

CONTRACT AGREEMENT

CONTRACT made this day of in the year, between **Mr/Ms** (NID No.) (hereinafter referred to as the **“Employer”**) residing at, and (Company No. and BRN No.) (hereinafter referred to as the **“Contractor”**) having its registered office at, and represented by **Mr/Ms** (NID No.)

The Employer and the Contractor agree as follows:

1. Scope of Works

- 1.1 The Contractor shall perform the Works required under this Contract.
- 1.2 The Works comprises the Construction of a **house** located at
- 1.3 The Contractor shall provide all supervision, labour, Materials, Plant and Contractor's Equipment to complete the Works (**“Gris”**).
- 1.4 The Scope of Works is as follows:

SN	Milestone	Scope of Works
1	Preliminary Site Works	Mobilisation on Site, Site clearance, Site Preparation, Setting-out and Excavation
2	Foundation up to surface bed level	- Laying of blinding layer - Casting of column bases and strip footings - Blockwork and Hardcore fillings - Anti-termite treatment and Installation of damp-proof course - Casting of concrete surface bed
3	Blockwork, columns up to beam level	Blockwork and Casting of columns and beams
4	Casting of roof slab	- Shuttering and Laying/tying of reinforcement bars - Casting of roof slab and curing (minimum 15 days curing)
5	External rendering	Apply plaster to external walls, cornices, overhangs, reveals and the like
6	Internal rendering and other works	- Apply plaster to internal walls, soffit of roof slab, reveals and the like, and installation of Waterproofing membrane - Completion of outstanding works prior to Taking-Over
7	Completion of outstanding works during Defects Liability Period	Completion of snag list and making good/completion of outstanding works

2. Contract Price

- 2.1 The agreed sum to perform the Works is **MUR**
- 2.2 No increases in the Contract Price whatsoever shall be allowed for any fluctuations in materials, plant, equipment or labour, and/or any increases arising in connection with items such as transport, fuel, freight, duties, taxes, fluctuations in exchange rates, and devaluation.
- 2.3 However, the Contract Price may be subject to adjustments(s) in case of Variation of Works.

3. Time for Completion

- 3.1 The Contractor shall commence the Works on the date mutually agreed by the parties (i.e. the Commencement Date), and the Contractor shall proceed expeditiously and without delay and shall complete the Works within **days** as from the Date of Commencement of Works.

4. Contract Documents

- 4.1 Documents forming this Contract are as follows:
- (a) this Contract
 - (b) the Scope of Works
 - (c) the Schedule of Payment
 - (d) the Drawings
 - (e) the Bill of Quantities, if applicable

5. Access to Site

- 5.1 The Employer shall provide the Site and right of access as from the date of signature of this Contract.

6. The Contractor

- 6.1 Upon signature of this Contract, the Contractor shall submit to the Employer a programme for the Works in the form of a bar chart.
- 6.2 The Contractor shall carry out the Works properly and in accordance with this Contract.
- 6.3 The Contractor shall provide all supervision, labour, Materials, Plant and Contractor's Equipment which may be required.
- 6.4 All Materials and Plant on Site shall be the property of the Employer.
- 6.5 The Contractor shall not subcontract any part of the Works without the consent of the Employer.

7. Employer's Liabilities

- 7.1 In this Contract, Employer's Liabilities mean: war; disorder; any operation of the forces of nature affecting the Site and/or the Works, which was unforeseeable or against which an experienced contractor could not reasonably have been expected to take precautions; Force Majeure; physical obstructions or physical conditions other than climatic conditions, encountered on the Site during the performance of the Works; any delay or disruption caused by any Variation; any change to the law of this Contract after the date of signature of Contract; and adverse climatic conditions.

8. Extension of Time

- 8.1 The Contractor shall be entitled to an extension to the Time for Completion if he is or will be delayed by any of the Employer's Liabilities.
- 8.2 On receipt of an application from the Contractor, the Employer shall consider all supporting details provided by the Contractor and shall extend the Time for Completion as appropriate.

