

BH Yew Architect

15th FLOOR MENARA AMMETLIFE
NO. 1 JALAN LUMUT 50400 KUALA LUMPUR
T (603) 4043 1346 F (603) 4043 1349

Our ref: BHY/55714/PCSB/CL_006

Date: 13 October 2016

PARAMOUNT CONSTRUCTION (PG) SDN.BHD.

Wisma Paramount, 1A (1st floor),
Lorong BLM 1/1, Bandar Laguna Merbok,
08000 Sungai Petani,
Kedah Darul Aman

Attention: **Mr. Chan Kok Tien/ Mr. Sin Yong Lim**

Dear Sir

**CADANGAN PEMBANGUNAN BERCAMPUR (FASA 1) DI ATAS LOT 21135, PERSIARAN CASSIA
BARAT 3, MUKIM 13, SEBERANG PERAI SELATAN, PULAU PINANG YANG MENGANDUNGI: -**

- A. 2 BLOK PANGSAPURI PERKHIDMATAN 18 TINGKAT (612 UNIT).**
- B. KEDAI PEJABAT 3 TINGKAT (196 UNIT).**
- C. 5 TINGKAT TEMPAT LETAK KENDERAAN.**

UNTUK TETUAN PARAMOUNT PROPERTY (PW) SDN BHD.

Main Building Works - Letter of Award

With reference to the above, we hereby forward the following for your onward action.

- 1. Letter of Award for Main Building Works
- 2. Appendix A- Breakdown of Contract Sum
- 3. Appendix B- The Articles of Agreement and Conditions of Contract.

Kindly acknowledge the attached copy of this cover letter and return to us.

Yours faithfully

For **BH YEW ARCHITECT**


.....
Ar Tan Ching Kee
PROJECT DIRECTOR

Encl/jo/pf
cc

Paramount Property (PW) Sdn. Bhd
Perunding Kelana
Perunding P.L.A Sdn Bhd
Unitech QS Consultancy Sdn. Bhd.
Ukur Rentas

PPPW
PKSB
PLA
UNIT
UR

Ms. Ooi Ee Sze/ Mr. Wong Keat Chin/ Mr. Edwin Chin
Ms. Lau Wai Kwan
Mr. Chuah Beng Aik/ Mr. Sim Jia Siang
Mr. Keong Chee Khoon/ Ms. Ho Yin Shin
Sr. Loh Sai Wang

Fax: 04-441 9191
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BH Yew Architect

15th FLOOR MENARA AMMETLIFE
NO. 1 JALAN LUMUT 50400 KUALA LUMPUR
T (603) 4043 1346 F (603) 4043 1349

Our ref: BHY/55714/PCSB/005
Date: 13 October 2016

Paramount Construction (PG) Sdn. Bhd.

Wisma Paramount, 1A (1st Floor),
Lorong BLM 1/1,
Bandar Laguna Merbok,
08000 Sungai Petani,
Kedah Darul Aman

(Attn.: Mr. Beh Chun Chong)

CONFIDENTIAL

Dear Sir,

**CADANGAN PEMBANGUNAN BERCAMPUR DI ATAS LOT 21135, PERSIARAN CASSIA
BARAT 3, MUKIM 13, SEBERANG PERAI SELATAN, PULAU PINANG YANG
MENGANDUNGI:-**

FASA 1

- A. 2 BLOK PANGSAPURI PERKHIDMATAN 18 TINGKAT (612 UNIT)**
- B. KEDAI PEJABAT 3 TINGKAT (196 UNIT)**
- C. 5 TINGKAT TEMPAT LETAK KENDERAAN**

Main Building Works - Letter of Award

We refer to your quotation Ref: PCPG/CON/BKMD-MBW-PT1/125/437/16 dated 8 September 2016.

On behalf of the Employer, Paramount Property (PW) Sdn. Bhd., we are authorised to award to you the Contract for the Construction and Completion of the aforesaid Works subject to the following terms and conditions:-

1. Contract Sum

The total estimated Contract Sum shall be in the amount of **RM180,031,778.00 (Ringgit Malaysia : One Hundred Eighty Million Thirty One Thousand Seven Hundred Seventy Eight Only)** breakdown as attached in Appendix "A" based on "Cost Plus" basis as follows:-

- a) You shall be paid the Prime Cost for the Works as actually incurred;
- b) You shall be entitled to a fixed fee of eight (8) percent (%) on actual Prime Cost and Preliminaries Cost;
- c) Provisional Sum of RM10,190,478.00 (Ringgit Malaysia : Ten Million One Hundred Ninety Thousand Four Hundred Seventy Eight Only) for Goods and Services Tax (GST);
- d) The final Contract Sum shall be on open book basis agreed and validated by the Consultant Quantity Surveyor.

