

PANAMA CANAL AUTHORITY	VARIATION	PAGE 1 OF 10
1. REQUEST FOR PROPOSAL No.:	2. CONTRACT No.:	3. DATE:
76161	CMC-221427	December 23, 2014
		4. VARIATION No.:
		133

5. ISSUED BY:

PANAMA CANAL AUTHORITY
Employer's Representative
Locks Project Management Division
Building 740, Corozal
Panama, Republic of Panama

6. NAME AND ADDRESS OF CONTRACTOR (INCLUDE PHYSICAL & POSTAL ADDRESS)	7. CONTRACTOR'S TELEPHONE NUMBER:
Grupo Unidos por el Canal, S.A. Building 22B, Brujas Road Cocoli, Republic of Panama	507-316-9900
	8. CONTRACTOR'S FACSIMILE NUMBER:

9. VARIATION:



The contract referred to in item No. 2 is hereby varied as set forth in item 10, entitled "DESCRIPTION OF VARIATION".
YES. NO. The contractor shall send a copy, duly signed, of this Variation to the Employer's Representative/Contracting Officer.

	9 A. THIS VARIATION IS EXECUTED ON THE BASIS OF: (Specify the legal authority). <u>THE VARIATION DESCRIBED IN ITEM 10 IS HEREBY INCORPORATED AND MADE A PART OF THE CONTRACT.</u>
	9 B. THE CONTRACT REFERRED TO IN ITEM NO. 2, IS VARIED TO INCORPORATE ADMINISTRATIVE CHANGES (such as the paying office, account numbers, etc.).
X	9 C. THIS BILATERAL AGREEMENT IS SIGNED AND INCORPORATED INTO THE CONTRACT REFERRED TO IN ITEM NO. 2 OF THIS FORM, ON THE BASIS OF: (Specify the legal authority) Volume III, Conditions of Contract, Sub-Clause 1.16 [Entire Agreement], 4th Paragraph
	9 D. OTHER. (Specify manner and the legal authority).
	9 E. ACCOUNT NUMBER (If required):

10. DESCRIPTION OF THE VARIATION (List in accordance with the order of the Contract. If additional space is required, use blank sheets).

See Variation Agreement Enclosed

Except for the variation(s) herein specified, all other terms and conditions of the Contract remain unchanged.

11. NAME AND TITLE OF THE PERSON AUTHORIZED TO SIGN (Type or print)	12. NAME AND TITLE OF THE EMPLOYER'S REPRESENTATIVE/CONTRACTING OFFICER (Type or print)
Giuseppe Quarta Contractor's Representative	Jorge de la Guardia, Employer's Representative
13. CONTRACTOR	14. DATE:
 (Authorized Signature)	23/12/14
15. PANAMA CANAL AUTHORITY	16. DATE:
 (Employer's Representative/Contracting Officer's signature)	23/x11/2014

This Variation Agreement Number 133, is dated as of the 23rd of December 2014 and made

Between:

Autoridad del Canal de Panama, Building 740, Corozal, Panama, Republic of Panama (hereinafter called the "**Employer**") on the one part,
and

Grupo Unidos por el Canal S.A., of Building 22B, Brujas Road, Cocoli, Panama, Republic of Panama, a corporation organised under the laws of the Republic of Panama, registered under microjacket number 682266, document number 1683284 of the Mercantile Section of the Public Registry Office of the Republic of Panama (hereinafter called the "**Contractor**" and together with the Employer, the "**Parties**") on the other part.

Whereas:

- (i) The Employer and the Contractor are party to Contract CMC-221427 for the Design and Construction of the Third Set of Locks, dated August 11, 2009 (as the same has been or may be varied, amended, supplemented or otherwise modified (the "**Contract**")).
- (ii) Pursuant to Variation Agreement No. 048 dated September 10, 2012, Variation Agreement No. 067 dated May 22, 2013, Variation Agreement No. 081 dated October 25, 2013, Variation Agreement No. 107 dated July 07, 2014, Variation Agreement No. 109 dated July 31, 2014, Variation Agreement No. 111 dated August 04, 2014 and Variation Agreement No. 112 dated August 04, 2014, the Employer agreed to certain revised payment arrangements for Lock Gates, Gates Mechanisms and Associated Equipment.
- (iii) In particular:
 - (i) pursuant to Variation Agreement No. 048, Variation Agreement No. 081 and Variation Agreement No. 111, the Employer agreed to certain revised payment arrangements in respect of items 2.3.3.1.9.2, 2.3.3.2.9.2, 2.3.3.1.10.2 and 2.3.3.2.10.2 of the Schedule of Project Elements and Prices on the terms set out in Variation Agreement No. 048, Variation Agreement No. 081 and Variation Agreement No. 111; and
 - (ii) pursuant to Variation Agreement No. 081, Variation Agreement No. 107, Variation Agreement No. 109 and Variation Agreement No. 112, the Employer agreed to certain revised payment arrangements in respect of items 2.3.3.1.11.4 and 2.3.3.2.11.4 of the Schedule of Project Elements and Prices on the terms set out in Variation Agreement No. 081, Variation Agreement No. 107, Variation Agreement No. 109 and Variation Agreement No. 112.

- (iv) The Contractor has requested through RFV No. 270, dated November 24, 2014, that the Employer agrees that the progress payments for:
- (i) the lock gates included in items 2.3.3.1.11.4 and 2.3.3.2.11.4 of the Schedule of Project Elements and Prices; and
 - (ii) the locks and WSB valves included in items 2.3.3.1.9.2, 2.3.3.2.9.2, 2.3.3.1.10.2 and 2.3.3.2.10.2 of the Schedule of Project Elements and Prices,
- be amended as set out in RFV No. 270, dated November 24, 2014.
- (v) Accordingly, the Employer has responded through letter IAE-UPC-2351 dated December 9, 2014, indicating to the Contractor that the Employer:
- (i) has agreed that the progress payments for lock gates included in items 2.3.3.1.11.4, 2.3.3.2.11.4, 2.3.3.2.11.1, 2.3.3.2.11.2 and 2.3.3.2.11.3 of the Schedule of Project Elements and Prices be amended to:
 - (1) increase the overhead and profit for the lock gate fabrication, delivery, installation and testing progress payment from 30% to 32.5%; and
 - (2) recognize 100% of the total tender price allocated for the delivery of the Pacific lock gates from Italy to the Panama Atlantic Site. This full recognition includes the transshipment of the Pacific lock gates from the Atlantic Site to the Pacific Site;
 - (ii) is willing to agree that the progress payments for locks and WSB valves included in items 2.3.3.1.9.2, 2.3.3.2.9.2, 2.3.3.1.10.2 and 2.3.3.2.10.2 of the Schedule of Project Elements and Prices be amended to increase the overhead and profit percentage for the fabrication, delivery, installation, and testing progress payment item from 25% to 29%,
- subject to the parties agreeing a formal variation to reflect such revised arrangements.
- (vi) The Contractor has subsequently submitted revised appendices to RFV No. 270 through letter GUPC-IAE-3297, dated December 10, 2014, to reflect the Employer's agreement to its proposals as set out in sub-paragraph (e) above
- (vii) In addition to the foregoing, the Employer has confirmed to the Contractor that the Contractor has failed to provide the following documents to the Employer at the following times:
- (i) the original of the VO No. 102 Bond Issuer Confirmation by no later than five (5) Business Days after the date of Variation Agreement No. 102, dated June

26, 2014;

- (ii) the original of the VO No. 109 Bond Issuer Confirmation by no later than five (5) Business Days after the date of Variation Agreement No. 109, dated July 31, 2014;
 - (iii) the original of the VO No. 110 Bond Issuer Confirmation by no later than five (5) Business Days after the date of Variation Agreement No. 110, dated July 31, 2014;
 - (iv) the original of the VO No. 111 Bond Issuer Confirmation by no later than five (5) Business Days after the date of Variation Agreement No. 111, dated August 04, 2014;
 - (v) the original of the VO No. 112 Bond Issuer Confirmation by no later than five (5) Business Days after the date of Variation Agreement No. 112, dated August 04, 2014;
 - (vi) the original of the VO No. 116 Bond Issuer Confirmation by no later than five (5) Business Days after the date of Variation Agreement No. 116, dated September 26, 2014;
 - (vii) the original of the VO No. 117 Bond Issuer Confirmation by no later than five (5) Business Days after the date of Variation Agreement No. 117, dated September 29, 2014; and
 - (viii) the original of the Advance Payment for Lock Gates-Second Bond, pursuant to the terms of Variation Agreement No. 113, dated August 07, 2014, as amended by Variation Agreement No. 116, dated September 26, 2014, and revised pursuant to the Employer's letter IAE-UPC-2319, dated October 31, 2014, by no later than three (3) Business Days after the date of Variation Agreement No. 116, dated September 26, 2014.
- (viii) As a condition to the Employer permitting the amendments to the progress payments referred to in sub-paragraph (e) above and the effectiveness of the amendments specified in this Variation Agreement No. 133, the Contractor shall provide to the Employer:
- (i) the original of the VO No. 102 Bond Issuer Confirmation;
 - (ii) the original of the VO No. 109 Bond Issuer Confirmation;
 - (iii) the original of the VO No. 110 Bond Issuer Confirmation;
 - (iv) the original of the VO No. 111 Bond Issuer Confirmation;

- (v) the original of the VO No. 112 Bond Issuer Confirmation;
- (vi) the original of the VO No. 116 Bond Issuer Confirmation;
- (vii) the original of the VO No. 117 Bond Issuer Confirmation; and
- (viii) the original of the Advance Payment for Lock Gates-Second Bond, revised pursuant to the Employer's letter IAE-UPC-2319, dated October 31, 2014,

no later than ten (10) Business Days after the date of this Variation Agreement No. 133.

- (ix) As a further condition to the Employer permitting the amendments to the progress payments referred to in sub-paragraph (e) above and the effectiveness of the amendments specified in this Variation Agreement No. 133, the Contractor shall provide the VO No. 133 Bond Issuer Confirmation in the form set out in Appendix 1 to this Variation Agreement No. 133 no later than ten (10) Business Days after the date of this Variation Agreement No. 133.
- (x) Therefore, subject to the terms of this Variation Agreement No. 133, the Parties have agreed to a variation to the Contract as hereinafter stated, but not further or otherwise.

THE PARTIES HEREBY AGREE AS FOLLOWS:

The Employer and the Contractor agree to vary the Contract as follows:

1. In this Variation Agreement No. 133, the words and expressions shall have the same meanings as are respectively assigned to them in the Contract, save as amended below or as expressly stated.
2. It is agreed that this Variation Agreement No. 133 and the modifications contained herein are approved and dated in writing by the authorized representatives of the Contractor and the Employer and in doing so the Parties acknowledge and identify that this is done in accordance with Sub-Clause 1.16 [*Entire Agreement*] of the Contract.
3. The Parties acknowledge and agree that this Variation Agreement No. 133 shall not be deemed to settle any outstanding issues, claims, demands, actions, disputes or proceedings between the Parties including but not limited to those in relation to any delay to the Works (both as to time and costs) and all such issues, claims, demands, actions, disputes or proceedings remain in contention between the Parties and all respective rights, remedies, claims and defenses of the Parties including but not limited to those concerning and arising out of any delay and/or responsibility for delay and the consequences thereof remain fully reserved. The Parties expressly agree that no Party is waiving, making an admission with respect

to, or intending to prejudice any claims, defenses, arguments or remedies that any of them has or may have arising out of events up to and including the date of this Variation Agreement No. 133 or in the future concerning their respective performance under and in relation to the Contract. For the avoidance of doubt, all delay-related issues between the Contractor and the Employer, and their respective rights and remedies regarding responsibility for delay and the consequences thereof, remain fully reserved. Nothing in this Variation Agreement No. 133 will have the effect of changing or extending the Time for Completion or any Milestone Dates under the Contract which, as at the date of this Variation Agreement No. 133, remain as stated in the Contract as extended by the determination by the Employer's Representative dated August 6, 2014, it being acknowledged that the Contractor has raised among its claims, delay claims which could affect the Time for Completion, and which claims the Employer denies and is currently contesting (save for the determination by the Employer's Representative dated August 6, 2014).

4. Save in relation to breaches of, or failure by either Party to comply with, the terms of this Variation Agreement No. 133, the Parties agree that they shall have no claims for additional time or money or any other relief or entitlement of any kind as a direct consequence of this Variation Agreement No. 133.
5. Further, the Contractor's obligations as to the progress of the Works and to complete the Works and comply with the Contract remain in all respects unaffected and nothing within this Variation Agreement No. 133 is intended to be a waiver or relaxation of the Contractor's obligations under the Contract, save only as expressly stated herein. The Contract shall remain fully effective as varied herein and the Contract shall have effect as though the provisions contained in this Variation Agreement No. 133 had been originally contained in the Contract.
6. This Variation Agreement No. 133 shall be governed by the Laws of the Republic of Panama and is deemed to be incorporated into and form an integral part of the Contract.
7. Subject to paragraphs 11 and 12 of this Variation Agreement No. 133, the Parties hereby agree to amend Sub-Clause 1.1 [*Definitions*] of the Contract as follows:

The Parties agree to add the following definitions to Sub-Clause 1.1.6 [*Other Definitions*] of the Contract (which shall be added in proper alphabetical order but without any number):

"Variation Agreement No. 133" means Variation Agreement Number 133, dated 23rd day of December, 2014 between the Employer and the Contractor.

"VO No. 133 Bond Issuer Confirmation" means a written confirmation (or rider, amendment or modification, as applicable), in the form set out in Appendix 1 to Variation Agreement No. 133 and otherwise acceptable to the Employer, from

- each of (i) the issuer of the Payment Bond and (ii) the issuer of the Plant and Material Security, in each case consenting to the modifications to the Contract made pursuant to the terms of Variation Agreement No. 133 and confirming the continuing validity of such bonds notwithstanding such modifications.
8. Subject to paragraphs 11 and 12 of this Variation Agreement No. 133, the Parties hereby agree to amend item (3) following the proviso to Sub-Clause 14.5.1 [*Plant and Materials Intended for the Works*] of the Contract as follows:
- (a) in lines 3 and 4 delete "as more particularly explained and clarified in Appendices 2 to 4 to Variation Agreement No. 112" and replace with "as more particularly explained and clarified in Appendix 2 to Variation Agreement No. 133";
 - (b) in sub-paragraph (A), in line 1 delete "30%" and replace with "32.5%"; and
 - (c) in sub-paragraph (B), in line 1 delete "15.3%" and replace with "14.4%" and also delete "15.7%" and replace with "14.7%".
9. Subject to paragraphs 11 and 12 of this Variation Agreement No. 133, the Parties hereby agree to amend item (4) following the proviso to Sub-Clause 14.5.1 [*Plant and Materials Intended for the Works*] of the Contract as follows:
- (a) in lines 3 and 4 delete "as more particularly explained and clarified in Appendices 2 to 4 to Variation Agreement No. 111" and replace with "as more particularly explained and clarified in Appendix 3 to Variation Agreement No. 133";
 - (b) in sub-paragraph (A), in line 1 delete "25%" and replace with "29%"; and
 - (c) in sub-paragraph (B), in line 1 delete "8.2%" and replace with "5.9%" and also delete "8.4%" and replace with "6.0%".
10. Subject to paragraphs 11 and 12 of this Variation Agreement No. 133, the Parties hereby agree to amend Appendix 1 and Appendix 2 to Variation Agreement No. 109 as follows:
- (a) in the Fourth Step of Section B of Appendix 1 to Variation Agreement No. 109, in the third bullet point which begins "It is intended that the Atlantic Gates" delete this bullet point in full and replace with "It is intended that the Gates be validated when they arrive at the Atlantic site."; and
 - (b) in Note 4 to Appendix 2 to Variation Agreement No. 109, delete "15 at delivery Pac (12 at Atl + 3 at Pac)" and replace with "15 at delivery Pac (15 at Atl + 0 at Pac) in accordance with Appendix 4 to Variation Agreement No. 133".

11. The Parties agree that the amendment of the Contract and the Employer's agreement to the Contractor's request as set out in and in accordance with paragraphs 7, 8, 9 and 10 of this Variation Agreement No. 133 is subject to the Contractor delivering to the Employer no later than ten (10) Business Days after the date of this Variation Agreement No. 133 the following documents, each in a form satisfactory to the Employer:
 - (a) the original of the VO No. 102 Bond Issuer Confirmation;
 - (b) the original of the VO No. 109 Bond Issuer Confirmation;
 - (c) the original of the VO No. 110 Bond Issuer Confirmation;
 - (d) the original of the VO No. 111 Bond Issuer Confirmation;
 - (e) the original of the VO No. 112 Bond Issuer Confirmation;
 - (f) the original of the VO No. 116 Bond Issuer Confirmation;
 - (g) the original of the VO No. 117 Bond Issuer Confirmation; and
 - (h) the original of the Advance Payment for Lock Gates-Second Bond, revised pursuant to the Employer's letter IAE-UPC-2319, dated October 31, 2014,failing which the amendments set out in paragraphs 7, 8, 9 and 10 above shall be of no effect and void.
12. The parties further agree that the amendment of the Contract and the Employer's agreement to the Contractor's request as set out in and in accordance with paragraphs 7, 8, 9 and 10 of this Variation Agreement No. 133 is subject to the Contractor delivering to the Employer no later than ten (10) Business Days after the date of this Variation Agreement No. 133 the original of the VO No. 133 Bond Issuer Confirmation, failing which the amendments set out in paragraphs 7, 8, 9 and 10 above shall be of no effect and void.
13. If the Contractor fails to comply with paragraph 11 and/or paragraph 12 above within the time period specified therein, then any amounts paid by the Employer to the Contractor in accordance with paragraphs 7, 8, 9 and 10 above shall become immediately due and payable by the Contractor to the Employer and the Employer shall be entitled, at its sole and absolute discretion, to:
 - (a) deduct the full amount of any such amounts paid by the Employer to the Contractor in accordance with paragraphs 7, 8, 9 and 10 above in the next Interim Payment Certificate; and/or

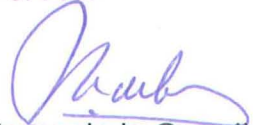
- (b) require payment of the full amount of any such amounts paid by the Employer to the Contractor in accordance with paragraphs 7, 8, 9 and 10 above (or any part thereof not deducted in accordance with sub-paragraph (a) above) from the Contractor, in which case the Contractor shall within 21 days of written request from the Employer make payment of such amount(s) to the Employer and/or the Employer may recover such amount(s) as a debt due from the Contractor to the Employer. Payment of any amount(s) due from the Contractor to the Employer pursuant to this sub-paragraph (b) shall be made by electronic transfer of funds to the bank account nominated by the Employer,

and the payments in respect of the lock gates included in items 2.3.3.1.11.4, 2.3.3.2.11.1, 2.3.3.2.11.2, 2.3.3.2.11.3 and 2.3.3.2.11.4 of the Schedule of Project Elements and in respect of the locks and WSB valves included in items 2.3.3.1.9.2, 2.3.3.2.9.2, 2.3.3.1.10.2 and 2.3.3.2.10.2 of the Schedule of Project Elements and Prices shall continue in accordance with the Contract as if the amendments set out in paragraphs 7, 8, 9 and 10 above had never been made.


14. The parties acknowledge and agree that the Employer's rights in relation to the processing of Interim Payments including but not limited to under Sub-Clause 14.6 [*Issue of Interim Payments*] and Sub-Clause 14.7 [*Payment*] remain unaffected by this Variation Agreement No. 133.
15. Each Party shall from time to time (at its own cost) do, perform, sign, execute and deliver all such acts, deeds, documents and things (or procure the doing, performance, signing, execution or delivery of them) to give full effect to this Variation Agreement No. 133 and secure the full benefit of the rights, powers and remedies conferred upon it in this Variation Agreement No. 133.

In Witness whereof the Parties hereto have caused this Variation Agreement No. 133 to the Contract to be executed on the 23rd day of December of the year 2014 by their duly authorized representatives.

For ACP


Jorge de la Guardia
Employer's Representative

For GUPCSA


Giuseppe Quarta
Contractor's Representative

APPENDIX 1

VO No. 133 Bond Issuer Confirmation

[Letterhead of Zurich]

_____, 2014

Autoridad del Canal de Panama
Edificio 740, Corozal
Panama, Republica de Panama

Reference: Contract No. CMC-221427, Design and Construction of the Third Set of Locks, Panama Canal

Confirmation regarding certain amendments to the Contract (as defined below)

Dear Sirs:

We refer to (i) the Design and Build Contract for the Third Set of Locks on the Panama Canal (as amended, modified, varied or supplemented, the "Contract") tendered under RFP #76161 between you, as owner and Employer thereunder (the "Owner") and Grupo Unidos por el Canal, S.A., as contractor (the "Contractor"); (ii) the payment bond, Bond no. 08960194, dated August 7, 2009, in an amount of USD 50,000,000.00, issued in the Owner's favor in respect of the Contract (as amended, supplemented or otherwise modified from time to time, the "Payment Bond"); and (iii) the advance payment bond in respect of Plant and Material Security, Bond no. 09098907, dated December 20, 2012, in an amount of USD 150,000,000.00, issued in the Owner's favor in respect of the Contract (as amended, supplemented or otherwise modified from time to time, the "P&M Bond" and, together with the Payment Bond, the "Bonds"). Unless otherwise specified, capitalized terms used herein have the respective meanings specified in the Contract.

We have been provided with a copy of Variation Agreement No. 133, dated December 23, 2014 ("Variation Agreement No. 133 ") to the Contract, executed by the Owner and the Contractor, which provides for certain amendments to the Contract relating to the lock gates and the locks and WSB valves included in items 2.3.3.1.9.2, 2.3.3.2.9.2, 2.3.3.1.10.2, 2.3.3.2.10.2, 2.3.3.1.11.4 and 2.3.3.2.11.4 of the Schedule of Project Elements and Prices.

The undersigned, as Surety under and as defined in the Bonds, hereby consents to the amendments to the Contract relating to the lock gates and the locks and WSB valves included in items 2.3.3.1.9.2, 2.3.3.2.9.2, 2.3.3.1.10.2, 2.3.3.2.10.2, 2.3.3.1.11.4 and 2.3.3.2.11.4 of the Schedule of Project Elements and Prices pursuant to the aforementioned Variation Agreement No. 133 and confirms to you, as Owner and beneficiary under the Bonds, the continued validity of the Bonds in the respective amounts originally stated therein, notwithstanding such amendments to the Contract and the terms of Variation Agreement No. 133.

Nothing in this confirmation letter is intended to or shall waive, alter, amend or otherwise affect any of the terms or conditions of the Bonds, other than as stated herein.

