

**SAMPLE AGREEMENT BETWEEN STATE BANK OF INDIA AND
PROJECT MANAGEMENT CONSULTANT**

(Name and address of branch/ office/ Department)

AND

(Name and project management consultants)

M/s. _____

TOWARDS

PROJECT MANAGEMNET CONSULTANCY

FOR PROPOSED

(Name and location of project)

DRAFT OF THE AGREEMENT BETWEEN THE BANK AND

THE PROJECT MANAGEMENT CONSULTANT (PMC)

CONDITIONS OF AGREEMENT – BETWEEN SBI AND PMC

Articles of this agreement made at Hyderabad this day of _____ between M/s. _____ a firm having its office at _____ hereinafter called, the 'PMC' or 'Firm (which expression shall unless it be repugnant to the context or meaning thereof be deemed to mean and include for the time being and from time to time of the said firm, the survivor or survivors of them, their respective heirs, executors and administrators of the last survivor heirs, his or her assigns) of the one part and AGM State Bank of India, having its name of branch or office at –IAD (address) and one of its Department known as ADMIN Department represented by Shri -----(Name), -----(AGM) hereinafter called 'SBI' or 'Bank' (which expression shall unless it be repugnant to the context or meaning thereof be deemed to mean and include its successors and assignees) of the other part.

EXTENT OF AGREEMENT

This agreement represents the entire agreement between SBI and the firm and shall be read with all prior negotiations, representations or correspondence or agreements, if any. This agreement may be amended only by written instruments signed by both SBI and the firm.

1. WHEREAS SBI is desirous of constructing its (Name of Project) at (Address of Project) (hereinafter referred to as the Project of Works) and for that purpose have appointed M/s. _____ as the Architects of the Project (hereinafter referred to as "The Architects")

2. AND WHEREAS for the purpose of comprehensive services of complete supervision and management of the said project SBI is desirous of engaging the PMC. The term 'PMC' shall mean the persons/companies to be selected by SBI for undertaking the Project Management Consultancy.

3. AND WHEREAS the PMC is agreeable to undertake the said works on the terms and conditions under document hereinafter appearing.

NOW THEREFORE THE AGREEMENT WITNESSES THAT:

1. In consideration of the covenants hereinafter contained and the fees and other charges agreed to be paid by SBI to the said PMC, the SBI hereby appoint the PMC as its Project Management Consultants for the project and issued a letter of intent No. _____ dated the _____ and the PMC hereby accepts the said appointment in terms of their letter No. _____ dated there ad with other letters No. _____ dated the _____ and _____. These letters and SBI's subsequent letter No. _____ dated the _____ shall form part of this agreement.

2. The **PMC** hereby undertakes to supervise and manage the said project in most professional and efficient manner to further the interest of SBI and protect the same in all circumstances and use best of their professional skills and judgment for the said purpose. ACF assures SBI that it shall do all acts and things necessary to sustain the trust and confidence reposed in it by SBI under this agreement.

3. PROJECT COORDINATION COMMITTEE

3.1 The parties hereto agree that the following shall constitute the Joint Project Committee (hereinafter referred to as JPC) for assessing and reviewing the progress of the work on the project and to issue instructions or directions from time to time for being observed and followed by the ACF and other Consultants / Contractors engaged in the execution of the project.

(i) -----, SBI, who shall be the Chairman of the Committee.

(ii) -----Engineers (Civil & Electrical) in charge of this project, as may be nominated as Members.

(iii) Project Manager and Resident Engineer-in-Change of the project of the ACF and Secretary respectively.

3.2 The Secretary of the Committee may convene the meetings of the SBI, **PMC** and the concerned Contractors / Consultants at such regular intervals or frequently as may be instructed by the Chairman of the JPC and shall record and circulate to all concerned the decisions of the JPC for implementation/information as may be applicable.

3.3 The ACF shall keep the Chairman of the Committee posted with the information relating to implementation of the JPC's decision and also the usual progress reports of the Project work fortnightly.