1. **Contract Sum (Cont'd)**

The estimated Prime Costs for the Works and Preliminaries shall be RM157,260,500.00 (Ringgit Malaysia : One Hundred Fifty Seven Million Two Hundred Sixty Thousand Five Hundred Only).

Upon completion of the Works, any material, goods or equipment which have salvage value and which cost have been paid under this Cost Plus Contract shall be sold to the highest bidder. The salvage value shall be refunded to the Employer.

2. **Contract Period**

Date of Commencement of the Works shall be **1 November 2016**.

The whole of the Works shall be completed within **twenty six (26)** months from the Date of Commencement, that is to say, the Date of Completion shall be **31 December 2018**.

The period of completion of the works shall include Sundays and Public Holidays, preparation, submission and obtaining approval of all temporary works from the relevant Authorities and all testing and commissioning.

3. **Form of Contract**

The Contract is awarded based on **Cost Plus Contract** comprising Articles of Agreement and Conditions of Contract as attached in Appendix "B".

4. **Liquidated Damages**

You shall be liable for Liquidated Damages at the rate of **RM74,000.00** per day in the event the whole of the Works is not completed by the Date of Completion; or in the case where an extension to the Date of Completion has been granted under the terms and conditions of the Contract, by the said extended Date of Completion.

The Liquidated Damages expressed herein shall be deemed to be the actual loss which the Employer will suffer without the need of the Employer to prove his actual damages or loss in the event the Contractor fails to complete by the Date of Completion or any extension thereof.

5. **Defects Liability Period**

Notwithstanding with the provision in Clause 11 of the Conditions of Contract, Defects Liability Period shall be **Twenty Seven (27)** months commence from **Certificate of Practical Completion**.

6. **Contract Documents & Correspondences**

6.1 The following documents and correspondences shall constitute integral parts of the Contract hereby awarded:-

- a) The Article of Agreement;
- b) The Conditions of Contract and the appendices thereto;
- c) The Provisional Cost Plan;
- d) Contract Drawings;
- e) Other documents that may be identified and agreed later by the parties in writing for the purpose of incorporating into this Contract.

6.2 This Letter of Award. The terms and conditions stated in this letter shall prevail in the event of any inconsistency between the terms and conditions stated in the earlier documents and letters identified above.

6.3 In the event of any inconsistency between the terms contained in this Letter and other contract documents referred to in 6.1 above, this Letter of Award shall prevail to the extent of such inconsistency.

7. Scope of Works

Your scope of works comprises management, supervision, and the procurement of sub-contractors, materials and labour for carrying out and completion of the whole project.

8. Insurance

All insurance taken out under the Contract shall strictly adhere to the full requirements provided in the Conditions of Contract.

The insurance policy shall be valid up to the Completion Date and the extended maintenance cover shall be for the Defects Liability Period plus a further three (3) months; all in accordance with Clause 14, 15 and 16 of the Conditions of Contract.

You shall be responsible for any excesses, which the insurance policies may carry and you are at liberty to take up additional policies to cover these risks at your own expense.

You are to note that no work shall commence until copies and premium receipts for all insurances as specified in the Conditions of Contract are submitted to us.

9. Survey Requirements

The Contractor is responsible for the true and proper setting out of the Works and for the correctness of the position, levels, dimensions and alignment of all parts of the Works and for the provision of all necessary instruments, appliances and labour in connection therewith.

Levels and setting out of the Works shall be carried out in accordance with the Architect's and the Civil & Structural Engineer's drawings. If the Contractor shall find any discrepancies between the above drawings, he shall immediately give written notice to the Architect/Engineer specifying the discrepancies.

You shall engage the service of a Licensed Land Surveyor acceptable to and approved by the Employer and the Architect for all land surveying works.

10. Acceptance of Site

You shall accept the site as handed over to you by the Employer and shall thereafter clear the site of any debris that may be found on site at your own costs and expenses.

11. Employment of Foreign Workers

You are to responsible for all foreign workers' entry in accordance with the requirements of the relevant immigration laws and regulations. You shall also be responsible for obtaining their work permits from the relevant Authorities. The Employer and the Consultants shall be absolved from all responsibility pertaining to this matter.

12. Safety Regulations

The Contractor shall be deemed to have read and understood all safety rules and regulations on the site and it his responsibility to ensure full compliance with the requirements of Department of Occupations, Safety and Health (DOSH) at all times. Failing which he is to bear all costs an expenses incurred by way of fines imposed by the relevant Authorities. The Employer and all the Consultants shall be absolved from all responsibility pertaining to this matter.

All safety equipment such as barricades, etc. shall be erected accordingly and can only be dismantled upon receiving approval from Employer's safety representatives failing which you will have to erect the same and all costs and time will be borne by you.

