Contract Procedures Manual (SM021) Part A – Appendix XII

Acceptance notice for PW contract (LPC method)

**Reference:**

Date

Name

Company

Postal address 1

Postal address 2

Postal address 3

Dear Sir/Madam

**Acceptance notice for physical works contract (Contract number)**

On behalf of NZ Transport Agency Waka Kotahi (Transport Agency), I advise that your tender to undertake the contract work described above and referred to in your tender for the sum of $XXXX (amount in words) excluding GST is hereby accepted.

<<Guidance note: include the following clause where contract base estimate is less than $200 million and [meets the policy requirements](https://www.marsh.com/nz/industries/transportation/nz-transport-agency-pai.html/); Transport Agency will include these projects under Principal Arranged Insurance>>

Your attention is directed to the need for early compliance with the requirements of Sections 2.7, 3.1 and 8 of the General Conditions of Contract (NZS 3910:2023) regarding execution of the Contract Agreement, provision of a Contractor’s Bond and obligations relating to insurances. Your attention is drawn to the General Conditions of Contract Clause 8.2.5 requiring you to deposit the certificate of insurance, in the form set out in Schedules 8, 10 and 11 as appropriate, with the Contract Administrator prior to commencement of the contract works.

<<Guidance note: include the following clause where contract base estimate is more than $200 million **OR** where contract base estimate is less than $200 million **but** does not [meet the policy requirements](https://www.marsh.com/nz/industries/transportation/nz-transport-agency-pai.html/) **OR** where contract specific insurances are required>>

Your attention is directed to the need for early compliance with the requirements of Sections 2.7, 3.1 and 8 of the General Conditions of Contract (NZS 3910:2023) regarding execution of the Contract Agreement, provision of a Contractor’s Bond and obligations relating to insurances. Your attention is drawn to the General Conditions of Contract Clause 8.2.5 requiring you to deposit the certificates of insurance, in the form set out in the Schedules 7 to 11, with the Contract Administrator prior to commencement of the contract works. The Contractor is required to submit their insurance policy to be reviewed by the Transport Agency and may be required to be amended should any policy not meet the contract requirements. If satisfactory insurance policies are not put in place then the Transport Agency may at its option exercise its powers under Conditions of Contract Clause 8.2.8, and the Contract will be required to be included in the Transport Agency PAI programme.

In accordance with clause 10.1 of the General Conditions of Contract and the Instructions for Tendering the agreed contract period for the construction of the contract works is from  <enter date> or <enter number of working days, from possession of site> to <enter date>. In accordance with clause 5.5 of the General Conditions of Contract, subject to compliance with the requirements of paragraph two above the Contractor shall be entitled to possession of the site on <enter date>.

The Transport Agency received <no> conforming non alternative tenders and <no.> conforming alternative tenders. The range of prices of unsuccessful tenders are from $XXXXX to $XXXXX excluding GST.

Yours sincerely

**Tender Secretary**

for <appropriate> Manager

cc Transport Agency Consultant
pai@nzta.govt.nz