

Ref:

Date

Company Details

Tel:

Fax:

Attention:

Dear Sir

Standard Professional Duty of Care In Favour of the Developer

We, the undersigned, in our capacity as the Architect, appointed by (**"the Client"**) in respect of (**"the Development"**),

do hereby acknowledge that:

1. We are aware that (**"the Bank"**) is the financier of the Development;
2. We are aware further that the Bank will be relying upon the Payment Certificates certified by us (where applicable) and other rulings from time to time to *inter alia* determine draw-downs under the loan agreement between the Bank and the Client (**"the Loan Agreement"**) and make other decisions with regard to the Loan Agreement;
3. As a member of our Profession, we will exercise our professional duties in relation to the Project and we will carry out our obligations in terms of our appointment in accordance with a standard generally accepted in the RSA, and with the exercise of that degree and skill, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced member of our profession in seeking to comply with our contractual obligations and all applicable legislative requirements.
4. We will accordingly perform all of our obligations and duties as a Professional Architect in accordance with, *inter alia*, the same degree of skill, competence, diligence and foresight which would reasonably be expected from a skilled Professional Architect in the same circumstances;

5. We undertake to inform yourself and the Bank of any event which we may be made aware of or that may have a material adverse effect on the Development and / or its commercial viability;
6. We undertake to hold sufficient professional indemnity insurance that would be in line with the agreed project expectations and our standard company policies.
7. Signature of this document (Notice of Bank's interest in the Development as Financier) is on the understanding that such signature shall not cause us to incur any greater liability than would accrue in terms of the ordinary "Duty of Care" owed by us to our Clients or their Financiers in terms of our common law obligations. Our liability is limited to professional negligence on the terms and conditions as set out in our agreement with the Client, and provided for by our Professional Indemnity Insurance Policy.
8. The said Duty of Care is subject to an agreed appointment and monthly project payment schedule. Failure to uphold either will render this Duty of Care undertaking Nil and void.

Yours faithfully

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