**SERVICES AGREEMENT BETWEEN PRINCIPAL AND DESIGN CONSULTANT**

This Agreement is made in .................................... on the .......... day of the month ................................... of the year 20....

**BETWEEN:**

***…………………….*** with I.D no. ***…………………….*** or (if a legal entity) with company registration number ***…………………….,*** with address ***…………………….***

**or**

***…………………….*** with ETEK registration no. ***…………………….*** or registration no. ***…………………….*** in the Design Firms’ Register of ETEK, with address ***…………………….***

(hereinafter referred to as "**the Principal**”) on one hand

**AND**

***…………………….*** with ETEK registration no. ***…………………….*** or registration no. ***…………………….*** in the Design Firms’ Register of ETEK, with address ***…………………….***

(hereinafter referred to as **"the Design Consultant"**) on the other hand.

hereinafter referred to individually as a “**Party**” and collectively as the “**Parties**”.

**PREAMBLE:**

**WHEREAS**

**Α.** ***…………………….*** I.D no. ***…………………….*** or (if a legal entity) with company registration number ***…………………….,*** with address ***…………………….*** (hereinafter referred to as "**the Client**") has assigned to the Consultancy Firm the provision of general Consultancy Services and Design Coordination as specified in the Services Agreement dated ***…………………….*** between the Client and the Firm (hereinafter referred to as "**the SA**");

**AND WHEREAS**

**Β**. The Client wishes the building development of the property with registration no. ***…………………….***, Sheet/Plan ***…………………….***, plot no. ***…………………….*** situated at ***…………………….*** (hereinafter referred to as "**the Property**");

**AND WHEREAS**

**C.** The Consultancy Firm can undertake the provision of the Consultancy Services and the Design Coordination pursuant to the relevant provisions of the Law and the SA;

**AND WHEREAS**

**D.** The Client and the Firm have signed the "Principal’s Authorization to Registered Engineers for the Provision of Services"12 no. ***…………………….*** for the provision of the general Consultancy Services and Design Coordination for the building development on the Property (hereinafter referred to as "**the Project**");

**AND WHEREAS**

**Ε.** The Principal wishes to assign part of the services set forth in the SA in relation to the Project to the Design Consultant, and the Principal and the Design Consultant have signed on the ***…………………….*** the "Principal’s Authorization to Registered Engineers for the Provision of Services" no. ***…………………….***;

**IT IS HEREBY AGREED AS FOLLOWS:**

**1**. The Preamble is agreed to form an integral part of this Agreement.

**2. INTERPRETATION**

In this Agreement, unless a different meaning appears from the text, the following terms shall have the meaning ascribed to them below:

**“Architect”** means a person who-

(i) is registered in the register of members or the Design Firms’ register of ETEK in the field of Architecture and holds a license to practise Architecture under the Law, or is entitled to undertake work appropriate to an architect under the legislation in force; and

(ii) has been duly authorised by, either the Firm or the Client, to provide specific service for the purposes of the Project;

**“Basic Services”** means the services described in the Annexes to this Agreement, as Basic Services.

**“General Contractor”** or “**Contractor**” means the Contractor to whom the Client assigns the execution of the Project or part thereof.

**“Site”** means the place where construction work for the development and construction of the Project is carried out.

1 Regulation 4(2) of the Code of Conduct of the Members of ETEK Regulations.

2 The present Agreement and the Principal’s Authorization to Registered Engineers for the Provision of Services shall be taken as mutually construed and shall be deemed to supplement each other, but in the event of any ambiguity or inconsistency, the present Agreement shall prevail.

**“Special Consultant”** means a person, other than the Firm and the Design Consultant, appointed by the Client to provide a specific consultancy service for the purposes of the development and construction of the Project.

**“Away”** means that the Site is located at such a distance from the Design Consultant’s head office and is agreed between the Principal and the Design Consultant in this Agreement that it is “away”.

**“Project Supervision”** means the carrying out of inspections at the Site and wherever else required by this Agreement as deemed necessary in accordance with accepted technical procedures and technical ethics, subject always to the obligations, duties or responsibilities imposed on the Design Consultant by or under the provisions of the applicable law.

**“Chamber”** or “**ETEK”** means the Cyprus Scientific Technical Chamber.

**“Additional Services”** means any additional services provided by the Design Consultant, in addition to the Basic Services.