ZURICH AMERICAN INSURANCE
COMPANY, as Surety under the Bonds

By: _____

—

Name:
Title:

ACCEPTED:

AUTORIDAD DEL CANAL DE PANAMA,
as Owner under the Contract and beneficiary under the Bonds referred to above

By: _____
Name:
Title:

Appendix 2 – Variation No. 133

RFV 270 - APPENDIX 2 - VARIANCES ON THE GATES MAJOR ELEMENTS OF COSTS (OVERHEADS, INSTALLATION AND TESTS)

A.) SUMMARY OF APPENDIX 2 TO VARIATION No. 112 (Based upon Overhead 30%)

Details	Total	Direct	OVH %	Install	Tests	Recess	Other
<i>Atlantic</i>							
Lock Gates	270,968,991	208,437,685	62,531,306	31,159,775	18,244,062	7,000,000	118,935,142
<i>Pacific</i>							
Lock Gates	276,732,255	212,870,965	63,861,290	30,303,361	18,803,891	7,064,625	120,033,166
<i>Totals</i>	547,701,246	421,308,651	126,392,595	61,463,135	37,047,953	14,064,625	238,968,308
	130.0%	100.0%	30.0%	14.6%	12.1%		56.7%

B.) SUMMARY OF PROPOSED PERCENTAGES (Based upon Overhead 32.5%)

Details	Total	Direct	OVH %	Install	Tests	Recess	Other
<i>Atlantic</i>							
Lock Gates	270,968,991	204,504,899	66,464,092	28,401,353	17,069,697	7,000,000	118,935,142
<i>Pacific</i>							
Lock Gates	276,732,255	208,854,532	67,877,723	27,497,328	17,593,490	7,064,625	120,033,166
<i>Totals</i>	547,701,246	413,359,431	134,341,815	55,898,681	34,663,187	14,064,625	238,968,308
	132.5%	100.0%	32.5%	13.5%	11.8%		57.8%

RFV 270 - APPENDIX 2a - Sub-Clause 14.5 - Plant and Materials Intended for the Works
Breakdown Atlantic Lock Gates

2.3.3.1.11.1	Lockhead 1 Gates - Provide and Deliver all complete Lockhead 1 gates to Site. (Price for 2 gates)					28,039,203	
2.3.3.1.11.2	Lockhead 2 & 3 Gates - Provide and Deliver all complete Lockhead 2 & 3 gates to Site. (Price for 4 gates)					84,965,343	
2.3.3.1.11.3	Lockhead 4 Gates - Provide and Deliver all complete Lockhead 4 gates to Site. (Price for 2 gates)					39,029,303	
Price for "Fabricate and Delivery"		(A)				152,033,849	
2.3.3.1.11.4	Price for "All other Gate and Recess closure work - including installation, testing, overhead and profit".	(B)				118,935,142	
		(Overhead & Profit)	(Fabricate and Delivery)				
(B.1)	"Overhead and Profit" on Fabricate and Delivery	32.5%	x	152,033,849	=	49,411,001	41.5%
(B.2 = B - B.1)	Remaining amount for Installation, Testing and its "Overhead and Profit"					69,524,141	55.9%
		(Instal., Test, Ovh. & Profit)	(Overgrossed Ovh. & Profit)				OVH & Profit
(B.3)	"Overhead and Profit" on Recess Closure, Installation and Testing	69,524,141	/	1.325		17,053,091	14.3%
(B.4)	Remaining amount for Recess Closure, Installation and Testing					52,471,050	
(B.5)	"Recess Closure"					7,000,000	5.9%
		(Test Factor)	(Fabricate and Delivery)				
(B.6)	"Dry and Wet Testing"	11.23%	x	152,033,849	=	17,069,697	14.4%
(B.7)	Remaining amount for Installation					28,401,353	23.9%
2.3.1.11	Total Price for Fabricate, Deliver, Installation, Testing, Overhead and Profit".	(C = A + B)				270,968,991	
	Direct Cost for Fabricate, Deliver, Installation, Testing (Do not include Ovh. & Profit).	(D = A + B.4)				204,504,899	

Breakdown Atlantic Gates		\$	%			
(B.7)	Installation	28,401,353	23.9%	Equiv. fab. & Delivery	18.7%	29.9%
(B.6)	Test	17,069,697	14.4%		11.2%	
(B.5)	Recess Closure	7,000,000	5.9%		4.6%	
(B.1 + B.3)	Overhead & Profit (Equiv. 25% of Direct Costs)	66,464,092	55.9%	Equiv. Direct Costs	32.5%	
Total Installation, Tests, Recess Closure, Overhead & Profit		118,935,142	100.0%			
(A + B.4)	Total Direct Cost	204,504,899	100.0%			
(B.1 + B.3)	Total Overhead and Profit	66,464,092	32.5%			
(A + B)	Total Price	270,968,991	132.5%			

RFV 270 - APPENDIX 2b - Sub-Clause 14.5 - Plant and Materials Intended for the Works
Breakdown Pacific Lock Gates