9. Late Completion

- 9.1 If the Contractor fails to complete the Works within the Time for Completion, the Contractor's only liability to the Employer for such failure shall be to pay the amount of **MUR** for each day for which he fails to complete the Works.

10. Taking-Over

- 10.1 When the Employer considers that the Contractor has completed the Works, the Employer shall issue a Taking-Over Notice, and shall take over the Works accordingly.
- 10.2 After taking over, the Contractor shall promptly complete any outstanding works and clear the Site.

11. Remedying Defects

- 11.1 The Defects Liability Period shall be of a duration of **180 days**, which shall commence as from the date of taking over of the Works by the Employer.
- 11.2 The Employer may at any time prior to the expiry of the Defects Liability Period, notify the Contractor of any defects or outstanding work.
- 11.3 The Contractor shall remedy at no cost to the Employer any defects due to the Contractor's design, Materials, Plant or workmanship not being in accordance with this Contract.
- 11.4 Failure to remedy any defects or complete outstanding work within a reasonable time of the Employer's notice shall entitle the Employer to carry out all necessary work at the Contractor's cost.

12. Variations

- 12.1 The Employer may instruct an addition to or omission from, or other change in the Works, and such instruction shall be at appropriate rates, as may be agreed by the parties, or which the Employer considers appropriate.

13. Claims

- 13.1 The Contractor shall notify the Employer as soon as he is aware of any circumstances which may delay or disrupt the Works, or which may give rise to a claim for additional payment.
- 13.2 The Contractor shall take all reasonable steps to minimise the effects of these circumstances.
- 13.3 The Contractor's entitlement to extension to the Time for Completion or additional payment shall be limited to the time and payment which would have been due if he had given prompt notice and had taken all reasonable steps to mitigate the delay.
- 13.4 The Claims shall be valued at appropriate rates, as may be agreed by the parties, or which the Employer considers appropriate.

14. Interim Payments

- 14.1 The Works shall be valued as per provisions under this Contract.
- 14.2 The Contractor shall be entitled to be paid the value of Works executed, as per the Payment Schedule below, subject to any additions or deductions which may be due.

SN	Milestone	% Payment
1	Advance Payment (Upon signature of Contract)	10
2	Upon completion of Preliminary Site Works	10
3	Upon completion of foundation up to surface bed level	10
4	Upon completion of blockwork, columns up to beam level	20
5	Upon completion of casting of roof slab	20
6	Upon completion of external rendering	10
7	Upon completion of internal rendering and other works	15
8	Completion of outstanding works during Defects Liability Period	5

- 14.3 Within **7 days** after completion of each milestone as per the Payment Schedule, the Employer shall pay to the Contractor the amount due for the works executed less retention at the rate of **10%** of the Contract Price, and less any amount for which the Employer has specified his reasons for disagreement.

15. Payment of Retention

- 15.1 One half of the retention shall be paid by the Employer to the Contractor within **7 days** after issuing the Notice of Taking-Over
- 15.2 The remainder of the retention shall be paid by the Employer to the Contractor within **7 days** after either the expiry of the Defects Liability Period, or the remedying of notified defects or the completion of outstanding work, whichever is the later.

16. Final Payment

- 16.1 Within **7 days** after either the expiry of the Defects Liability Period, or the remedying of notified defects or the completion of outstanding work, whichever is the later, the Contractor shall submit a final account to the Employer together with any documentation to enable the Employer to ascertain the final contract value.
- 16.2 Within **14 days** after the submission of his final account, the Employer shall pay to the Contractor any amount due.

17. Delayed Payment

- 17.1 The Contractor shall be entitled to interest at the rate of **2%** above the Key Repo Rate for each day the Employer fails to pay beyond the prescribed payment period.