**“Project”** means any work or any other matter involving construction work and is defined in the Agreement.

**“Electrical Engineer”** means a person who-

(i) is registered in the register of members or the Design Firms’ register of ETEK in the field of Electrical Engineering and holds a licence to practise in Electrical Engineering under the Law; and

(ii) has been duly authorised, either by the Firm or the Client, to provide specific service for the purposes of the Project.

**“Approximate Project Cost”** means the cost resulting from the use of unit prices, as determined and published from time to time by the Chamber and, in the absence of such prices, from the use of current market prices and the inclusion of other possible construction costs.

**“Estimated Project Cost”** means the cost calculated on the basis of quantities and unit prices for each work, as determined and published from time to time by the Chamber and, in the absence of such unit prices, by using current market unit prices and including other possible construction costs.

**“Building Programme”** means the document containing all data concerning the Client’s requirements or needs regarding the Project, as well as the number, extent and intended use of individual areas or parts thereof.

**“Design”** includes the preparation or drawing up of drawings, sketches, technical specifications and calculations, as required by the applicable legislation, relating to the intended execution or implementation of the Project, as well as any other work required in order to enable the necessary permits or approvals or certificates to be obtained.

**“Consultancy Firm”** or **“Firm”** means a person who-

(i) is registered in the register of members or the Design Firms’ register of ETEK in the field, depending on the nature of the Project, of either Architecture or Civil Engineering and holds an annual licence to practise in the relevant field, under the Law; and

(ii) has been duly authorised by the Client to provide the general Consultancy Services and Design Coordination as specified in the Services Agreement for the purposes of the Project;

It is understood that in special cases, where the nature of the Project mainly involves the specialties of Mechanical Engineering and/or Electrical Engineering, the person referred to above, can be registered in the field of either Mechanical Engineering or Electrical Engineering respectively and holds an annual licence under the Law.

**“Mechanical Engineer”** means a person who-

(i) is registered in the register of members or the Design Firms’ register of ETEK in the field of Mechanical Engineering and holds a licence to practise Mechanical Engineering under the Law; and

(ii) has been duly authorised, either by the Firm or the Client, to provide specific service for the purposes of the Project;

**“Law”** means the Cyprus Scientific Technical Chamber Law of 1990, Law 224/1990 as amended to date and includes any law amending or replacing it and the Regulations issued thereunder.

“**Civil Engineer**” means a person who-

(i) is registered in the register of members or the Design Firms’ register of ETEK in the field of Civil Engineering and holds a licence to practise Civil Engineering under the Law or is entitled under the legislation in force to undertake work appropriate to a civil engineer; and

(ii) has been duly authorised either by the Firm or the Client to provide specific service for the purposes of the Project;

**“Final Account of the Project”** means the amount as it is established, according to the modifications and the fluctuation of the price indexes, which consists of-

(i) the amount of the general contract;

(ii) the amounts of all subcontracting contracts, i.e. electrical, mechanical and other installations;

(iii) the amounts of contracts for the supply of materials, goods, equipment and the actual cost of the work or equipment whether or not supplied by the Client; and

(iv) the amounts paid by the Client to the Contractor as compensation for extension of time and/or disruption to the normal progress of the Project:

It is understood that in the event that the Client secures materials or work cheaper than the current prices or completely free of charge, for the purposes of calculating the Design Consultant’s fee, such materials and work shall be deemed to have been secured at current market prices.

**“Actual Project Cost”** means the amount of the Final Account of the Project, net of Value Added Tax and of amounts paid by the Client to the Contractor as compensation for extension of time and/or disruption to the normal progress of the Project.

**“Design Consultant”** means a person who-

(i) is registered in the register of members or the Design Firms’ register of ETEK in the field of Architecture, or Civil Engineering, or Mechanical Engineering or Electrical Engineering and holds a licence to practise, under the Law; and

(ii) has been duly authorised by the Principal to provide specific service for the purposes of the Project.

**“Services Agreement”** or “**SA**” means the agreement signed between the Client and the Firm.

“**SADC**” means the present Services Agreement of Design Consultant.

