Dear Sirs,

Deduction of Liquidated and Ascertained Damages
TWGHs Fong Shu Chuen Social Services Building
6 Po Man Street, Shaaukeiwan, H.K.

I refer to your invoice dated 18 May 1999 at the amount of HK\$4,500,000 being your claims for the Interim Payment no. B-P-015 as certified by the project architect.

Since the Whole of the Works has not been completed by the extended contract completion date at 1 April 1999, we have been advised by the Quantity Surveyor - D.L.S. vide their letter dated 12 May 1999, ref. HK-3420/LTR31864 that we, the Employer, are entitled to deduct, from the money due to you, the Liquidated & Ascertained Damages at the amount of HK\$1,218,000 up to the date of their interim valuation.

We would therefore process to release HK\$3,282,000 (HK\$4,500,000 - HK\$1,218,000) for Interim Payment no. B-P-015 accordingly. Enclosed is a copy each of the captioned letter from the Q.S. and the invoice with our mark-up for your attention.

Yours faithfully,

(TAM Po-lam)
Senior ArchitectEncl
TPI/ML/kh

CKL - Mr. Stephen Ku I
c.c. CCE - Mr. C.Y. Su I w/o encl.



中國土木工程集團公司
China Civil Engineering Construction Corporation
(Incorporated in the People's Republic of China)

香港九龍尖沙咀彌敦道39號鐵路大廈23樓
23/F., Railway Plaza, No.39 Chatham Road South,
Tsimshatsui, Kowloon, Hong Kong.

TEL: 2271 8899, 2827 8393
FAX: 2827 4313, 2827 4680

C1265/S.T198/P5.1.2

Contractor's Protest

24th May, 1999.

DATE:

OUR REF. NO.:

Tung Wah Group of Hospitals
8th Floor,
12 Po Yam Street,
Hong Kong.

Attn: Mr. P. L. Tam

Dear Sir,

Re: TWGHs Fong Shu Chuen Social Service Building
6 Po Man Street, Shaaukeiwan, Hong Kong
Deduction of Liquidated and Ascertained Damages

We refer to the TWGH's letter ref. (89) in Prop.S./876/09E/99-00 dated 18th May 1999 regarding the deduction of liquidated and ascertained damages from our company.

We would like to express our objection to such deduction as we have submitted our E. O. T. claim since 20th April 1999 which is still waiting for Architect's assessment. Therefore, the deduction (if any) shall only be made after the result of assessment.

Thank you for your kind attention.

Yours faithfully,
For and on behalf of
China Civil Engineering Construction Corporation

Simon Lee
Project Manager

Encl.

SL/BY/MFK/js

c.c. TWGHs - Ms. Monika Lau (w/c)
CKL - Mr. Stephen Ku (w/c)
CCE - Mr. C. Y. Su (w/c)
DLS - Mr. Adam Chiang (w/c)
H.O. (w/c)
Site (w/c)

By Fax & Post
(fax no. 2548 5710)

Objection to Employer

LD50
L.D.
C.C.Y.

主席
Chairman
Mr. FUNG Wing Chung
第一副主席
1st Vice-Chairman
王雪梅先生
Mr. Senta WONG
副主席
Vice-Chairman
周卓軒先生
Mr. CHOW Chun Kay, Stephen

第三副主席
3rd Vice-Chairman
黃錦基先生
Mr. MA Hung Ming, John
第四副主席
4th Vice-Chairman
區俊傑先生
Mr. YEUNG Kang Lam

第五副主席
5th Vice-Chairman
黃錦基先生
Mr. YEUNG Chiu Sing, Ricky

經理
Directors
黃錦基先生
Mr. LAU Tung Hol
董事
AN Yiu Chong, Christopher
董事
Jddie WANG

劉金龍先生
Mr. LAU Kam Kwok
董事
Mr. ONG Ka Lueng, Peter
經理
Mr. FAN Rongshang, Philip
經理
Mrs. YEUNG CHAN Lai Har