4. The scope of work of the ACF toward Project Management Consultant shall broadly include:

a. Programming, planning, monitoring, follow up action, supervision, measurement of Civil, Electrical, air-conditioning, lifts, sanitary, water supply, fire protection, roads, site development works and any other work comprised in the Project as a whole, scrutiny of bills, preparation of variation statement, arranging various tests on materials / works, arranging meetings, coordination of the works of various agencies and all other incidental works thereto.

b. Attend to inspection carried out by the (Names of various statutory / local authorities), Government, SBI and agencies such as Chief Technical Examiner (CTE) of Central Vigilance Commission, New Delhi and any other Authorities connected with the various works involved in the project and assist the Bank to reply their queries/ objections and ensure removal of the deficiency pointed out by the agency during the inspection and the help SBI in replying to their observations from time to time till the matters are finally cleared by the C.T.E.'s Organization and settled.

c. Effect complete administration and management of construction, supply and installation of plant & machinery, equipments, lifts, firefighting arrangements etc. pertaining to the project contract till expiry of the defects liability period as indicated in the building contract and payment of final dues to the contractors are made, replies given to CTE's/ Chief Vigilance Organization (CVO) of the SBI observations are finally accepted by the CTE of CVC/ CVO of the SBI.

d. Effect coordination with the PMC, consultants, other contracting agencies and local authorities like _____ etc..

e. Effect verification of work on virtual completion and actual completion of the project and advise the Bank suitably.

f. Advise SBI with regard to extra claims or disputes, Chief Technical Examiner's observations, arbitration cases between SBI and the contractors, if any and assist SBI in case of any dispute till the cases are resolved either by mutual negotiation or through Arbitration or Court, as the case may be.

g. Collect and deliver to SBI any specific, written warrantee/s or guarantee/s given by Specialist firms / Suppliers including all required trade contractors, insurance policies, performance guarantees and warranties. Work as conciliator in the event of any dispute arising between the contractors engaged in the project and SBI before the matter goes to arbitration.

5.0 Further clarification for firm's services:

5.1 Day to day supervision and ensuring that the said works are being executed as per the plans and designs and specification prepared by the EPC Contractor and provided for in the contract agreements with the selected / appointed contractors for various disciplines of the said works, monitoring of the project, checking the materials / works, getting various tests for material and works done, correct measurements of the works, initial scrutiny of the contractors bills at site and making the recommendations to the Bank. The PMC shall be involved in the project right from the beginning from the stages of soil exploration, prequalification of the contractors as the Bank's agency to remain fully associated with the project and day to day work.

Assisting the Bank in scrutiny of the recommendation, reports, plans, estimates etc. received from the EPC Contractor with a view of expediting the decisions in the matters at the Bank's end. It is expected that the EPC Contractor and the PMC work jointly as team in good spirit with a view to getting the said works completed in best possible manner and efficiently without bringing in aspect of ego while performing their duties.

The Firm is expected to go through the draft tender specifications, drawings and schedules thoroughly and suggest modification wherever considered necessary by them to the Bank for the Bank's consideration to improve the performance of the project components, affect economy in cost and ease in monitoring and control and expedite progress with particular attention to construction techniques, durability of permanent components, water tightness of roofs, walls, sanitary block etc., ease of construction, quality surveillance, technical audit and quality control. In any of these suggestions involve any likely extra cost, they shall clarify the same to SBI to enable the latter to take decision and advise the EPC Contractor suitably. The firm is expected to scrutinize in detail the tenders received and advise the Bank on reasonableness or otherwise of the lowest tender and the recommendations after evaluating terms and conditions and price bid of various tenderers.

5.2 (a) Arranging periodical and emergency joint meetings of the Joint Project Committee (JPC), consultants, contractors etc. and develop project schedules for both management and working level use and co-ordination of the works of the "Construction agencies" including that of with SBI's estimates and construction schedules. Update the project schedule from time to time and generate detailed working schedules for all activities of project, including realistic activity sequences and durations, processing of the drawings issued, identifying bottle necks and incorporating remedial measures to make up lost time, if any.