**“Leader Consultant”** means the natural person who-

(i) is registered in the register of members of ETEK in the field, depending on the nature of the Project, of either Architecture or Civil Engineering, and holds a licence to practise under the Law; and

(ii) has been duly authorised by the Firm and has undertaken to be its representative for the purposes of the Project:

It is understood that in special cases, where the nature of the Project mainly involves the specialties of Mechanical and/or Electrical Engineering, the natural person referred to above can be registered in the register of members of ETEK in the field of either Mechanical Engineering or Electrical Engineering and holds an annual licence to practise in that field under the Law.

**3. In this Agreement:**

(a) References to laws, statutes or statutory provisions shall be construed as references to those laws, statutes or provisions as amended from time to time.

(b) The singular shall include the plural and vice versa, and each gender shall include both genders.

(c) Headings are inserted for convenience only and shall not affect the interpretation of this Agreement.

(d) Unless otherwise indicated, references to clauses, annexes or lists are references to clauses, Annexes or lists to this Agreement.

(e) All preambles and Annexes to this Agreement form an integral part thereof.

(f) No term of this Agreement shall be construed adversely against any Party for the sole reason that such Party was responsible for drafting such term.

(g) Reference to a person includes any natural or legal person.

(h) Reference to a “day”, “month” and “year” shall be deemed to be a reference to a calendar day, month and year of the Gregorian calendar.

(i) The words and phrases “including”, “includes”, “for example”, “specifically” and other similar words or phrases shall be construed without limitation to the generic relevant words.

(j) Where under any Clause of the Agreement an act is required to be performed within a specified period of time, such period shall not include any public holiday under any applicable law.

**4.** The Project to which this Agreement relates is briefly described, together with the Estimated Project Cost in **ANNEX “F”** to this Agreement.

**5.** This Services Agreement of Design Consultant (SADC) includes the following:

(a) this Agreement,

(b) the Principal’s Authorisation; and

(c) the Annexes to this Agreement

which form an integral part of the Agreement.

**6.** The Principal assigns the undertaking and execution of the services expressly specified in **ANNEX “F”** of this Agreement to the Design Consultant.

**7.** The Design Consultant shall not have the right, without the prior written consent of the Principal, to assign or transfer all or any part of the services or obligations as assigned to him and undertakes to perform in accordance with the terms of this Agreement.

**8.** The Principal agrees to pay to the Design Consultant in consideration for the Services provided under this Agreement the fee as set out in **ANNEX “F**” to this Agreement.

**9.** The Design Consultant hereby acknowledges that the Client has selected or shall select separately and has assigned or shall assign to Special Consultants the provision of special services in relation to the Project.

**10. OBLIGATIONS OF DESIGN CONSULTANT**

10.1 The Design Consultant confirms that he has taken full knowledge of the terms and conditions of the SA between the Client and the Firm which is attached as **ANNEX “H”** to this Agreement (except only for the Clause concerning the fee of the Firm and its method of payment) and undertakes to act at all times with due care, promptness and diligence and to take all necessary acts and actions so that the Firm complies fully with all obligations and duties undertaken by it towards the Client.

10.2 The Design Consultant shall:

(a) observe, perform, enforce and comply with all the provisions of the SA to the degree and extent that they apply to him, and which relate to obligations which the Firm has undertaken to perform and/or comply with, insofar as they relate to and apply to this Agreement (or any part thereof) and do not conflict with the express provisions of these terms, as if all of the aforesaid provisions were contained separately in these terms; and

(b) act at all times in such a manner that no act or omission or action of his shall constitute or cause or contribute in any way to any breach by the Firm of the SA.

10.3 The Design Consultant shall secure and indemnify the Firm against and due to:

(a) any breach, non-compliance or non-performance by the Firm, its employees, or representatives of any provisions of the SA against its obligations to the Client, provided that it relates to or is the result or consequence of any action or act or omission or negligence of the Design Consultant;

(b) any act or action or omission of the Design Consultant, its employees or representatives which involves the Firm in any liability towards the Client under the provisions of the SA to the extent that they relate to or apply to this Agreement; and

(c) any claim, damage, loss or expense, due to or as a result of any negligence or breach of duty by the Design Consultant, its employees or representatives.

