

Notes on Form of Letter of Acceptance

The Letter of Acceptance will be the basis for formation of the Contract as described in Clause 34 of the Instructions to Bidders. This Form of Letter of Acceptance should be filled in and sent to the successful bidder only after evaluation of Bids and after obtaining approval from the relevant authority.

FORM OF LETTER OF ACCEPTANCE

[Letter heading paper of the procuring entity]

..... *[date]*

To: *[name and address of the Contractor]*

This is to notify you that your bid dated *[insert date]* for the construction and remedying defects of the *[name of the Contract and identification number]* for the Contract price of*[name of currency]*.....*[amount in figures and words]* as corrected in accordance with Instructions to Bidders and/ or modified by a Memorandum of Understanding , is hereby accepted.

You are hereby instructed to proceed with the execution of the said Works in accordance with the Contract documents.

The Commencement Date shall be: *(fill the date as per Clause 8.1 of Conditions of Contract).*

The amount of Performance Security is : *(fill the amount as per Clause 4.2 of Conditions of Contract).*

The Performance Security shall be submitted on or before *(fill the date as per Clause 4.2 of Conditions of Contract).*

Authorized Signature :

Name and title of Signatory :

FORM OF AGREEMENT

This Agreement made the [day] of [month] 200..... [year], between [name and address of Employer] (hereinafter called and referred to as “the Employer”), of the one part, and [name and address of Contractor] (hereinafter called and referred to as “the Contractor”), of the other part:

Whereas the Employer desires that the Contractor execute [name and identification no of Contract](hereinafter called and referred to as “the Works”) and the Employer has accepted the Bid by the Contractor for the execution and completion of such Works and remedying of any defects therein.

The Employer and the Contractor agree as follows::

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Contract.
2. In consideration of the payments to be made by the Employer to the Contractor as indicated in this Agreement, the Contractor hereby covenants with the Employer to execute and complete the Works and remedy any defects therein in conformity in all respects with the provisions of the Contract.
3. The Employer hereby covenants to pay the Contractor in consideration of the execute and complete the Works and remedy any defects therein, the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.

In Witness whereof the parties hereto have caused this Agreement to be executed the day and year aforementioned in accordance with laws of Sri Lanka.

.....

.....

Authorised signature of Contractor

Authorised signature of Employer

COMMON SEAL

COMMON SEAL

In the presence of
Witnesses :

1. Name and NIC No.
Signature
Address

2. Name and NIC No.
Signature
Address

**FORM OF PERFORMANCE SECURITY
(Unconditional)**

----- *[Issuing Agency's Name, and Address of Issuing Branch or Office]* -----

Beneficiary: ----- *[Name and Address of Employer]*

Date: -----

PERFORMANCE GUARANTEE No.: -----

We have been informed that ----- *[name of Contractor]* (hereinafter called "the Contractor") has entered into Contract No. ----- *[reference number of the Contract]* dated ----- with you, for the ----- *[insert "construction"]* of ----- *[name of Contract and brief description of Works]* (hereinafter called "the Contract").

Furthermore, we understand that, according to the Conditions of the Contract, a performance guarantee is required.

At the request of the Contractor, we ----- *[name of Agency]* hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of ----- *[amount in figures]* (-----) *[amount in words]*, upon receipt by us of your first demand in writing accompanied by a written statement stating that the Contractor is in breach of its obligation(s) under the Contract, without your needing to prove or to show grounds for your demand or the sum specified therein.

This guarantee shall expire, no later than the day of, 20.. *[insert date, 28 days beyond the Time for Defect Liability period]* and any demand for payment under it must be received by us at this office on or before that date.

[signature(s)]

FORM OF ADVANCE PAYMENT SECURITY

----- [Name and address of Agency, and Address of Issuing Branch or Office] -----

Beneficiary: ----- [Name and Address of Employer]

Date: -----

ADVANCE PAYMENT GUARANTEE No.: -----

We have been informed that ----- [name of Contractor] (hereinafter called "the Contractor") has entered into Contract No. ----- [reference number of the contract] dated ----- with you, for the ----- construction of ----- [name of contract and brief description] (hereinafter called "the Contract").

Furthermore, we understand that, according to the conditions of the Contract, an advance payment in the sum ----- [amount in figures] (-----) [amount in words] is to be made against an advance payment guarantee.

At the request of the Contractor, we ----- [name of issuing agency] hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of ----- [amount in figures] (-----) [amount in words] upon receipt by us of your first demand in writing accompanied by a written statement stating that the Contractor is in breach of its obligation in repayment of the Advance Payment under the Contract.

The maximum amount of this guarantee shall be progressively reduced by the amount of the advance payment repaid by the Contractor.

This guarantee shall expire on [Insert the date, 28 days beyond the Time of Completion]

Consequently, any demand for payment under this guarantee must be received by us at this office on or before that date.

[signature(s)]

FORM OF RETENTION MONEY GUARANTEE

----- *[Issuing Agency's Name, and Address of Issuing Branch or Office]* -----

Beneficiary: ----- *[Name and Address of Employer]* -----

Date: -----

RETENTION MONEY GUARANTEE No.: -----

We have been informed that ----- *[name of Contractor]* (hereinafter called "the Contractor") has entered into Contract No. ----- *[reference number of the contract]* dated ----- with you, for the execution of ----- *[name of contract and brief description of Works]* (hereinafter called "the Contract").

Furthermore, we understand that, according to the conditions of the Contract, when the works have being taken over and the first half of the Retention Money has been certified for payment, payment of the second half of the Retention Money may be made against a Retention Money guarantee.

At the request of the Contractor, we ----- *[name of agency]* hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of -----*[amount in figures]* (-----) *[amount in words]* upon receipt by us of your first demand in writing accompanied by a written statement stating that the Contractor is in breach of its obligation under the Contract because the Contractor has not attended to the defects in accordance with the Contract..

This guarantee shall expire, at the latest, ----- *[insert 28 Days after the end of the Defects Liability Period]*. Consequently, any demand for payment under this guarantee must be received by us at this office on or before that date.

[signature(s)]