(b) PMC shall review, audit and ensure systematic and timely supply of drawings, estimates, work orders as per the conditions of contract entered into with various contractors by SBI by necessary communications in writing as well as by holding discussion in advance with the Bank for this project. They shall maintain daily record of receipt of plans/ designs and other details and issue of the same to the concerned contractors and present such documents to SBI from time to time as and when required.

(c) For the purpose of supervision and site activities, the PMC shall employ or engage suitably qualified and experienced engineers and overseers of adequate number at their own cost. Without prejudice to this, the ACF agrees that it shall deploy the following minimum staff at the site.

One Project Manager for overall control, coordination and liaison purposes. He may or may not be stationed at the site. He shall have a minimum of 15 years field experience after graduation.

1. One full time Resident Civil Engineer-in-charge. He shall have minimum 8 years field experience after graduation. He shall be stationed at site.

2. One full time Civil Engineers for supervision measurements, scrutiny of the bills, testing and quantity control. He shall have a minimum of 5 years field experience after graduation.

3. One full time Electrical Engineer to supervise electrical and A/C/ works. He shall have a minimum of 10 years field experience in electrical works, installation of A.C..... public address system, pumps etc. For other specialized works, the PMC may appoint such other full or part time technical staff as may be required during the execution of those works.

The above requirements are only the minimum. However, more Engineers and other categories of staff as may be considered necessary by the SBI for satisfactory management of the entire project have to be appointed by the PMC. If necessary, for satisfactory supervision and coordination, it is specifically agreed that SBI shall have no responsibility for any staff/ officers/ Engineers/ workmen engaged by the PMC and the said PMC alone shall be responsible as Bank for them nor that they are the employees of SBI at any point of time and there being to employer-employee relationship between the Bank and those employed by PMC for any purpose whatsoever.

(d) The PMC shall fully supervise the various works at the site including scaffolding, form works etc. and ensure complete quality of the work at the site, including materials incorporated in the work and effect measures to get the works completed without any time and cost over-run. They shall provide constant day to day technical supervision over the interior / building services / installation work including recording of measurements as and when submitted by contractor, scrutiny and certification of contractor's bills for making recommendations to the Bank, review and monitoring of materials supply storage and utilization so as to ensure requisition and procurement of the same on time (by the contractors) and conforming to approved specifications and standards. They shall prepare, check and monitor weekly and monthly programs of work and submit a copy thereof to the AGM (Admin) of SBI along with progress reports for the previous periods highlighting delays and suggestions and implement remedial actions necessary for making up the lost time along with technical directions and procedure wherever necessary for achieving the same. Ensure that the extra items / quantities of items are not executed until and unless the same have been approved by SBI and maintain necessary site records for the same as soon as the same is envisaged. They will also approve materials after the contractors carry out tests on the same as stated in tender and or as per approved procedures and standards laid down in the tender and maintain adequate records thereof. They shall recommend to the Bank bills for the accuracy for quantity and quality of the items of works for payments to the contractors after amending the rates claimed by the contractors wherever necessary in their opinion. They shall maintain genuine hindrance register, records of site meetings and issuing minutes of meetings recommendation of applications for time extension to the contractors, scrutiny and recommendations for rates of extra items, scrutiny of the contractor's claims under PVA Clauses if any for labour and materials as provided in the agreement to the Architects / Consultants and prepare quantity variations statement, ensure quality control of materials and workmanship and detailed scrutiny / checking for running / final bills and prepare the statement of theoretical estimated and actual consumption of materials if any as per specification and schedules laid down in the relevant contracts.

(e) Ensure that essential gauges, instruments are in order for testing. The PMC shall maintain necessary site records and obtain data in support of the same. They shall arrange to carry out field and laboratory tests through the contractor on materials of construction as well as partially or complete erected structures etc. if required and maintain adequate records thereof.

