

20



CONTRACT FOR WORKS

Date: 11 March 2022

Dear Sir/Madam,

Ref: 00104266 / EU CBM / ItB21/02401: EU CBM: Rehabilitation of the main arena of Chisinau Circus (First phase): Construction works

The United Nations Development Programme (hereinafter referred to as "UNDP"), wishes to engage your company, duly incorporated under the Laws of **The Republic of Moldova** (hereinafter referred to as the "Contractor") in order to perform **Rehabilitation of the main arena of Chisinau Circus (First phase): Construction works** (hereinafter referred to as the "Works"), in accordance with the following Contract:

1.Contract Documents

- 1.1 This Contract is subject to the UNDP General Conditions for Civil Works, attached hereto as Annex I. The provisions of such Annex shall control the interpretation of this Contract and in no way shall be deemed to have been derogated by the contents of this letter and any other Annexes, unless otherwise expressly stated under section 4 of this letter, entitled "Special Conditions".
- 1.2 The Contractor and UNDP also agree to be bound by the provisions contained in the following documents, which shall take precedence over one another in case of conflict in the following order:
 - a) this Letter;
 - b) The General Conditions of Contract for Civil Works, attached hereto as Annex I;
 - c) the Technical Specifications and Drawings - ref. ItB21/02401, dated 26 November 2021, attached hereto as Annex II;
 - d) the Contractor's Tender documents, **including the negotiated Priced Bill of Quantities, dated 03 March 2022** (which resulted from the last round of negotiations between UNDP and the Contractor), not attached hereto but known to and in the possession of both parties.
- 1.3 All the above shall form the Contract between the Contractor and UNDP, superseding the contents of any other negotiations and/or agreements, whether oral or in writing, pertaining to the subject of this Contract.

DS
CG

IM "PRO EX 2005" SRL

**Address: 21/1 Cuza Voda b-d, ap.12,
MD-2072, Chisinau,
Republic of Moldova**

2. Obligations of the Contractor

- 2.1 The Contractor shall commence work within **10 calendar days** from the date on which he shall have been given access to the Site and received the notice to commence from the Engineer, and shall perform and substantially complete the Works by **14 March 2023**, in accordance with the Contract. The Contractor shall provide all materials, supplies, labour and other services necessary to that end.
- 2.2 The Contractor shall submit to the Engineer the Programme of Work referred to in Clause 13 of the General Conditions by **21 March 2022**.
- 2.3 The Contractor represents and warrants the accuracy of any information or data provided to UNDP for the purpose of entering into this Contract, as well as the quality of the Works foreseen under this Contract in accordance with the highest industrial and professional standards.

3. Price and Payment

- 3.1 The total estimated price of the Contract is contained in the Bill of Quantities (final negotiated prices as of **3 March 2022**) and amounts to **597,219.41 USD (five hundred ninety-seven thousand two hundred nineteen US Dollars and 41 cents)** contained in Bills of Quantities.
- 3.2 The price of this Contract is not subject to any adjustment or revision because of price or currency fluctuations.
- 3.3 The final price of the Contract will be determined on the basis of the actual quantities of work and materials utilized in the complete and satisfactory performance of the Works as certified by the Engineer and the unit prices contained in the Contractor's financial proposal. Such unit prices are fixed and are not subject to any variation whatsoever.
- 3.4 The Contractor shall submit an invoice for advance payment in an amount of **USD 30,000.00 (thirty thousand US dollars)** upon signature of this Contract by both parties. Invoices for the work performed and materials utilized shall be submitted every 20 to 30 days; and a final invoice within 30 days from the issuance of the Final Commissioning Report and Certification of Substantial Completion by the Engineer. Payments will be made in MDL, at UNORE on the day of payment.
- 3.5 If the Contractor foresees that the final price of the Contract may exceed the total estimated price contained in 3.1 above, he shall so inform the Engineer without delay, in order for UNDP to decide, at its discretion, to increase the estimated price of the Contract as a result of a larger quantity of work/material or to reduce the quantity of work to be performed or materials to be used. UNDP shall not be responsible for payment of any amount in excess of that stipulated in 3.1 above unless this latter amount has been increased by means of a written amendment of this Contract in accordance with its paragraph 7 below.