13. Abatement of Pollution

The works shall be carried out in such a manner as to minimise noise, vibration, dust, smoke and other nuisance that may disturb the occupants of adjoining properties and the public.

All requirements by the authorities shall be strictly adhered to.

14. CIDB Registration and Levy

The Contractor is required to be registered with the Construction Industry Development Board (CIDB) and shall be responsible to pay all fees and levies in connection and submit a copy of CIDB registration and receipt of fees and levies to the Architect.

15. Certificate of Completion and Compliance

You are required to comply with all the requirements relating to the application of the Certificate of Completion and Compliance ('CCC') and shall submit all the completeness of all the relevant duly endorsed Form Gs to the Architect and ensuring that all his sub-contractors (whether nominated or/ and domestic) also complies with the same.

All forms shall be endorsed accordingly and submitted to the Architect as the stage of the works are completed and all other applicable forms shall be submitted after completion of the works. You are required to assist the Employer and the relevant consultants to do everything necessary before and after the Completion Time for obtaining Certificate of Compliance and Completion.

All costs for the above compliance shall be deemed inclusive in the Contract Sum.

16. Contract Stamp Duty

The Contractor shall be responsible to pay all duties in connection with Contract Stamping and submit a copy of receipt for all duties paid to the Architect.

17. Compliance with Laws and Regulations

You are required to observe and comply with all requirements and conditions that may be imposed by the relevant authorities and all laws and regulations at the time being in force and keep us indemnified against all penalties and liabilities of every kind for breach of any statue, ordinance, regulations or by-laws in relation to the Works.

18. Quality Assurance, Control and Site Coordination

You shall plan, implement and maintain to the satisfaction of the Architect, a Quality Assurance and Control Program for the purpose of enabling the Works to be executed and completed in accordance with the requirements, specifications and standards of contract.

You shall be deemed to have thoroughly inspected and is fully aware of all the existing conditions of the site, means of access etc.

Specific procedures, method statements, work instructions and inspection checklists shall be submitted by you for approval by the Engineer/Architect before the commencement for each of the major and/or critical work activities.

You shall liaise closely with your sub-contractors (whether dominated or/ and domestic) to ensure smooth implementation of the Works on site and full compliance of the Contract.

19. Site Meeting

Regular site meeting shall be held at the site office by the Architect and consultants for the purpose of monitoring and coordination works. Attendance at these meetings is compulsory and shall be represented by a senior member who is well-versed with the contract and who can make decision on behalf of the organization.

This Letter of Award is issued to you in triplicate. Please signify your acceptance of the terms and conditions of this award by signing all the copies of this letter and returning two (2) copies to us for Contract Documentation purposes within Seven (7) days of receipt. The remaining copy is for your retention.

Until such time formal Contract Documents are being prepared and executed between you and the Employer, the duly signed copies of this letter shall constitute a binding contract between you and the Employer.

In the mean time, please submit the following documents to us for approval prior to the Date of Commencement:-

- a) Insurance policies in accordance with the Conditions of Contract;
- b) Site management and supervisory personnel organisation chart indicating the name, qualification, experience and position of each key personnel designated for the Works, the names of the senior head office personnel directly responsible for this contract shall also be included in the chart;
- c) Detailed construction work programme;
- d) Schedule of delivery of all plant, equipment and materials required for the Works;
- e) Manpower schedule including number of shifts, if required;
- f) Site layout of all temporary works, buildings and stores;
- g) Method statement on your proposed sequence of Works; and
- h) Strategy and procedural plan for:
 - i. Site safety;
 - ii. Quality assurance and control;
 - iii. Environmental impact; and
 - iv. Security.

Yours faithfully,

For **BH YEW ARCHITECT**

.....
Ar Tan Ching Kee
PROJECT DIRECTOR

c.c Messrs. Paramount Property (PW) Sdn. Bhd.
Messrs. Perunding Kelana

Messrs. Perunding P.L.A.
Messrs. Unitech QS Consultancy Sdn. Bhd.

CADANGAN PEMBANGUNAN BERCAMPUR DI ATAS LOT 21135, PERSIARAN CASSIA BARAT 3, MUKIM 13, SEBERANG PERAI SELATAN, PULAU PINANG YANG MENGANDUNGI:-

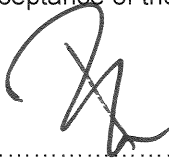
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Main Building Works - Letter of Award

ACKNOWLEDGEMENT

I, Beh Chun Chong in the capacity of Chief Executive Officer, Property Division
duly authorised to sign for and on behalf of **Paramount Construction (PG) Sdn. Bhd.** hereby
confirm acceptance of the terms and conditions stipulated in this letter.



(Signature and stamp of Contractor)



(Witness)

Date : 24/10/16

Name : Chan Kok Tien

NRIC : 621104-02-5221

Date : 24/10/16