- (f) Suggesting modifications, if any, due to site conditions and advising regarding cost variations on account of extra items and excesses during the progress of works.
- (g) The certification of all the bills shall be done by the authorized engineer of the PMC as approved by SBI and recommendations there for shall be made to the Bank along with a forwarding letter by the PMC.
- (h) To check PERT/BAR networks chart prepared by the contractors for project programming and progress control and keep constant check on various activities and coordinate with various agencies to get the project completed on time and within the budgeted costs. These charts will also be updated. They will also suggest suitable remedial actions to be taken to clear bottlenecks / delays / loss of progress etc. progressively and promptly.
- (i) Co-ordination with all contracting agencies
- (j) Rendering generally all technical services at site as may in anyway relate to or arise out of the construction of the said works.
- (k) Rendering to SBI every assistance, guidance or advice on any matter concerning the technical aspect of the project.
- (l) To work as conciliator in the event of any dispute arising between the parties before the matter goes to legal forum.
- (m) Render all assistance as may be required from the project site to the Bank for obtaining necessary certificates from the local authorities for occupation of the buildings.

6.0 General Conditions of contract

6.1 No deduction shall be made from the ACF's fees on account of any penalty, liquidated damages or other sums withheld from payment to the contractor but when any penalty is levied or damages are recovered or sum is withheld from payment to the contractor on account of defective work in such a cases, the ACF's fees in respect of the total value of the detective work shall not be paid for. Such fees shall, however, be paid upon the rectification of the defective work and on the basis of the bills payment of various contractors for actual work done and the total payments released by the Bank(SBI) after making corrections, if any, in the certificate.

6.2 For the purpose of supervision, the PMC agrees that they will set up a site office under the charge of competent Resident Civil Engineer – In – Charge who will be in a constant charge of the direction and control of the said works (as may be entrusted to PMC).The PMC agrees to engage and retain at their cost adequate competent supervising staff (minimum as prescribed herein this agreement).These supervising staff should always be in charge of the works and be available on the site until the construction of the said work as entrusted to the firm is completed. These supervising staff shall be employed and paid by the firm. Their appointment, dismissal, retrenchment, the condition of services and the rate of remuneration will be determined by the PMC and shall be at the PMC's entire discretion and the said staff at all times work under the orders and control solely

of the PMC. SBI shall, however, have the right to direct the PMC without assigning any reasons to remove any staff who is considered by SBI as undesirable. The site engineers of the PMC will work in cooperation with SBI staff at site, if any and **at IAD** and carry out the instructions.

6.3 If during the period of contract, it is established that certain risk or damage or loss has occurred due to the defective supervision of work, the PMC shall be required to pay back the fees for execution of such affected parts of the works and to indemnify the Bank to compensate any loss, injury sustained by the Bank due to the negligence/ improper supervision.

6.4 The PMC shall not have any objection to SBI maintaining any own engineering staff at SBI's costs at site of works, if desired by SBI to carry out the work and duties allotted to them by SBI, in respect of all works at the site or other areas outside the scope of the firm's works and overall surveillance security and verification at the Bank's end.

6.5 The PMC agrees to perform their duties as PMC under those presents and will do everything in their power and authority to ensure that the contractor or contractors complete the execution of the works as may be entrusted to them according to the specifications and the schedule of time given to them and that no unnecessary delay is caused by them.

6.6 The PMC agrees that they will not without the written sanction of the SBI make any deviations in the plans or estimates or order any variation, commission or extras. In consequences thereof, they will not fix any new rate or rates of new items of work without written approval of SBI.

6.7 The PMC shall promptly notify SBI of any changes in the constitution of their PMC. It shall be open to SBI to terminate the agreement on the death, retirement, insanity or insolvency of any person/s is being director/s or partner/s in the said company / firm, or on the addition or introduction of a new partner without the previous approval in writing of SBI. But in absence of and until its termination by SBI as aforesaid, this agreement shall continue to be of full force and effect notwithstanding any changes in the constitution of the firm by death, retirement, insanity or insolvency of any of its partners or the addition or introduction of any new partners. In case of retirement / death the surviving or remaining partners of the firm shall be jointly and severally liable for the due and satisfactory performance of the terms and conditions of the agreement.