10.4 It is always understood that no term or content of this Agreement shall be construed so as to impose any liability on the Design Consultant in respect of any act, omission or negligence of the other design consultants or the employees representing them, nor shall it create any privity of contract between the Design Consultant or Special Consultant, or any other consultant.

10.5. Basic duty and obligation: The Design Consultant, in providing the services and performing all the obligations and duties assigned to him under this Agreement, shall exercise the required reasonable skill and care in accordance with the generally accepted professional standards, as its basic duty and obligation.

10.6. Responsibilities and Duties: The Design Consultant, during the performance of the Agreement, shall:

(a) co-operate fully with the appointed Leader Consultant for the Project;

(b) co-operate with the Special Consultants and any other design consultants of the Project aiming to the successful completion of the Project and co-operate with them at all stages of preparation of their designs and at the implementation of the Project;

(c) comply with the applicable legislation in relation to the subject matter assigned to him and inform the Principal about it and advise him on its compliance;

(d) assist the Principal in its various actions towards the competent authorities for the purpose of obtaining the permits or certificates required for the Project under the applicable legislation and assist in the submission of the necessary applications for this purpose and monitor the progress until their final issuance;

(e) advise the Principal on its obligations under the Health and Safety at Work Laws and the Regulations issued thereunder in relation to the subject matter assigned to him, including, inter alia, the need to appoint suitable persons to provide health and safety coordination services during the Project preparation stage and during the Project execution stage and fulfil his obligations in relation to the Health and Safety at Work Laws and the Regulations issued thereunder;

(f) advise the Principal on the appointment of other design consultants or other persons for the design and/or execution of a specific part of his services or the provision of a special service, if required, in relation to the Project;

(g) employ experienced and suitable personnel for the performance of his obligations, duties, responsibilities and tasks he undertakes under this Agreement;

(h) in the event that the Principal is not satisfied with the work of any person employed by or working with the Design Consultant, comply with the Principal’s instructions to replace such person with another experienced and suitable person, without additional fee or compensation;

(i) ensure that all members of the Design Consultant's team carry out their professional duties with full awareness of their professional responsibility to him and to the Principal and ensure that they are not relieved of their responsibility by reason of assignment or delegation of their obligations or part of their work or otherwise;

(j) ensure to render his services with such diligence and skill as a reasonable and prudent person qualified to practise such profession would exercise under the circumstances;

(k) ensure that the Design Consultant's team and their staff provide their services in accordance with the applicable legislation, respecting the professional confidentiality; and

(l) support the legitimate interests of the Principal.

10.7 Compliance with the Code of Conduct Regulations: The Design Consultant, in addition to his express or implied contractual obligations, in the performance of his duties and obligations under the Agreement, shall at all times be generally bound by and undertakes to comply fully and at all times with the relevant provisions of the Code of Conduct of the Members of the Cyprus Scientific Technical Chamber Regulations.

10.8. Obligations in relation to other design consultants: With respect to any other persons appointed as design consultants, the Design Consultant undertakes to:

(a) co-operate in the coordination and supervision without interfering with their scientific work;

(b) take into account and, where required, express opinion on their services;

(c) include in his work relevant information provided by them; and

(d) be personally responsible for the services which he has undertaken to provide and shall not be entitled to assign this responsibility to another design consultant.

10.9 No change to the Design without the Principal’s written approval: The Design Consultant shall not permit any material change, addition or subtraction from the approved or agreed Design without the prior written approval of the Principal, unless this is required for construction reasons arising from the site conditions or Project safety or unforeseen factors, in which case it shall notify the Principal without delay and ultimately confirm his action in writing.

**11. SERVICES EXECUTED BY PERSONS OTHER THAN THE DESIGN CONSULTANT:**

11.1 The Design Consultant acknowledges that other services relating to the Project are performed or are to be performed by a person other than him under separate agreements.

11.2 The Principal shall:

(a) inform the Design Consultant in writing of the services assigned to such person;

(b) hold that person responsible for the competence and performance of his services and for the visits to the Site in relation to the work undertaken;

(c) ensure that such person co-operates with the Design Consultant and provides the Design Consultant with drawings and other information for the proper and timely performance of his services;

(d) ensure that such person, if requested by the Design Consultant, will take into account and express opinion on the work of the Design Consultant in relation to his own work, so that the Design Consultant can review its own work;

(e) subject to the Design Consultant’s obligations as they arise from the provisions of this Agreement, hold the General Contractor or other contractor, and not the Design Consultant, responsible for the proper execution of the Project in accordance with the construction contract as well as for the health and safety at the Site.