方潔明小姐
Miss FONG Dal Ming, May

彭海雄先生
Mr. PENG Hai Hual
董事
Mr. Michael LEE
董事
Mr. MA Chun Nin, Marvin
董事
Mr. MA Hok Yam

陳國強先生
Mr. CHU Ting Kin, Kenneth
陳國強先生
Mr. YUNG Sing Tak, Alan



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By Fax & By Post

1 JUN 1999

Employer's Response to Protest

China Civil Eng. Construction Corporation
23/F, Railway Plaza
No. 39 Chatham Road South
Tsimshatsui
Kowloon

Attn: Mr. Simon Lee

Dear Sirs,

Deduction of Liquidated and Ascertained Damages
TWGHs Fong Shu Chuen Social Services Building
6 Po Man Street, Shaukeiwan, H.K.

We refer to your letter dated 24 May 1999 ref. C1265/S.T198/P5.1.2 re the captioned and would like to express our opinion as follows for your attention.

1. The non-completion certificate has been issued by the project architect dated 9 April 1999 certifying that your office, the Main Contractor, failed to complete the works by the Extended Date for Completion.
2. During our processing to honour the Interim Payment no. B-P-015, we receive no indication from the project architect that further Extension of Time would be granted to your office.
3. Hence, according to Clause 22 of the Contract Agreement, we opine that it is at our own discretion to deduct L.A.D. at the amount as recommended by Q.S. vide their letter dated 12 May 1999 from the monies due to your office.
4. We would proceed to release the withheld amount for L.A.D. should there be any further Extension of Time granted to your office.

DAVIS LANGDON & SEAH HONG KONG/CHINA LTD.	
RECD	- 3 JUN 1999
ACTION	File copy
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MA LEUNG & ASSOCIATES

ARCHITECTS & ENGINEERS (HONG KONG) LTD.

馬梁建築師事務所 (香港) 有限公司
Chun Wo Building Construction Ltd.
C2 S/F Hong Kong Spinners Ind Bldg
601-603 Tai Nan West St
Cheung Sha Wan
Kowloon

Your Ref:

Our Ref:

Date:

9507/CW(MC).967

April 20, 2000

Dear Sir, **Archi Cert**

Re: Extension of Time & Certificate of Failure to Complete (No. EOT/M2004)
Residential Development at S.T.T.L. 435, Area 90B, Ma On Shan, N.T.

(A) Extension of Time

In accordance with the conditions of your contract with the Employer, we hereby grant an extension of time for your completion of work as follows:-

Total additional EOT granted under this certificate:	0 days
Total EOT previously granted (No. EOT/M2003):	47 days
Total EOT granted up to date:	47 days

Original date for completion:
Extended date for completion:

January 20, 2000
March 7, 2000

(B) Certificate of Failure to Complete

In accordance with the conditions of your contract with the Employer, we hereby certify that you have failed to complete your work on March 7, 2000, i.e. the extended date for completion as stated in para. (A) and in our opinion the same ought reasonably have been completed. Up to and including April 19, 2000 the delay in days is 41 days.

(C) Advice on Damages for Non-Completion

By copy of this certificate, the Employer is advised that in accordance with the conditions of contract, they may deduct Liquidated and Ascertained Damages from money due or to become due to you as follows:

Delay in days [(as stated in para. (B))]:	43 days
Rate for damages as stated in appendix:	HK\$150,000.00/day
Total damages which may be deducted:	HK\$6,450,000.00
Amount deductible shown in last certificate:	HK\$1,950,000.00
Additional amount deductible under this certificate:	HK\$4,500,000.00

Yours faithfully,
MA LEUNG & ASSOCIATES
ARCHITECTS & ENGINEERS (HK) LTD

Ma Kim See
Director

KSMTC(EW)ek

c.c. Han (PM) Ltd.
Dg. Ion & Seah

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RECD	25 APR 2000
ACTION	File
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ISO 9001:1994
Certificate No. CC 884