1. The PMC agrees to perform their duties under above terms so as to cause the completion of all the works as proposed and of other works as may be entrusted to the PMC and everything necessary to render the same fit for the occupation / use of SBI according to the contract as also the completion of the several stages of the said work in accordance with the programme to be drawn up and embodied in the contract between SBI and the contractors. The extension of time limit to the contractor under the agreements if any, given by SBI will have no consequential effects on the PMC's time schedule in respect of works of to be completed till then.

2. Extra payment on account of PVA will be applicable and paid if applicable to the contracting agencies i.e. they will be paid fees on the bill + PVA amount payable to the contracting agencies.

3. For day to day execution and supervision of the field work, the PMC shall employ such strength of qualified and other staff as would enable clear control over the work subject to the minimum staff in clause 5.2(c) herein before.

4. For survey instruments such as Total station, Theodolite, leveling instrument, prismatic compass, chain, measuring tapes, plain tables and ranging rods, such other survey equipments including tents for shelter, the firm shall make their own arrangements at no extra cost.

6.8 The PMC will not during the period of their assignment and thereafter till the satisfactory completion of the work act as PMC or give any advice regarding the construction of this work in particular to intending contractors who would tender and undertake this work or any other agency gainfully concerned with this work.

6.9 Whether the PMC is partnership firm or a company, no change in the constitution of such partnership or no change in the constitution of Board of Directors of the Company shall be made without the prior approval of SBI.

6.10(a) The PMC shall supervise the work and also record the measurements of various items of works and check the field working drawings. The PMC shall also inform the Resident Architect / Consultant or his representatives of their programme for joint measurements so that if the latter chooses to remain present at that time, he can do so as this will ultimately help to reduce the time gap between the issue of the recommendations for payment of contractor's bill and issue of the payment certificate to the SBI.

(b). The PMC shall in accordance with and as required by the terms of the agreement or agreements entered or to be entered into between the SBI on the one part and the contractor on the other part, certify after due verification that the work measured and recommended for payment of running bills of the contractors are supervised by them and are fully consistent with the type, quality and specifications prescribed in the agreement entered into with the contractors. In the matter of recommending such bills to Bank / consultants, the firm shall be deemed to guarantee the correctness of all such certificates and shall hold themselves, responsible for the correctness of all the bills and certificates scrutinized, checked for and issued by them with the recommendations to the PMC, as to the quality control of the work concerned as well as the quantities of various items of works. Before certifying any bill, they shall ensure that the work being certified is in accordance with the designs and specifications. The Bank, however, reserves its discretion also not obligatory to scrutiny the bills, certify and make payment to the contractors in accordance to such scrutiny. This will be without prejudice to the Bank's right to such action as deemed necessary for giving defective / wrong certificate.

6.11 Scrutiny / recommendations / certifications of the contractors running bills by the PMC and payment by the Bank. The PMC shall certify the running bills of the contractors within 15 working days from the date of the receipt of the same from the contractor. To avoid delay in payment of R.A. Bill of the contractors, the joint measurements of the executed works by the authorized engineers of the PMC and contractors are required to be recorded from time to time by them soon after execution as also arithmetic calculations etc. are also required to be done soon thereafter and except for summary of quantities under various items of works, the measurement work should stand

updated so that the recommendations from the ACF for each such running bill can reach within 15 days to the Bank. To avoid delays in verification on this account, the PMC or his assistants at site may remain associated with the concerned contractors at the time of joint measurements to satisfy himself about work is being measured and under what tender items.

6.12 It is expected that the PMC work jointly as a team in good spirit with a view to getting the said work completed in the best possible manner and efficiently without bringing in aspect of ego while performing their duties. The PMC will have right to oversee, defer with contractors opinion in regard to the quality, measurements, rates of part / substituted / extra items etc. without affecting the Bank's interest. However, in the event of any dispute arising out due to difference between the opinion of the ACF & contractors, the decision of the Bank shall be final and binding on the ACF.