**12. SUSPENSION AND TERMINATION OF SERVICES**

12.1 Right to suspend Services:

(a) The Principal has the right to request the suspension of some or all of the Services provided by the Design Consultant, by giving at least 14 days prior written notice, which should indicate the period of suspension and describe the affected Services.

(b) The Design Consultant has the right to suspend the performance of its Services and obligations under the Agreement, by giving to the Principal 14 days' prior written notice of its intentions and the reasons that led it to its decision, in the event that the Principal, among other things –

(i) delays the payment of any fee or other amount due; or/and

(ii) fails to comply with any obligation undertaken under the terms of this Agreement.

(c) The Design Consultant must resume the provision of the Services when the reasons for the suspension have been lifted or no longer exist.

(d) If the suspension period resulting from a valid notice under (a) or (b) above exceeds 6 months, the Design Consultant shall request instructions from the Principal. If within 30 days of the date of the Design Consultant 's request no written instructions are received from the Principal, the Design Consultant shall be entitled to treat the provision or performance of any affected Service or obligation as terminated.

(e) Any suspension period resulting from a valid notice under (a) or (b) above shall not be taken into account in calculating any agreed date of completion of the Services provided.

12.2 Right to terminate Services:

(a) The Design Consultant or the Principal can, upon 14 days’ prior written notice to the other, terminate the performance of any or all of the Services provided or the obligations of the Design Consultant, stating the reasons for its action as well as the affected Services and obligations thereof.

(b) The performance of the Services provided and the obligations of the Design Consultant can be terminated immediately upon written notice from either Party to the other:

(i) in case of bankruptcy of the Principal or the Design Consultant; or

(ii) when the Design Consultant is unable to meet its obligations due to the death or its incapacity; or

(iii) in the event that for any reason the Design Consultant is unable or prevented or not entitled to practise in the specific field of engineering science under the provisions of any applicable legislation:

It is understood that the termination of the services and the obligations of the Design Consultant under this clause shall, subject to subsections 12.4 and 12.5 below, be without prejudice to any other rights and remedies created for the benefit of either Party.

12.3 Right to receive remuneration and additional compensation in case of termination:

(a) If the Services of the Design Consultant are terminated by the Principal at any stage without fault of the Design Consultant, the Design Consultant shall be entitled, unless otherwise agreed, to the full fee of the stage at which the Services are terminated and additional compensation equal to 1/3 of the fee of the next stage.

(b) If, after the tender/assignment stage, the Client decides not to proceed with the implementation of the Project, the Design Consultant shall be entitled, unless otherwise agreed to the full fee corresponding to the termination stage, as well as compensation equal to 1/3 of the fee for the Supervision stage of the Project. In case the Client decides not to proceed immediately with the implementation of the Project and the Principal assigns the Supervision to the Design Consultant within 12 months3 of the termination of the Design Consultant’s Services, the amount of the compensation shall be part of the fee for the Supervision.

3 Or as otherwise agreed

12.4 Right to remuneration and compensation of the Design Consultant in case of termination due to the Principal’s fault:

In case the Design Consultant terminates its services to the Principal for any of the following reasons:

(a) the Principal constantly interferes with the duties and authority of the Design Consultant;

(b) the Principal instructs such modifications to the Project to the extent that the Design Consultant considers that he cannot be held responsible or that his professional reputation is compromised;

(c) the assignment of the construction of the Project is awarded at a price that is too low, with the risk of a deterioration in the quality of the Project;

(d) despite written notice from the Design Consultant, the assignment of the Project is awarded to a contractor who in previous work with the Design Consultant has been found to act in bad faith; and

(e) the Design Consultant has requested that measures be taken for the safety of the Project and the Principal refuses to cover the additional cost for economic reasons or for other reasons;

then the Design Consultant shall be entitled to receive remuneration and additional compensation as specified above, without the Principal having any claim against the Design Consultant.

12.5. Rights of the Design Consultant in case of termination without fault:

In case the Design Consultant is unable to provide his services due to serious illness or other justifiable cause, the Principal may either propose his replacement or terminate his services, in which case his entitled remuneration shall be limited to the value of the work performed up to that point which has been agreed.

