
1 **GENERAL**

- 1.1 Allowances included herein are for items of Work which could not be fully quantified prior to Bidding.
- 1.2 Progress payments for Work and Products authorized under allowances will be made in accordance with the payment terms set out in Conditions of the Contract.
- 1.3 A schedule and scope of work shall be prepared jointly by the Consultant and Contractor to show when items called for under allowances must be authorized by the Consultant for ordering purposes so that the progress of the Work will not be delayed.
- 1.4 Submit, before application for final payment, copies of all invoices and statements from suppliers and Subcontractors for work which has been paid from cash allowances.

2 **EXPENDITURE OF CASH ALLOWANCE(S)**

- 2.1 Owner, through Consultant, will provide Contractor with documentation required to permit pricing of a cash allowance item.
- 2.2 Where a Cash Allowance is for work performed under a Subcontract, Owner, through Consultant, will request Contractor to identify potential Suppliers and Subcontractors, as applicable, and to obtain at least three competitive prices for each cash allowance item.
- 2.3 Contractor will provide to the Owner and Consultant bids, quotations, and other price related information received from potential Suppliers and Subcontractors complete with Contractor's recommendations for approval.
- 2.4 Owner, through Consultant, will determine by whom and for what amount each cash allowance item will be performed. Obtain Owner's prior written approval in the form of a **Supplementary Instruction** ~~Change Order~~ before entering into a subcontract, amending an existing subcontract, or performing own forces work included in a cash allowance. Upon issuance of the **Supplementary Instruction** ~~Change Order~~, the Contractor's responsibilities for a cash allowance item shall be the same as for other work of the Contract.
- 2.5 Where costs under a cash allowance exceed the amount of the allowance, the Contractor will be compensated for any excess incurred and substantiated plus an allowance for overhead and profit as set out in the Contract Documents.
- 2.6 Amount of each cash allowance does not include Contractor's overhead and profit, and other related costs, which shall be included in the Contract Price and not in the cash allowance.

3 CASH ALLOWANCE(S)

- 3.1 Cash allowances, unless otherwise specified, cover the net cost to Contractor of services, Products, supply, construction machinery and equipment, freight, delivery, handling, unloading, storage, installation where indicated, all related costs, and other authorized expenses incurred in performing the Work.
- 3.2 Cash allowances shall not be included by a Subcontractor in the amount for their Subcontract work.
- 3.3 Supply only allowances shall include:
- .1 Net cost of Products as invoiced by Supplier.
 - .2 Delivery to Site.
 - .3 Applicable taxes and duties, excluding HST.
- 3.4 Supply and install allowances shall include:
- .1 Net cost of Products.
 - .2 Subcontractor's overhead and profits related to the Cash Allowance.
 - .3 Delivery, unloading, storing, handling or Products on Site.
 - .4 Installation, finishing and commissioning of Products.
 - .5 Applicable taxes and duties, excluding HST.
- 3.5 Inspection and testing allowances shall include:
- .1 Net cost of inspection and testing services.
 - .2 Applicable taxes and duties, excluding HST.
- 3.6 Other costs related to work covered by cash allowances are not covered by the allowance but shall be included in the Contract Price.
- 3.7 Include in the Bid Price the **total lump sum value** amount of each **for the below** cash allowance **items**:
- .1 **Solar panels.**
 - .2 **EV system.**
 - .3 **Glazing film.**
 - .4 **Commissioning.**
 - .5 **Hardware.**
 - .6 **Signage and wayfinding.**
 - .7 **AV equipment.**
 - .8 **Owner supplied IT equipment.**
 - .9 **Independent testing and inspections.**

.10 Air and water balancing.

.11 Appliances.

.12 As-built drawings at close out.

Total lump sum cash allowance value: \$ _____.

.1 [..To Follow..]: _____ \$ [...].

4 CONTINGENCY ALLOWANCE(S)

4.1 Include in the Contract Price a contingency allowance in the amount of \$[...].

4.2 Do not include overhead and profit in the Contract Price on account of the contingency allowance. Mark-up on cost for authorized changes will be covered by the fees stated in the Bid Form.

4.3 Expenditures under the contingency allowance will be authorized in accordance with the Conditions of the Contract.

END OF SECTION