2.3.3.2.11.1	Lockhead 1 Gates - Provide and Deliver all complete Lockhead 1 gates to Site. (Price for 2 gates)					27,182,025	
2.3.3.2.11.2	Lockhead 2 & 3 Gates - Provide and Deliver all complete Lockhead 2 & 3 gates to Site. (Price for 4 gates)					85,336,089	
2.3.3.2.11.3	Lockhead 4 Gates - Provide and Deliver all complete Lockhead 4 gates to Site. (Price for 2 gates)					44,180,975	
Price for "Fabricate and Delivery"		(A)				156,699,089	
2.3.3.2.11.4	Price for "All other Gate and Recess closure work - including installation, testing, overhead and profit".	(B)				120,033,166	
(B.1)	"Overhead and Profit" on Fabricate and Delivery	(Overhead & Profit)	32.5%	x	(Fabricate and Delivery)	156,699,089	= 50,927,204 42.4%
(B.2 = B - B.1)	Remaining amount for Installation, Testing and its "Overhead and Profit"					69,105,962	56.5%
(B.3)	"Overhead and Profit" on Recess Closure, Installation and Testing	(Instal., Test, Ovh. & Profit)	69,105,962	/	(Overgrossed Ovh. & Profit)	1.325	= 16,950,519 14.1%
(B.4)	Remaining amount for Recess Closure, Installation and Testing					52,155,443	
(B.5)	"Recess Closure"					7,064,625	5.9%
(B.6)	"Dry and Wet Testing"	(Test Factor)	11.23%	x	(Fabricate and Delivery)	156,699,089	= 17,593,490 14.7%
(B.7)	Remaining amount for Installation					27,497,328	22.9%
2.3.2.11	Total Price for Fabricate, Deliver, Installation, Testing, Overhead and Profit".	(C = A + B)				276,732,255	
	Direct Cost for Fabricate, Deliver, Installation, Testing (Do not include Ovh. & Profit).	(D = A + B.4)				208,854,532	

Breakdown Atlantic Gates		\$	%			
(B.7)	Installation	27,497,328	22.9%	Equiv. fab. & Delivery	17.5%	28.8%
(B.6)	Test	17,593,490	14.7%		11.2%	
(B.5)	Recess Closure	7,064,625	5.9%		4.5%	
(B.1 + B.3)	Overhead & Profit (Equiv. 25% of Direct Costs)	67,877,723	56.5%	Equiv. Direct Costs	32.5%	
Total Installation, Tests, Recess Closure, Overhead & Profit		120,033,166	100.0%			
(A + B.4)	Total Direct Cost	208,854,532	100.0%			
(B.1 + B.3)	Total Overhead and Profit	67,877,723	32.5%			
(A + B)	Total Price	276,732,255	132.5%			

Appendix 3 – Variation No. 133

RFV 270 - APPENDIX 3 - VARIANCES ON THE VALVES MAJOR ELEMENTS OF COSTS (OVERHEADS, INSTALLATION AND TESTS)

A.) SUMMARY OF APPENDIX 4 TO VARIATION No. 111 (Based upon Overhead 25%)

Details	Total	Direct	OVH %	Fabricate & Deliver	Install	Tests
Atlantic						
Locks Valves	73,618,656	58,894,925	14,723,731	49,467,422	7,448,806	1,978,697
WSB Valves	59,172,519	47,338,015	11,834,504	39,791,946	5,954,391	1,591,678
Pacific						
Locks Valves	73,140,144	58,512,115	14,628,029	49,467,427	7,065,991	1,978,697
WSB Valves	59,172,519	47,338,015	11,834,504	39,791,946	5,954,391	1,591,678
Totals	265,103,838	212,083,070	53,020,768	178,518,741	26,423,580	7,140,750
	125%	100%	25%	84.2%	12.5%	3.4%

B.) SUMMARY OF PROPOSED PERCENTAGES (Based upon Overhead 29%)

Details	Total	Direct	OVH %	Fabricate & Deliver	Install	Tests
Atlantic						
Locks Valves	73,618,656	57,068,726	16,549,930	49,467,422	6,169,287	1,432,017
WSB Valves	59,172,519	45,870,170	13,302,349	39,791,946	4,926,299	1,151,925
Pacific						
Locks Valves	73,140,144	56,697,786	16,442,358	49,467,427	5,798,342	1,432,017
WSB Valves	59,172,519	45,870,170	13,302,349	39,791,946	4,926,299	1,151,925
Totals	265,103,838	205,506,851	59,596,987	178,518,741	21,820,227	5,167,884
	129%	100%	29.0%	84.2%	10.6%	2.5%

RFV 270 - Appendix 3a - Sub-Clause 14.5 - Plant and Materials Intended for the Works
Breakdown Atlantic Lock Valves

RFV 270 - VARIANCES ON THE VALVES MAJOR ELEMENTS OF COSTS (OVERHEADS, INSTALLATION AND TESTS)

2.3.3.1.9.1 Lock Valves - Provide and deliver all complete Lock Valves to the Site 49,467,422

	Price for "Fabricate and Delivery"	(A)			49,467,422	
2.3.3.1.9.2	All other Lock Valves and Bulkhead work - including installation, testing, overhead and profit.	(B)			24,151,234	
(B.1)	"Overhead and Profit" on Fabricate and Delivery	29%	x	49,467,422	=	14,345,552
(B.2 = B - B.1)	Remaining amount for Installation, Testing and its "Overhead and Profit"					9,805,682
(B.3)	"Overhead and Profit" on Installation and Testing	9,805,682	/	1.29		2,204,378
(B.4)	Remaining amount for Installation and Testing					7,601,304
(B.5)	"Other Lock Valves and Bulkhead Works"					0
(B.6)	"Dry and Wet Testing"	2.89%	x	49,467,422	=	1,432,017
(B.7)	Remaining amount for Installation					6,169,287
2.3.1.9	Total Price for Fabricate, Deliver, Installation, Testing, Overhead and Profit".	(C = A + B)				73,618,656
	Direct Cost for Fabricate, Deliver, Installation, Testing (Do not include Ov. & Profit).	(D = A + B.4)				57,068,726

Breakdown Atlantic Lock Valves		\$	%		
(B.7)	Installation	6,169,287	25.5%	Equiv. fab. & Delivery	
(B.6)	Test	1,432,017	5.9%		
(B.5)	Other Valves and Bulkhead Works	0	0.0%		
(B.1 + B.3)	Overhead & Profit (Equiv. 25% of Direct Costs)	16,549,930	68.5%	Equiv. Direct Costs	29.0%
	Total Installation, Tests, Recess Closure, Overhead & Profit	24,151,234	100.0%		
(A + B.4)	Total Direct Cost	57,068,726	100.0%		
(B.1 + B.3)	Total Overhead and Profit	16,549,930	29.0%		
(A + B)	Total Price	73,618,656	129.0%		