18. Default by the Contractor

- 18.1 If the Contractor abandons the Works, refuses or fails to comply with a valid instruction of the Employer or fails to proceed expeditiously and without delay, or stops execution of the Works for more than **14 days** without reasonable excuse, or is in breach of this Contract, the Employer may give notice referring to this Sub-Clause and stating the default.
- 18.2 If the Contractor has not taken all practicable steps to remedy the default within **14 days** after the Contractor's receipt of the Employer's notice, the Employer may by a second notice given within a further **14 days**, terminate this Contract.
- 18.3 After termination, the Contractor shall demobilise from the Site leaving behind Materials and Plant and any Contractor's Equipment which the Employer instructs in the second notice is to be used until the completion of the Works.

19. Default by the Employer

- 19.1 If the Employer fails to pay in accordance with this Contract, or is, despite a written complaint, in breach of this Contract, the Contractor may give notice referring to this Sub-Clause and stating the default.
- 19.2 If the default is not remedied within **7 days** after the Employer's receipt of this notice, the Contractor may suspend the execution of the Works.
- 19.3 If the default is not remedied within **14 days** after the Employer's receipt of the Contractor's notice, the Contractor may by a second notice given within a further **14 days**, terminate this Contract.
- 19.4 After termination, the Contractor shall demobilise from the Site.

20. Insolvency

- 20.1 If a Party is declared insolvent under any applicable law, the other Party may by notice terminate this Contract immediately.
- 20.2 After termination, the Contractor shall demobilise from the Site leaving behind, in the case of the Contractor's insolvency, any Contractor's Equipment which the Employer instructs in the notice is to be used until the completion of the Works.

21. Payment upon Termination

- 21.1 After termination, the Contractor shall be entitled to payment of the unpaid balance of the value of the Works executed and of the Materials and Plant reasonably delivered to the Site, adjusted by any sums to which the Contractor is entitled and/or any sums to which the Employer is entitled,
- 21.2 After termination, the net balance due shall be paid or repaid within **14 days** of the notice of termination.

22. Risk and Responsibility

- 22.1 The Contractor shall take full responsibility for the care of the Works from the commencement of Works until the date of the Employer's notice of Taking-Over.

23. Force Majeure

- 23.1 "*Force Majeure*" means an exceptional event or circumstance:
- (a) which is beyond a Party's control;
 - (b) which such Party could not reasonably have provided for against before entering into this Contract;
 - (c) which, having arisen, such Party could not reasonably have avoided or overcome; and
 - (d) which is not substantially attributable to the other Party.
- 23.2 If the performance of the whole or any part of this Contract is delayed for more than **60 days** by a "*Force Majeure*", either party shall have the right, by notice in writing to the other party, to terminate this Contract.

24. Insurances

- 24.1 The Contractor shall take the following insurances in the joint names of the Parties:
- (a) for loss and damage to the Works, Materials, Plant, Contractor's Equipment, property of third parties and Employer's property other than the Works; and
 - (b) for personal injury or death of Contractor's personnel, Employer's representatives / employees, and third parties.

25. Alternate Dispute Resolution

- 25.1 Any dispute arising out of, or in connection with, this Contract shall, unless it is amicably settled, be decided upon by an arbitrator.
- 25.2 The arbitrator shall be agreed by the parties. If the parties cannot agree on the arbitrator, the dispute shall be finally settled by another arbitrator under the rules specified in the Mediation Rules of the Mediation and Arbitration Center of the Mauritius Chamber of Commerce and Industry (MARC). The seat of the arbitration shall be Port Louis, Mauritius.
- 25.2 The arbitrator shall transmit his decision in writing to both parties, which shall be final and binding on both parties.
- 25.3 The arbitration proceedings shall be conducted in English language.
- 25.4 This arbitration clause shall be governed by the laws of Mauritius.

26. General Provisions

- 26.1 Laws importing persons or parties shall include firms and organisations.
- 26.2 Words importing singular or one gender shall include plural or the other gender where the context requires.
- 26.3 The law of this Contract is English language.

IN WITNESS WHEREOF, the Parties hereto have caused this Contract to be signed in their respective names as of the day and year first above written.

For and on behalf of **Employer**

For and on behalf of **Contractor**

Signature:

Signature:

Name and Title
of Signatory:

Name and Title
of Signatory: