

REF: 0000-00-LET-00-00-00-00-00

Date:

Dear Client

PROJECT: 0000-00: INTERIOR DESIGN

Thank you for affording Walker Smith Architects the opportunity to submit a fee proposal. Please read through this document thoroughly and should you have any queries contact us prior to signing. Please keep in mind that the interior design function is a very time consuming process and it is very difficult to accurately estimate our fees, thus we have erred on the side of the worst case scenario.

If you find the conditions of the following fee proposal acceptable, please fill out the client details document, sign the fee proposal in the relevant places and at the bottom of each page and return by hand, mail or fax. Receipt thereof will serve as confirmation of our appointment and we will begin your project accordingly.

As the client you will need to supply the following documentation prior to work commencing on the project: detailed brief, copy of title deeds, and a survey of the site indicating contours at 1m intervals.

Walker Smith Architects has a Professional Indemnity insurance cover to the value of R 4 million, which is limited to the extent of your mandate to Walker Smith Architects. Copies of the policy will be made available on request.

Please feel free to contact us should you have any queries at any stage. It is always better to resolve any aspects of the design while it is still on paper.

We look forward to a happy relationship during this exciting project.

Kind regards

Ken Ground

Manager

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FEE PROPOSAL NEW HOUSE IN THE AREA – INTERIOR DESIGN

Summary of Scope of Work

- Provide a full interior design service for the main house and the fishing cottage, which includes:-
 - Selecting paint colours, floor finishes, ironmongery and sanitaryware.
 - Sourcing and purchase furniture, light fittings, rugs, artwork, accessories, etc

Our service includes:

- **Design Stage:**
 - Meet on site with client;
 - Generate designs;
 - Provide mood / sample boards;
- **Sourcing Stage:**
 - Source the following:
 - Furniture;
 - Fabrics;
 - Appliances;
 - Sanitaryware,
 - Ironmongery,
 - Accessories, eg Artwork, mirrors, etc;
 - Finishes for – floor, wall, ceilings, etc;
- **Supply Stage:**
 - Arrange for the supply of the above sourced materials to site;
 - Should it be necessary to visit the site during this stage, actual hours and traveling costs will be charged as a disbursement.

ARCHITECT'S FEE

We propose a 15% fee based on the Comprehensive value of the full fit out on the buildings.

As we do not as yet have an estimate at this stage we will base our fees on the assumed total value of R 700 000.00. Fees will be adjusted based on the actual cost of refurbishment.

.Project Stage	Architects Fee
Design Stage	R 42 000.00
Sourcing Stage	R 42 000.00
Supply Stage	R 24 000.00
Total	R 105 000.00

DISBURSEMENTS:

Disbursements will be recovered at the rates listed below.

Travel	@ R 5.00 / km
A1 computer original plots (other size plots part thereof)	@ R 50.00 each
A1 prints monochrome	@ R 20.00 each
A3 prints monochrome	@ R 1.00 each
A3 prints colour	@ R 12.00 each
A4 prints monochrome	@ R .50 each
A4 prints colour	@ R 1.20 each
Acquiring plans from Local Authorities	@ R 50.00 each

TIME CHARGE FEE

In the event of fees being charged out on a time basis, the rates listed below will be used.

Time Charge fee:	
Principal Director	@ R1 200 / hour
Director	@ R 900 / hour
Architect	@ R 650 / hour
Senior Architectural Technologist	@ R 450 / hour
Technologist	@ R 350 / hour
Junior Technologist	@ R 250 / hour

SUPPLEMENTARY SERVICES:

Computer generated artist's impressions can be provided at a cost of R 8 500, 00 for the first view and R 2 500, 00 for each additional view.

The following supplementary services are available upon request on a negotiated Percentage fee or Time Charge fee.

- Any work required by the client not itemized above, such as:
- Architectural scale models;
- Brochures;
- Furniture, built-in fittings, kitchens, cupboards, bars, etc;
- Mosaic and tile-layouts;
- Special Consent / zoning applications;
- Arbitration / Litigation and preparation for same;
- Construction disputes requiring mediation;

PAYMENT CONDITIONS

- All fees quoted exclude VAT, Local Authority Fees, other Professional Fees and disbursements.
- Invoices will be issued after the completion of each stage, payable on presentation of invoice. We allow 7 days in which to settle the outstanding amount from date of invoice.
- Should there be a query on a particular invoice please raise this prior to the invoice becoming overdue.
- Walker Smith Architects reserves the right to cease work on a project and/or terminate the contract should there be a delay in payment. Payment for subsequent stages may also be requested in

advance. Work on overdue accounts may be suspended without notice at the sole discretion of Walker Smith Architects.

- Walker Smith Architects shall not be responsible for any delays caused by late payments, nor for any damages arising therefrom.
- Interest on overdue accounts shall be charged at prime + 2%. Should legal action be necessary, all legal costs incurred in recovering debts which include attorney/client and attorney/attorney costs, will be for the client's account.
- Invoices will be issued after the completion of each stage.