Normally, the works rejected by the ACF or the rates and / or quantities reduced by them shall not be disputed by the Contractors. However, if they differ with the ACF in this regard they have right to make recommendations / suggestions to the Bank for the Bank's consideration and pending the Bank's decision /s on such points, the ACF shall issue the interim payment certificates. On getting the Bank's decision on such points, the ACF can give effect to the same as may be necessary in the bills to follow thereafter. The ACF will have, however, a right to reject the works, if in their opinion they are not satisfied with the quality or execution of the same as expected by them but by clarifying the specific reasons to do so to the Bank.

6.13 The Architects / Consultants are authorized by the Bank for test checking or cross checking of the measurements of the works done by the PMC if and when felt necessary by them and bring the amendments if necessary, to the Employees notice for necessary action. The PMC is authorized by the Bank to talk / instruct / write directly to the contractors / their representatives during the progress of the work and till settlement of the final dues of the contractor as long as those pertain to specifications, quality, measurements, drawings, progress of the works as provided in the respective contractor's contract agreement. The Architects / Consultants are authorized to closely follow – up and keep account of the progress of the works and arrange to solve bottlenecks if any. They are authorized to write to PMC about time lag in the project works and suggest improvement / course of action for PMC's consideration. Similarly, the PMC will be authorized to write to the Architects / Consultants about their requirements from architects / consultants e.g. drawing details, clarifications, contract agreement copies and bring to their notice the discrepancies etc. if any. The PMC shall endorse the copies of all their correspondence with the Contractors and the Architects / Consultants and the Bank.

6.14 The PMC will have right to stop bad / defective work or the work which is not as per the tender items / drawings. The PMC will have right to ask the contractors to remove / demolish disapproved / rejected materials / works. Only where the contractors disagree of the same they will refer the matter to the Bank for further necessary action.

7.0 It is agreed between the parties as follows:

7.1 SBI shall include in all contracts which may be entered into with the contractor or contractors such clauses as would provide for the payment to SBI by the contractor or contractors of adequate damages for losses or delay on his or their part in carrying out the terms of the said contract and the

PMC shall take all necessary precautions are ____ all their duties before and during the progress of the work as may be entrusted to them including determining claims of the contractor due to fault or delays caused by the PMC subject to the total liability of the firm on this account being limited to an amount equal to 15% of the total fees payable.

7.2 If the work of construction of anyone or more of the civil engineering works or other works therein be substantially interrupted by force measure or by reasons of any orders in writing issued by SBI stopping or suspending the work of construction on grounds other than bad / unsound work or installation and / or defective supervision or lack of it or by negligence, the firm shall not be liable in any way for the consequent delay in the completion of such work.

7.3 Liquidated damages

In the opinion of the Bank, _____ if any delay in execution is attributable to the fault of the firm, SBI shall be entitled to recover liquidated damages at the rate of 0.5% of the total fees per week (7 days) of delay. Total recoveries on account of delays and / or any other loss or damage caused to the Bank due to defective / faulty supervision on part of PMC shall be limited to maximum of 15% of total fees payable to PMC on entire actual work, for which the PMC's services availed by the Bank. The decision of the Bank in this matter after giving due hearing to the PMC's arguments, shall be final and binding on the PMC.

7.4 SBI may require the firm to go out of Hyderabad, _____ for proper discharge of any of their duties enumerated herein about and on earlier pages without any extra charge of fees. In such case, the firm shall except in the case of visit to work site, Laboratories, quarries be entitled to traveling and Daily Allowance permissible as under.

Senior Partners and Senior Consultants

Actual traveling charges (permitted to travel by air) lodging plus boarding charges together not exceeding Rs.2000/- + taxes per day after producing necessary bills / receipts in support of their claims.

Other Engineers / Architects / Employees / Junior Partners:

Traveling expenses: 1st class train fare, lodging and boarding charges not exceeding Rs.1, 000/- + taxes per day after producing necessary bills / receipts in support of their claims.