**13. DESIGN CONSULTANT'S FEE**

13.1. Coverage of additional costs

(a) In case the Design Consultant attends an arbitration proceeding or provides technical testimony before a Court, the Design Consultant shall be entitled to a fee per hour of attendance at the proceeding and/or per hour of attendance at meetings with the Client or the Firm or their consultants and for the preparation of estimates and/or reports and/or providing advice as such fee is set forth in **ANNEX “F”** of this Agreement.

(b) For the Project Supervision away, the Design Consultant shall be entitled to claim additional compensation for the travel time and return to the Site of the supervising personnel at least as set forth in **ANNEX “F”** of this Agreement.

(c) In case the location or the conditions of implementation of the Project differ from what would reasonably be known to the parties and become extremely unfavourable and/or unhealthy, or there is an increased risk of accidents, or the work is carried out in water or polluted atmosphere or adverse weather conditions, the agreed fees may be reasonably increased prior to the commencement of the Preliminary Design for the Project.

(d) In case the anticipated implementation period of the Project is extended without the fault of the Design Consultant, an additional monthly fee equal to the amount resulting from dividing the total Supervision fee by the initial implementation time of the Project, shall be paid to the Design Consultant for the Supervision of the Project during the period of extension.

13.2 Method of payment of fees:

(a) The Principal shall pay the Design Consultant's fee in stages, as set out below:

(i) Service Stage I:

Submission of Preliminary Design: 25%:

Assignment of preparation of Preliminary Design: 5%

Submission of Preliminary Design: 20%

(ii) Service Stage II:

Submission of Final Design, Details/Specifications: 45%

Submission of Final Design (e.g. Building Permit): 35%

Details / Specifications: 5%

Call for tenders, evaluation of tenders and submission of a report to the Principal: 5%

(iii) Service Stage III:

Supervision: 30%:

Project construction, depending on its progress, regular payments (e.g. monthly): 25%

Substantial completion: 3%

Submission of Final Account: 2%:

It is understood that the Parties may agree on a different method and/or the detailed method of payment of the fee at each individual stage.

(b) The fee payable prior to the signing of the construction contract shall be calculated on the Estimated Project Cost and, in the absence of such estimate, on the Approximate Project Cost.

(c) After the signing of the construction contract and, if contracts are signed for nominated subcontractors and suppliers of materials, the fee paid is calculated on the sum of the amounts of these contracts.

(d) In the event that at the Principal’s instruction the Design is amended resulting in a reduction in the cost of the Project, the Design Consultant shall be remunerated up to the point of amendment on the basis of the Estimated Project Cost or on the basis of the amount resulting from (c) above, depending on the stage at which such an amendment instruction is received.

(e) The final settlement of the Design Consultant’s fee shall be calculated based on the Actual Project Cost.

13.3 Additional services and their remuneration:

(a) Any other services in addition to the Basic Services as may be provided for in the applicable Legislation (e.g. energy efficiency4, Coordinator for Health and Safety matters at the Project Preparation Stage5, internal wiring infrastructure design6) may be provided by the Design Consultant as Additional Services, if agreed in writing with the Principal. The same applies to additional services related to the Project, such as for example geotechnical and/or geological study, work measurement, topographical work and other Additional Services as indicatively listed in **ANNEX “Z”**. The Additional Services assigned to the Design Consultant by the Principal shall be compensated after taking into account the fee agreed in **ANNEX “F”**.

(b) The fee for the provision of Additional Services may be agreed and be collected in addition to the agreed fee, as determined after taking into account the fee agreed in **ANNEX “F”**.

13.4 Payment of Design Consultant

The Principal shall pay the Design Consultant’s fee not later than 28 days after his application for payment has been submitted. In case of refusal or failure or neglect by the Principal to pay the fee to the Design Consultant as above, it shall entitle the Design Consultant to suspend his services or terminate this Agreement and the amount payable shall bear interest 7% above Euribor per annum until paid.