RFV 270 - Appendix 3b - Sub-Clause 14.5 - Plant and Materials Intended for the Works
Breakdown Atlantic WSB Valves

RFV 270 - VARIANCES ON THE VALVES MAJOR ELEMENTS OF COSTS (OVERHEADS, INSTALLATION AND TESTS)

2.3.3.1.10.1 WSB Valves - Provide and deliver all complete Lock Valves to the Site 39,791,946

	Price for "Fabricate and Delivery"	(A)	39,791,946
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2.3.3.1.10.2	All other Lock Valves and Bulkhead work - including installation, testing, overhead and profit.	(B)	19,380,573
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(B.1)	"Overhead and Profit" on Fabricate and Delivery	(Overhead & Profit)	(Fabricate and Delivery)		
		29%	x	39,791,946	= 11,539,664

(B.2 = B - B.1)	Remaining amount for Installation, Testing and its "Overhead and Profit"		7,840,909
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(B.3)	"Overhead and Profit" on Installation and Testing	(Instal., Test, Ovh. & Profit)	(Overgrossed Ovh. & Profit)		
		7,840,909	/	1.29	= 1,762,685

(B.4)	Remaining amount for Installation and Testing	6,078,224
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(B.5)	"Other Lock Valves and Bulkhead Works"	0
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(B.6)	"Dry and Wet Testing"	(Test Factor)	(Fabricate and Delivery)		
		2.89%	x	39,791,946	= 1,151,925

(B.7)	Remaining amount for Installation	4,926,299
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2.3.1.10	Total Price for Fabricate, Deliver, Installation, Testing, Overhead and Profit".	(C = A + B)	59,172,519
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	Direct Cost for Fabricate, Deliver, Installation, Testing (Do not include Ovh. & Profit).	(D = A + B.4)	45,870,170
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Breakdown Atlantic Lock Valves		\$	%		
(B.7)	Installation	4,926,299	25.4%	Equiv. fab. & Delivery	29.0%
(B.6)	Test	1,151,925	5.9%		
(B.5)	Other Valves and Bulkhead Works	0	0.0%		
(B.1 + B.3)	Overhead & Profit (Equiv. 25% of Direct Costs)	13,302,349	68.6%	Equiv. Direct Costs	
Total Installation, Tests, Recess Closure, Overhead & Profit		19,380,573	100.0%		
(A + B.4)	Total Direct Cost	45,870,170	100.0%		
(B.1 + B.3)	Total Overhead and Profit	13,302,349	29.0%		
(A + B)	Total Price	59,172,519	129.0%		

RFV 270 - Appendix 3c - Sub-Clause 14.5 - Plant and Materials Intended for the Works
Breakdown Pacific Lock Valves

RFV 270 - VARIANCES ON THE VALVES MAJOR ELEMENTS OF COSTS (OVERHEADS, INSTALLATION AND TESTS)

2.3.3.2.9.1 Lock Valves - Provide and deliver all complete Lock Valves to the Site 49,467,427

	Price for "Fabricate and Delivery"	(A)			49,467,427	
2.3.3.2.9.2	All other Lock Valves and Bulkhead work - including installation, testing, overhead and profit.	(B)			23,672,717	
(B.1)	"Overhead and Profit" on Fabricate and Delivery	(Overhead & Profit)	29%	x	(Fabricate and Delivery) 49,467,427	= 14,345,554 60.6%
(B.2 = B - B.1)	Remaining amount for Installation, Testing and its "Overhead and Profit"				9,327,163	69.5%
(B.3)	"Overhead and Profit" on Installation and Testing	(Instal., Test, Ovh. & Profit)	9,327,163	/	(Overgrossed Ovh. & Profit) 1.29	= 2,096,804 8.9% OVH & Profit
(B.4)	Remaining amount for Installation and Testing				7,230,359	
(B.5)	"Other Lock Valves and Bulkhead Works"				0	0.0%
(B.6)	"Dry and Wet Testing"	(Test Factor)	2.89%	x	(Fabricate and Delivery) 49,467,427	= 1,432,017 6.0%
(B.7)	Remaining amount for Installation				5,798,342	24.5%
2.3.2.9	Total Price for Fabricate, Deliver, Installation, Testing, Overhead and Profit".	(C = A + B)			73,140,144	
	Direct Cost for Fabricate, Deliver, Installation, Testing (Do not include Ovh. & Profit).	(D = A + B.4)			56,697,786	

Breakdown Atlantic Lock Valves		\$	%		
(B.7)	Installation	5,798,342	24.5%	Equiv. fab. & Delivery	
(B.6)	Test	1,432,017	6.0%		
(B.5)	Other Valves and Bulkhead Works	0	0.0%		
(B.1 + B.3)	Overhead & Profit (Equiv. 25% of Direct Costs)	16,442,358	69.5%	Equiv. Direct Costs	29.0%
Total Installation, Tests, Recess Closure, Overhead & Profit		23,672,717	100.0%		
(A + B.4)	Total Direct Cost	56,697,786	100.0%		
(B.1 + B.3)	Total Overhead and Profit	16,442,358	29.0%		
(A + B)	Total Price	73,140,144	129.0%		

**RFV 270 - Appendix 3d - Sub-Clause 14.5 - Plant and Materials Intended for the Works
Breakdown Pacific WSB Valves**

RFV 270 - VARIANCES ON THE VALVES MAJOR ELEMENTS OF COSTS (OVERHEADS, INSTALLATION AND TESTS)

