## PROJECT MANAGER AGREEMENT FOR MONTE ESTORIL RESIDENCES

#### Introduction:

This Agreement sets the terms and conditions of engagement for the development project known as "Monte Estoril Residences". Located in the distinguished region of Monte Estoril, this venture entails the meticulous construction of two distinct homes. Each property will occupy an area of 350 m<sup>2</sup>, spread across five stories, epitomising modern architectural excellence. The license for this project, yet to be issued, is based on the existing "Alvará" license number 268/78 documented in <u>annex 1</u>.

#### **1. OBJECTIVES OF THE COLLABORATION:**

1.1. Oversee and successfully accomplish the development, management, and completion of the "Monte Estoril Residences" in adherence to the highest industry standards and in consonance with the shared vision of both parties.

### 2. ROLES & RESPONSIBILITIES:

2.1. *Developer*:

- Furnish required resources and support to The Project Manager.
- Grant final approvals on pivotal project-related decisions.

2.2. Project Manager:

- Manage all project facets, including material selection, budgeting, contractor coordination, and requisite license procurement.
- Guarantee regular, transparent communication with The Developer about project progression.
- Mediate between The Developer and potential investors, acting as the representative and safeguarding the interests of all involved parties.

#### **3. DECISION-MAKING MECHANISM:**

3.1. While The Project Manager has the authority to make operational decisions, any decisions that substantially influence the project's budget, timeline, or design mandate approval from The Developer.

#### 4. DISTRIBUTION OF ASSETS:

4.1. The Project Manager will be remunerated with a sum of €75,000 for their services, partitioned into equitably distributed, milestone-driven installments to be paid by the Investor.

### 5. SCOPE OF SERVICES

Pre-Construction and Strategic Planning

5.1. **Investor Outreach & Engagement:** Actively communicate with prospective investors, presenting the project's vision, potential, and facilitating negotiations to secure pivotal investment.

5.2. **Budget Formulation & Financial Oversight:** Craft a detailed financial blueprint, continually monitoring and adjusting to accommodate unforeseen expenses and changes, ensuring fiscal discipline.

# 5.3. Budgeting for Licensing Costs:

5.3.1. The Project Manager is mandated to thoroughly research, evaluate, and include all foreseeable licensing costs associated with the "Monte Estoril Residences" project. This encompasses but is not limited to permissions, renewals, inspections, or any other related regulatory costs.

5.3.2. This licensing budget should be presented as a distinct section within the overall project budget, with itemized costs for each anticipated license or permission.

5.3.3. Any deviations or underestimations in licensing costs that result in the project exceeding its dedicated licensing budget, due to negligence or oversight by the Project Manager, will be subject to the "Compensation Penalty for Budget Overruns" clause stipulated previously.

5.4. **Materials Assessment & BoM Assembly:** In concert with seasoned contractors, delve into material options, and curate a comprehensive Bill of Materials (BoM) that aligns with the project's ethos and budget.

5.5. **Promotion & Outreach:** Spearhead the creation, management, and strategic dissemination of promotional materials, heightening the project's visibility and allure.

5.6. **Regulatory Permissions & Compliance:** Navigate the bureaucratic maze to obtain all requisite permissions, especially those pertaining to advertising and on-site promotional displays.

## Licensing, Regulatory Adherence, and Compliance

5.7. Licensing & Civic Coordination: Forge relationships with regulatory bodies, and architect ensuring every stage of the project resonates with local building codes, regulations, and standards.

# Construction Oversight & Quality Assurance

5.8. Contractor Engagement & Supervision: Scout, engage, and manage contractors, ensuring their work aligns seamlessly with the project's vision and standards.

5.9. **Quality Vigilance & Regular Inspections:** Institute rigorous quality checks, ensuring every brick laid and every design implemented resonates with the project's quality benchmarks.

5.10. **Risk Forecasting & Mitigation:** Anticipate potential construction challenges and devise proactive strategies to address them, ensuring smooth project continuity.

5.11. **Timeline Management & Adherence:** Vigilantly monitor project timelines, ensuring milestones are achieved in lockstep with the proposed schedule.

5.12. **Transparent Communication & Reporting:** Act as the communication bridge between the Developer and Investor, providing lucid updates, insights, and progress snapshots.

# Mediation, Dispute Resolution, and Final Oversight

5.13. **Mediation & Conflict Resolution:** Serve as an impartial mediator between the Developer and Investor, ensuring smooth resolution of disagreements.

5.14. Legal Navigation & Coordination: In the face of legal challenges or requirements, coordinate with legal teams to protect the project's interests and ensure compliance.

5.1.5. Tax Compliance: The Project Manager shall ensure that all invoices related to the project

comply with the requirements set by Portuguese tax authorities. This includes, but is not limited to, the presence of the NIF (Tax Identification Number) for both the supplier and the customer, a detailed description of goods/services provided, and other necessary details that align with Portuguese invoicing regulations.

5.1.6. **Dual Record Maintenance:** Recognising the project's unique nature, with two distinct properties being developed, the Project Manager shall maintain clear and separate records for each property. This includes ensuring that expenses related to each property are distinctly and accurately recorded. The Project Manager is tasked with overseeing that invoices for each property are kept separate and comply with all regulatory requisites.

5.1.7. **Audit and Review:** The Project Manager will periodically review the financial records related to the project to ensure compliance with the above stipulations and be prepared to provide a comprehensive report of the same to the Developer and Investor upon request.

## 5.2. Warranties or Guarantees:

5.2.1. **Workmanship and Materials:** The Project Manager shall ensure that warranties or guarantees on workmanship and materials used in the project are duly documented. The Project Manager is responsible for understanding the terms of these warranties and guarantees, ensuring their proper activation, and communicating their specifics to the Developer and Investor.

5.2.2. **Transfer and Documentation:** All warranties or guarantees should be appropriately documented, and copies provided to both the Developer and Investor. These documents should detail the duration, scope, and claim process for each warranty or guarantee.

## 5.3. Change Orders:

5.3.1. **Process and Approval:** In the event of mid-project changes or adjustments to the original plans, the Project Manager will document these changes as "Change Orders." Each Change Order must specify the nature of the change, any adjustments to the budget or timeline, and reasons for the change.

5.3.2. **Communication:** Before any Change Order is executed, it must be communicated to and approved by the Developer (and the Investor if financial implications are involved). This ensures that all parties are aligned, and there are no surprise adjustments.

# 5.4. Stakeholder Communication:

5.4.1. **Regular Updates:** The Project Manager is mandated to provide regular updates to both the Developer and Investor. These updates will occur at a minimum frequency of [e.g., "bi-weekly"], but more frequent communication is encouraged in case of significant developments.

5.4.2 **Communication Mode:** Updates will be provided via [e.g., "email reports, with a monthly video conference call"]. Any urgent matters or significant deviations from the plan will warrant an immediate phone call to the Developer and Investor.

5.4.3 **Documentation:** All communications, especially those that involve decisions or approvals, should be documented and archived for future reference.

# **Final Technical File Delivery**

**5.5.1. Obligation to Deliver**: The Project Manager (PM), in collaboration with the appointed contractors and architects, shall be responsible for the preparation, compilation, and delivery of a comprehensive Final Technical File ("Ficheiro Técnico da Habitação" or equivalent) for the property. This file shall be in accordance with the legal

requirements of Portugal and any other relevant local regulations.

**5.5.2.** Contents of the File: The Final Technical File shall include, but not be limited to, all architectural plans, engineering reports, energy certificates, construction specifications, licenses, permits, and any other documentation required by Portuguese law for the sale and transfer of residential properties.

**5.5.3 Submission to Authorities**: The PM shall ensure that the Final Technical File is duly submitted to the relevant local authorities, including but not limited to the local "Câmara Municipal" or equivalent governing body, in a timely manner and in accordance with all applicable deadlines.

**5.5.4. Warranty**: The PM warrants that the Final Technical File will be complete, accurate, and compliant with all relevant laws and regulations. Any omissions, inaccuracies, or non-compliances found in the file shall be rectified by the PM at their own expense.

**5.5.5. Indemnification**: The PM shall indemnify and hold harmless the property owner from any penalties, fines, legal actions, or losses incurred due to the PM's failure to deliver a compliant Final Technical File or due to any inaccuracies or omissions therein.

**5.5.6. Delivery to Property Owner**: Upon successful submission to the relevant authorities, the PM shall provide the property owner with a complete copy of the Final Technical File for their records.

### 6. TERM & TERMINATION

6.1. This Agreement is activated on [Start Date], culminating upon the project's completion or on [End Date], depending on which transpires first.

6.2. This Agreement can be annulled with a [e.g., 30-day] written notice, especially in scenarios of a discernible contract breach.

### 7. COMPENSATION & REIMBURSEMENT

7.1. For their exhaustive services, the Project Manager will be compensated a sum of  $\in$ 75,000, disbursed in six equitably divided milestone-driven installments.

7.2. Every installment will be funded by the Investor, with disbursement post verification of each milestone's successful achievement.

### 8. CONFLICT OF INTEREST & EXTERNAL INFLUENCES

8.1. The Project Manager is mandated to declare any potential conflict of interest, especially ones emanating from affiliations with entities such as IAD.

8.2. All decisions, strategies, and actions will be sculpted independent of external influences, guaranteeing the Project Manager's undiluted focus and commitment to this project.

### 9. CONFIDENTIALITY & NON-DISCLOSURE

9.1. The Project Manager pledges to uphold the sanctity of all confidential and proprietary information, ensuring it remains shielded from external entities.

### **10. LIABILITY & INDEMNIFICATION**

10.1. The Project Manager's liabilities under this Agreement are restricted to the stipulated terms and conditions herein. Except in instances of gross negligence or willful misconduct, the Project Manager's liability will be confined to the tasks explicitly outlined in this Agreement.
10.2. Both the Developer and the Investor agree to indemnify and hold the Project Manager harmless from and against all claims, liabilities, damages, and expenses, including reasonable attorney's fees, arising out of or related to the Project Manager's services provided under this Agreement, save for those caused by the Project Manager's intentional wrongdoing or gross negligence.

### 11. GOVERNING LAW & JURISDICTION

11.1. This Agreement is governed by and shall be construed in accordance with the laws of Portugal. The parties agree to submit to the exclusive jurisdiction of the Portuguese courts for any dispute arising under or in relation to this Agreement.

### **12. AMENDMENTS & MODIFICATIONS**

12.1. Any changes or modifications to this Agreement must be in writing and signed by all parties involved. Verbal agreements or understandings will not be recognised unless they are documented and acknowledged by all parties in writing.

### **13. BUDGETARY ADHERENCE & COMPENSATION PENALTY**

### 13.1. Adherence to Budget:

The Project Manager is responsible for ensuring that the project remains within the agreed-upon budget. This includes the costs of all materials, subcontractors, and other expenses as outlined in the project's financial blueprint.

13.2. Regular updates and transparent communication regarding the budget status must be provided to the Developer and Investor. Any potential deviations or overruns should be promptly reported, with justifications and proposed solutions.

### 13.3. Compensation Penalty for Budget Overruns:

Should the total project costs exceed the stipulated budget due to negligence, mismanagement, or oversight by the Project Manager, a compensation penalty will be imposed. This penalty will amount to [specific percentage, e.g., "10%"] of the overrun costs and will be deducted from the Project Manager's pending compensation. For instance, if the project goes over budget by  $\in$ 10,000 due to reasons attributed to the Project Manager's actions or inactions, a penalty of  $\in$ 1,000 (assuming a 10% penalty rate) will be deducted from the Project Manager's next due installment. Exceptions to this penalty will be scenarios where the overrun is due to unforeseen external factors beyond the control of the Project Manager.

### **14. ENTIRE AGREEMENT**

14.1. This Agreement represents the entire understanding between the parties and supersedes all prior negotiations, understandings, and agreements between the parties. There are no representations, warranties, conditions, or other agreements, express or implied, statutory or otherwise, between the parties in connection with the subject matter of this Agreement, except as

specifically set forth herein.

# SIGNATURES

Developer: \_\_\_\_\_ Date: \_\_\_\_\_

Investor: \_\_\_\_\_ Date: \_\_\_\_\_

Project Manager: \_\_\_\_\_ Date: \_\_\_\_\_