Security Deposit and Performance Bond

The firm will furnish to SBI a security deposit in the form of a Bank Guarantee for an amount of 10% of their total fees (approx.) within 30 days of the date of Agreement. On completion of the entire job the Bank Guarantee against security deposit will be converted to a Performance Bond to be valid for 36 months from the date of virtual completion of different works.

8. Project Management Consultant's Fees

8.1 In consideration of the performance of the contract, SBI agrees to pay the firm, as compensation for his services, total professional fees as under: For civil, sanitary and plumbing, electrical fire protection & A.C. Works etc. % fees on coat of works payable to contractors after PMC reports at site.

The fees also include all cost towards living and traveling expenses to site of work/ to laboratories for testing / to different sites for inspection of source of materials etc. cost of stationery, drafting suitable draft replies to CTE's observations, if any/ arbitration proceedings etc. if any, arisen due to dispute between the Bank and any contractors of any works of this project.

8.2 Terms of Payment of Fees

- a. 5% after sketch scheme approval.
- b. 5% after finalizes EPC L-1 contractor.
- c. 80% payment against progressive bills after 15 days of payment to the contractor.
- d. 5% after 36 months of settlement of final bills of all the contractors.
- e. Balance 5% after expiry of latest of the Defects Liability periods of the various contractors.
OR after attending to the CTE's observations, if any, from time to time till its final disposal and award of arbitration, if any, whichever is later.

9. Obligations

9.1 SBI shall designate representatives who shall be fully acquainted with the project and have authority to communicate approvals of project construction budgets variation and technical approvals of all cases consistent with project, schedule and furnish information expeditiously.

9.2 SBI shall not employ any of the firm's employees during the tenure of this contract and for a further period of one year. Also the firm commits itself not to employ any of SBI employees within one year of their leaving SBI unless such employees or retired employees of SBI had already joined the firms service prior to the date of notice for pre-qualification of PMC.

10.0. Changes in the Project

10.1 The SBI without invalidating this agreement, may order changes in the project within the general scope of this agreement consisting of additions, deletions, or other revisions. All such changes in the project shall be authorized by change order.

10.2 A change order is written order to the contractors signed by SBI issued after the execution of this agreement, authorizing a change in the scope of the project, services to be provided.

11.0 Termination of the Contract

If the firm fails to perform any of its obligations under this agreement and if SBI is dissatisfied with the services of the firm, SBI may terminate the services of the firm after serving a notice giving the Project Management Consultant a period of one month to wind up without prejudice to other clauses of the agreement.

12.0. SBI's right to perform firm's obligations and termination by the SBI for the cause

12.1 If the firm fails to perform any of its obligations under this agreement, SBI may terminate the services of the firm with such other action as may be available in law during which period the firm fails to perform such obligations, make good such deficiencies.

12.2 If the firm is adjudged as Bankrupt, or if they make a general assignment for the benefit of its creditors or if a receiver is appointed on account of their insolvency or persistently disregards law, ordinances, rules, regulations or orders of any public authority having jurisdiction, or otherwise is guilty of a substantial violation of provisions of the agreement then SBI may terminate the services of the firm with a notice of winding up within a period of one month without prejudice to any right or remedy and after giving the firm and his surety, if any, seven days written notice, during which period firm fail to cure the violation, terminate the services of the consultants with a notice of winding up within a period one month and take possession of the site and may finish the project by whatever method they may deem expedite. In such case, the firm shall not be entitled to receive any further payment, if due at the time of termination, until the project is finished nor shall be relieved from his obligations assumed under this article.

12.3 The firm has been given various powers under this agreement for the completion of the project as **Project Manager – cum – Monitor – cum – Supervisor** and the said power shall not be deemed to be as a power of attorney for the development, construction, sale or improvement of the property.