**14. OBLIGATION TO PROVIDE SERVICES AND COORDINATION**

14.1. Preliminary Services, preliminary design, final design:

Subject to the obligations of the Design Consultant as set out in **ANNEX “F”**, the Design Consultant has the obligation to prepare all required preliminary and final designs of his specialty, drawings, designs, details, specifications and detailed estimates, and is obliged to fully cooperate and be fully coordinated in time and comply with the Principal’s instructions from time to time for the submission of the Preliminary Design for approval and the submission of the Final Design for approval and the issuance of the required permits.

14.2. Final Design:

Upon approval by the Principal of the Final Designs, the Design Consultant co-operates and coordinates with the Principal, in co-operation with all other design consultants and Special Consultants, to-

(a) consolidate the tender documents;

(b) co-operate with the Principal and, if requested, in the preparation of the list of tenderers;

(c) if and when requested to do so, invite tenders, both for the general contract relating to the subject matter of this Agreement and for the nominated subcontracts;

(d) if required, distribute the tender documents to the persons selected to submit a tender;

4 Services for the issue of energy performance certificate: Annex “G”

5 Services of Coordinator for Health and Safety matters at the Project Preparation Stage are indicatively referred to in Annex “G”

6 Services related to internal wiring infrastructure design: Annex “G”

(e) provide written responses to questions from tenderers;

(f) evaluate the tenders and prepare a report to the Principal; and

(g) assist the Principal in awarding the tender to the successful tenderer.

14.3. Supervision:

(a) During the Supervision Stage, the Design Consultant, through the Firm and in co-operation with the Firm, the other design consultants and the Special Consultants, shall:

(i) contribute to the administration of the construction contract and the contracts of nominated subcontractors/suppliers;

(ii) contribute to or undertake problem solving, in general;

(iii) supervise the work related to his specialty;

(iv) coordinate meetings at the Site and keep the minutes of meetings relating to services undertaken under this Agreement;

(v) approve the payment applications and issue the corresponding certificates, in relation to the subject matter of his services and/or advise the Principal on the payment certificates for the work in his field of specialty;

(vi) inspect and monitor the progress of works against the schedule, keep records of delays and advise the Principal on the approval of justified time extensions in relation to the subject matter of his services;

(vii) submit to the Principal periodic progress reports, in which reference is made to the physical and financial progress of the Project, any delays, the modifications with the reasons for them and their effects, the quality of the works and materials, any problems, etc. in relation to the subject matter of his services;

(viii) advise the Principal on the issuance of the certificate of substantial completion of the Project in relation to that part of the Project concerning his services; and

(ix) ensure full compliance with the relevant provisions of the legislation in force from time to time in relation to the Supervision of the Project.

(b) The Design Consultant co-operates with the Principal, after the substantial completion of the Project, and sends to the Principal the final revised design drawings of the Project and the necessary information and documents and provides any assistance for the fulfilment of his obligations to the Principal in relation to the following:

(i) submission of a duly completed works completion certificate to the Principal for the purpose of issuing the certificate of final approval;

(ii) assistance to the Principal in the preparation of the application to the competent authority for the issue of the certificate of final approval;

(iii) assessment of any claims of the Contractor and/or the nominated subcontractors and/or suppliers and submission of a report to the Principal;

(iv) upon expiry of the Contractor's liability period, issuance of the relevant certificate; and

(v) preparation and submission to the Principal of the Final Account of the Project in relation to the service undertaken by him for final settlement.

**15. ASSIGNMENT OF AGREEMENT:**

Neither Party to this Agreement shall be entitled to assign all or any part of the Agreement without the written consent of the other Party.

**16. COMMUNICATION:**

(a) The communication between the Principal and the Design Consultant, which is required or must take place under this Agreement, shall always be carried out only through the Firm and must be in writing, or at least confirmed in writing, by any means (fax, email, mail, by hand), by one of the Parties.

(b) Any instruction to the Design Consultant in relation to the Project, shall be provided by the Principal through the Firm:

It is understood that official minutes of a meeting related to the Project at which the Parties are present, shall constitute written communication and shall be binding on the Parties.

(c) Communication carried out as above and intended to amend the Agreement meets the requirement of written form of the Agreement.

(d) For the purposes of this Agreement, the term “communication” includes any authorization, consent, instruction, notification or other communication.