2.3.3.2.10.1 WSB Valves - Provide and deliver all complete Lock Valves to the Site 39,791,946

	Price for "Fabricate and Delivery"	(A)	39,791,946
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2.3.3.2.10.2	All other Lock Valves and Bulkhead work - including installation, testing, overhead and profit.	(B)	19,380,573
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(B.1)	"Overhead and Profit" on Fabricate and Delivery	(Overhead & Profit)	29%	x	(Fabricate and Delivery)	39,791,946	=	11,539,664	59.5%
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(B.2 = B - B.1)	Remaining amount for Installation, Testing and its "Overhead and Profit"							7,840,909	68.6%
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(B.3)	"Overhead and Profit" on Installation and Testing	(Instal., Test, Ovh. & Profit)	7,840,909	/	(Overgrossed Ovh. & Profit)	1.29		1,762,685	9.1%
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(B.4)	Remaining amount for Installation and Testing							6,078,224	
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(B.5)	"Other Lock Valves and Bulkhead Works"							0	0.0%
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(B.6)	"Dry and Wet Testing"	(Test Factor)	2.89%	x	(Fabricate and Delivery)	39,791,946	=	1,151,925	5.9%
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(B.7)	Remaining amount for Installation							4,926,299	25.4%
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2.3.2.10	Total Price for Fabricate, Deliver, Installation, Testing, Overhead and Profit".	(C = A + B)						59,172,519	
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	Direct Cost for Fabricate, Deliver, Installation, Testing (Do not include Ovh. & Profit).	(D = A + B.4)						45,870,170	
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Breakdown Atlantic Lock Valves		\$	%		
(B.7)	Installation	4,926,299	25.4%	Equiv. fab. & Delivery	
(B.6)	Test	1,151,925	5.9%		
(B.5)	Other Valves and Bulkhead Works	0	0.0%		
(B.1 + B.3)	Overhead & Profit (Equiv. 25% of Direct Costs)	13,302,349	68.6%	Equiv. Direct Costs	29.0%
Total Installation, Tests, Recess Closure, Overhead & Profit		19,380,573	100.0%		
(A + B.4)	Total Direct Cost	45,870,170	100.0%		
(B.1 + B.3)	Total Overhead and Profit	13,302,349	29.0%		
(A + B)	Total Price	59,172,519	129.0%		

Appendix 4 – Variation No. 133

RFV 270 - APPENDIX 4 - PROPOSAL FOR ALTERNATIVE GATE DELIVERY COST LOADED SCHEDULE - BREAKDOWN PERCENTAGES

Id Code	Description	Current			Current			Proposal			Proposal			Balance		
		Budget	% Quantity Rate	Unit Cost (\$)	Progress (%)	Cumul. Qty (u)	Actual Cost (\$)	Budget	% Quantity Rate	Unit Cost (\$)	Progress (%)	Cumul. Qty (u)	Actual Cost (\$)	Progress (%)	Cumul. Qty (u)	Actual Cost (\$)
							\$15,578,148.34						\$15,578,148.34			\$0.00
A-22320	A_LH1 Gates Delivery: Gates 1 & 2 on Site	\$2,873,036.94	100.00%	\$2,873,036.94	100.00%		\$2,873,036.94	\$2,873,036.94	100.00%	\$2,873,036.94	100.00%		\$2,873,036.94	0.00%		\$0.00
A-22160	A_LH2 Gates Delivery: Gates 3 & 4 on Site	\$4,352,986.94	100.00%	\$4,352,986.94	100.00%		\$4,352,986.94	\$4,352,986.94	100.00%	\$4,352,986.94	100.00%		\$4,352,986.94	0.00%		\$0.00
A-22180	A_LH3 Gates Delivery: Gates 5 & 6 on Site	\$4,352,986.94	100.00%	\$4,352,986.94	100.00%		\$4,352,986.94	\$4,352,986.94	100.00%	\$4,352,986.94	100.00%		\$4,352,986.94	0.00%		\$0.00
A-22340	A_LH4 Gates Delivery: Gates 7 & 8 on Site	\$3,999,137.53	100.00%	\$3,999,137.53	100.00%		\$3,999,137.53	\$3,999,137.53	100.00%	\$3,999,137.53	100.00%		\$3,999,137.53	0.00%		\$0.00
							\$13,560,656.46						\$16,056,172.16			\$2,495,515.69
P-23580	P_LH1 Gates Delivery: Load Ship and Transport To Site Gates 1 & 2 (Type F) WS	\$2,785,206.19	100.00%	\$2,785,206.19	90.00%		\$2,506,685.57	\$2,785,206.19	100.00%	\$2,785,206.19	100.00%		\$2,785,206.19	10.00%		\$278,520.62
P-23400	P_LH2 Gates Delivery: Load Ship and Transport To Site Gates 3 & 4 to Site (Type C) WS	\$4,371,981.18	100.00%	\$4,371,981.18	90.00%		\$3,934,783.06	\$4,371,981.18	100.00%	\$4,371,981.18	100.00%		\$4,371,981.18	10.00%		\$437,198.12
P-23420	P_LH3 Gates Delivery: Load Ship and Transport To Site Gates 5 & 6 to Site (Type C) WS	\$4,371,981.18	100.00%	\$4,371,981.18	80.00%		\$3,497,584.94	\$4,371,981.18	100.00%	\$4,371,981.18	100.00%		\$4,371,981.18	20.00%		\$874,396.24
P-23600	P_LH4 Gates Delivery: Load Ship and Transport To Site Gates 7 & 8 (Type E) WS	\$4,527,003.61	100.00%	\$4,527,003.61	80.00%		\$3,621,602.88	\$4,527,003.61	100.00%	\$4,527,003.61	100.00%		\$4,527,003.61	20.00%		\$905,400.72
							\$37,880,446.23						\$41,124,616.64			\$3,305,558.29
							VOH+P (32.5%)						VOH+P (32.5%)			VOH+P (32.5%)