GENERAL CONDITIONS

DESIGN

- The proposed fees will comprise of no more than three re-designs during the design stage, thereafter fees will be charged on a time basis for changes, in accordance with the Time Charge fee table.

CLIENT REQUIREMENTS

- The client shall clearly and timeously specify his/her requirements and provide relevant information, decisions and instructions to the architect when requested.
- In the case of a change to the client's requirements, which is likely to vary the contract value, time schedule or professional fees, the architect shall promptly inform him/her thereof and confirm his/her agreement to any additional fees and supplementary services that may be required.

SITE INFORMATION

- The client shall provide the architect copies of the title deeds, diagrams, lease conditions and details of any other pertinent constraints related to the project and shall establish site boundaries, beacons, datum levels and such other features as may be relevant. He/she shall also give the architect a survey drawing and any certificates related thereto.

SUSPENSION / TERMINATION OF THE PROJECT

- The client may at any time instruct the architect to suspend / terminate work on the project; this instruction shall be in writing and delivered to the address stipulated herein. Immediately thereafter the architect shall be entitled to be remunerated in full for services rendered and disbursements incurred to date of instruction. Fees for incomplete stages will be calculated pro rata.

In addition, the architect shall be entitled to an administration fee of 7.5% of the amount payable by the client up to and including the date of suspension of the project.

Should work on the project remain suspended for six or more months from the date of suspension the project shall be deemed to be terminated.

Should the work be resumed at any time after suspension of the project, the architect shall increase the overall fee amount for the remainder of the works by 7.5%.

TERMINATION OF COMMISSION

Termination of commission may be affected at any time by either party by notification in writing. Termination shall be deemed to be effected on receipt of such notice.

▪ TERMINATION BY CLIENT

Upon termination by the client, the architect shall be paid in full all outstanding fees and disbursements, plus 7.5% of that figure as an administration fee for works complete at that time. This figure will be pro rata for incomplete phases.

▪ TERMINATION BY THE ARCHITECT

Upon termination by the architect the terms of the above shall apply, except that the architect will only be entitled to fees and disbursements related to their services rendered up to the date of their notice of termination and no additional amount shall be due.

LIMITS TO ARCHITECT'S RESPONSIBILITY

▪ CONSULTANTS AND/OR CONTRACTED DESIGN SERVICES

Where the design in relation to the project is undertaken by the client's agents or consultants, the architect shall not be responsible for the production of the design solution, nor be liable for performance. Unless otherwise agreed, the architect shall not be liable for fees due to such agents or consultants.

▪ FAILURE OF MATERIALS ETC.

The architect shall not be responsible for any material, component, system or workmanship failing to perform according to the claims of the manufacturers, suppliers, contractors or sub-contractors.

▪ CONTRACT ADMINISTRATION

The contractor, together with his sub-contractors, is directly responsible to the client for due performance in terms of the building contract. By way of administration and inspection of the works, the architect shall use his best endeavors to limit delays to and deficiencies or defects in the execution of works. The architect shall not be responsible for the foregoing, nor for the methods, techniques, sequences or procedures employed by the contractor.

▪ SHOP DRAWINGS

The checking by the architect of shop drawings and/or approval of samples of equipment, materials or workmanship does not relieve the contractor or his sub-contractors of their contractual responsibilities in this regard.

▪ TIME LIMIT TO ARCHITECT'S RESPONSIBILITY

No claim whatsoever shall be enforceable by the client against the architect arising out of, or in respect of any services rendered by the architect in terms of this agreement or concerning the carrying out of the works after five years have elapsed from date of practical completion of the works or suspension/termination of the project.

▪ TENDERS EXCEEDING ESTIMATES

Whilst the architect undertakes to use its best endeavors to adhere to the approved estimate/budget it is unable to guarantee that tenders will not exceed the estimate/budget and accepts no liability in this regard.

INSTRUCTIONS TO THE CONTRACTOR

Where the architect is appointed as sole or principal agent, he shall have the sole authority to issue instructions to the contractor in terms of the building contract.

PREVENTION OF PERFORMANCE

Should either the client or architect be prevented by a cause beyond their control from performing their obligations in terms of this agreement, it may be terminated without prejudice to the accrued rights of either party against each other.

COPYRIGHT, OWNERSHIP AND USE OF DOCUMENTS

The project documents prepared by the architects are copyright and remain his/her intellectual property. The client has the right of use of the documents for the sole purpose of this agreement.

INSTRUCTION TO CONSULTANTS

If the architect is employed as the principal agent, instructions to other consultants and other agents shall be given through the architect.

CONTRACT VALUE

Contract value is the total market related construction cost excluding VAT. Construction cost is the actual cost at the end of the project.

Should the architect be commissioned for a limited service where a contract value is not available, an estimated contract value will be assumed and agreed by both parties. Should agreement not be reached on the estimated contract value a Quantity Surveyor shall be employed by the client to prepare an elemental estimate, which will be binding on both parties.

Signature:

Date:

I hereby accept all terms and conditions with regards to costing and fees as outlined above.