**17. BINDING NATURE:**

The Parties agree and acknowledge that all the terms of this Agreement are key and material and undertake to fully comply and implement them and further agree that any breach of any term of this Agreement shall, in addition to any other right expressly set forth in this Agreement or the Law, give rise to a right of termination and compensation for the benefit of the innocent Party.

**18. AMENDMENT:**

No amendment to this Agreement shall be effective unless agreed in writing and signed by each of the Parties.

**19. CONFIDENTIALITY:**

(a) Except where and as provided by law or other regulatory provision of an authority, governmental or otherwise, having jurisdiction by law and to whose authority either Party is subject, no communication or disclosure regarding the terms of this Agreement shall be permitted by the Parties without the prior written consent of the other Party, which consent may not be withheld without reasonable cause.

(b) In order to enable the conclusion of this Agreement, each Party has disclosed or is required to disclose data and information which are exclusively within its own sphere of ownership and influence and which are confidential (hereinafter “Confidential Information”). Accordingly, the Parties agree that both they and any of the Parties' officers, employees and/or representatives who have received or will receive Confidential Information shall keep any Confidential Information in strict confidence and shall not disclose such information except in connection with the implementation and performance of the terms of this Agreement or if required by law or ordered by a court of competent jurisdiction.

(c) The confidentiality obligation of the Parties under this paragraph shall survive the termination of this Agreement. In the event of a breach by one Party of the above obligation, the other Party shall have the right to terminate the Agreement and/or claim compensation for all damages it may have suffered as a result of the disclosure.

**20. INVALIDITY OF TERMS:**

If for any reason any of the terms of this Agreement shall be held to be illegal or invalid or unenforceable, then such term shall, if possible, be deemed to have been agreed to be varied to the minimum extent necessary to render it legal, and if this is not possible, then it shall have no effect and shall be deemed not to be included in this Agreement, but shall not invalidate or otherwise affect the remaining provisions of this Agreement.

**21. OTHER TERMS:**

(a) This Agreement is valid and binding and creates rights and obligations for the Parties.

(b) By signing this Agreement, the Parties undertake to promptly take all necessary acts and actions for its execution, implementation, completion and enforcement.

**22. APPLICABLE LAW:**

This Agreement shall be governed by and construed under and in accordance with the laws of the Republic of Cyprus.

**23. NOTICES:**

(a) It is agreed that any notice in accordance with the terms of this Agreement may be given by letter, facsimile or email or by other form of written communication and addressed to the respective Party at the addresses set forth in **ANNEX “F”** of this Agreement.

(b) If notice is sent by mail, it shall be deemed to have been received at the expiration of 72 hours from the time of its mailing, and if sent by facsimile or email, it shall be deemed to have been received at the time of sending upon presentation of an acknowledgement of receipt.

**24. ARBITRATION:**

In the event that any dispute or disagreement or controversy arises between the Parties to this Agreement (either during or after the completion or suspension of the provision of the Services and either before or after the termination or purported termination of the employment of the Design Consultant under this Agreement) as to the interpretation or performance or enforcement of this Agreement or as to anything contained in or arising out of this Agreement or as to the rights, obligations or duties of the Parties, then the Party that disagrees has the right to give notice to the other Party of this dispute, in which case the Parties must try for the next seven (7) days to settle this dispute amicably. If the Parties fail, the dispute shall be referred to the Chief Executive Officers of the Parties with a view to reaching an amicable settlement.

Any dispute for which an amicable settlement has not been reached within thirty (30) days from the date of service of the above notice (or such other period as the Parties may agree), without excluding the mediation process, shall be finally resolved by arbitration on the basis of the applicable Arbitration Rules of ETEK, in accordance with the provisions of the Arbitration Law (Cap. 4) of the Republic of Cyprus, by one arbitrator of common acceptance, in Greek language and in Nicosia. In case the Parties are unable to agree on the appointment of the arbitrator, then the appointment shall be made by the President of ETEK.

**25. IN WITNESS WHEREOF,** the Parties have affixed their signatures on the date set forth at the beginning of this Agreement.

THE PRINCIPAL

Signature ……………………………..

Name ……………………………..

Position ……………………………..

THE DESIGN CONSULTANT

Signature ……………………………..

Name ……………………………..

Position ……………………………..

WITNESS:

Signature ……………………………..

Name ……………………………..

ID.No. ……………………………..

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