ARBITRATION CLAUSE

Except where otherwise provided in the contract all questions and disputes relating to the meaning of the specifications, design, drawings and instructions herein before mentioned and as to the quality of workmanship or materials used on the work or as to any other question, claim, right, matter or thing whatsoever in any way arising out of or relating to the contract, designs, drawings, specifications, estimates, instructions orders or these conditions or otherwise concerning the work or the execution or failure to execute the same whether arising during the progress of the work or after the cancellation, termination, completion or abandonment thereof shall be dealt with as mentioned hereinafter:

i) If any dispute, difference, or question shall at any time arise between the PMC and the Bank as to the interpretation of this agreement or concerning anything herein contained or arising out of this agreement except that state in (I) above or as to the rights, liabilities and duties of the said parties hereunder, or as to the execution of the said works, except in respect of the matters for which it is provided herein, that the decision of the Bank is final and binding, the same shall be referred to the

Arbitration for settlement of disputes and final decision of the arbitrator to be agreed upon and appointed by both the parties.

ii) For the purpose of appointing the (.....) based sole Arbitrator referred to above, the Appointing Authority i.e. the Chief General Manager of (IAD) of the Bank or on his behalf the Asst. General Manager (Admin),(IAD Gachibowli) will send within thirty days of receipt by him of the written notice aforesaid to the Architects a panel of three names of technically competent persons not below the rank of Superintending Engineer or equivalent position in Public Sector Banks / CPSEs, CPWD, LIC, RBI etc.

iii) The PMC shall on receipt by them of the names of aforesaid, select any one of the persons named to be appointed as a sole Arbitrator and communicate his name to the Appointing Authority who shall thereupon without any delay appoint the said person as the sole Arbitrator. If the PMC fail to communicate such selective as provided above within the period Specified, the Appointing Authority shall make the selection and appoint the selected person as the sole Arbitrator.

iv) If the Appointing Authority fails to send to the PMC the panel of three names as aforesaid within the period specified, the Architects shall send to the Appointing Authority a panel of three names of technically competent persons not below the rank of Superintending Engineer or equivalent position in Public Sector Banks / CPSEs, CPWD, LIC, RBI etc. The Appointing Authority shall on receipt of the names of the aforesaid persons and appoint his as the sole Arbitrator within 30 days of receipt by him of the panel and inform the PMC accordingly. If the Appointing Authority fails to do so, the PMC shall be entitled to appoint one of the three persons from the panel as the sole Arbitrator and communicate his name to the Appointing Authority.

v) If the Arbitrator so appointed is unable or unwilling to act or resigns his appointment or vacates his office due to any reason whatsoever another sole arbitrator shall be appointed as aforesaid.

vi) The work under the contract shall, however, continue during the arbitration proceedings, no payment due or payable to the PMC shall be withheld on account of such proceedings except the disputed payment of fees, if any, on account of other provisions in this agreement.

vii) The arbitrator shall be deemed to have entered on the reference on the date he issues notice to both the parties fixing the date of the first hearing.

viii) The arbitrator may from time to time, with the consent of the parties, enlarge the time for making and publishing the award.

ix) The arbitrator shall give a separate award in respect of each dispute or difference referred to him. The arbitrator shall decide each dispute in accordance with the terms of the contract and give a reasoned award. The venue of arbitration shall be such place in as may be fixed by the arbitrator in his sole discretion.

x) The fees, if any, of the Arbitrator, if require to be paid before the award is made and published by paid half by each of the parties. The cost of the reference and of the award including the fees, if

any of the Arbitrator who may direct to and by whom and in what manner, such costs or any part thereof shall be paid may fix or settle the amount of cost to be so paid.

xi) The award of the Arbitrator shall be final and binding on both the parties.

xii) Subject to aforesaid, the provisions of the Arbitration Act 1940 or any statutory, modification of reenactment thereof and the rules made there under, and for the time being in force shall apply to the arbitration proceedings under this clause.

This agreement executed the day and year first written above.

FOR PROJECT MANAGEMENT CONSULTANTS

SHRI :

NAME:

OFFICE ADDRESS:

WITNESS :(1)

WITNESS: (2)

NAME:

NAME:

ADDRESS:

ADDRESS:

FOR STATE BANK OF INDIA

SHRI.....

STATE BANK OF INDIA

----- DEPARTMENT.

WITNESS :(1)

WITNESS: (2)

NAME:

NAME:

ADDRESS:

ADDRESS: