

Negotiating with Private group and managing contracts within the time limits



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- When a joint venture project involves an asset such as a land, one party will agree to transfer ownership of the land to the name of the joint venture company while the other company may provide other assets (expertise, financing facilities, cash, etc).



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- Inserting ‘sweeteners’ in the JV agreement, which allow the other party to participate in the up-side of the joint venture.
- Example: “Net Proceeds resulting from the sale of the remaining 60% of the [asset/land] will be divided equally between [the two parties], save to the extent that Sale Proceeds associated with the remaining 60% of the [asset/land] (or any portion thereof) is greater than the Hurdle Sales Amount, then any Net Proceeds resulting from this excess amount shall be divided between the Parties in the following proportion: 60% to [other party’s name] and 40% to [KFH, or related party’s name].”



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- Negotiating with the government to exempt the development area from the foreign ownership restrictive law.



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Managing contracts within time limits

- Appointing a project manager at an early stage of the project
- Forming internal monitoring committees to ensure that projects are being developed as per time schedule
- Holding regular progress meeting with all parties so all issues that could delay the project are tackled on time
- Procuring all necessary approvals and permits at an early stage of the project.
- Penalties are imposed on the contractors for delays in the project implementation. Right of early termination of the contract