DS
CC

- 3.6 UNDP shall effect payment of the invoices after receipt of the certificate of payment issued by the Engineer, approving the amount contained in the invoice. The Engineer may make corrections to that amount, in which case UNDP may effect payment for the amount so corrected. The Engineer may also withhold invoices if the work is not performed at any time in accordance with the terms of the Contract or if the necessary insurance policies or performance security are not valid and/or in order. The Engineer shall process the invoices submitted by the Contractor within 15 days of their receipt.
- 3.7 Payments effected by UNDP to the Contractor shall be deemed neither to relieve the Contractor of its obligations under this Contract nor as acceptance by UNDP of the Contractor's performance of the Works.
- 3.8 Payment of the final invoice shall be effected by UNDP after issuance of the Certificate of Final Completion by the Engineer.
- 3.9 All funds paid to the Contractor for works performed under this contract are carried out under the EU funded technical assistance Programme "European Union - Confidence Building Measures" and implemented by UNDP.

4. Special conditions

- 4.1 The amounts of the payments referred to under section 3.1 above shall be subject to a deduction 5 % (five percent) of the amount accepted for payment until the cumulative amount of the deductions so effected shall equal the amount of the advance payment. Should the cumulative amount of the deductions so made be lower than the amount of the advance payment after the date of substantial completion of the Works, UNDP may deduct the amount equal to the difference between the advance payment and the cumulative deductions from the payments due after substantial completion or may recover such amount from the bank guarantee referred to in 4.2 below.
- 4.2 The **Performance Guarantee** (Bank Guarantee, as per Section 6, FORM H: Form for Performance Security) referred to in Clause 10 of the General Conditions shall be submitted by the Contractor for an amount of **10% (59,721.94 USD)** of total contract value within a maximum of seven (7) days of the contract signature by both parties and shall be valid until a date - 30 days from the date of issue by UNDP of a Certificate of Final Completion upon expiration of the Defect Liability Period of 12 months since substantial completion of works. It will be returned to the Contractor within 30 days of final completion of the contract and after receipt of the Maintenance Guarantee, including any warranty obligation.
- 4.3 The **Maintenance Guarantee** shall be provided in the amount of **2% (11,944.39 USD)** of total contract value in form of a letter of bank guarantee to be valid until the end of the Warranty Period. Seven days before the end of Defect Liability Period, UNDP will organize the site inspection and if the works are in line with the contract requirements, UNDP will issue a Satisfactory Certificate of Inspection and will return to the Contractor the Performance Guarantee in exchange of a Maintenance Guarantee. If, within the warranty period after the works have been put into service, any defects are discovered or arise in the normal course of usage, the Contractor shall remedy the defect either by replacement or by repair. If the Contractor fails to replace/repair the defect during the above specified period, then UNDP does these repairs at the expense of the Contractor, which shall be deducted from due sums against the Maintenance Guarantee.

DS
CG

- 4.4 The Contractor may submit invoices for materials and plant stored at the Site, provided they are necessary and adequate for the performance of the Works and they are protected from weather conditions and duly insured as per the instructions of the Engineer.
- 4.5 According to Clause 45 of the General Conditions, the liquidated damages for delay shall be **2.5%** of the price of the Contract per week of delay, up to a maximum of 10% of the final price of the Contract, after which UNDP may terminate the Contract.
- 4.6 The Contractor shall carry all the works out in accordance with national/local standards regarding civil works and installation of the required equipment.
- 4.7 The Contractor shall be the initiator of the preliminary and final commissioning of the works.
- 4.8 The Contractor will provide minimum 5-year warranty on works and materials after issuance of Certificate of Substantial Completion.
- 4.9 The Contractor shall eliminate any infrastructure damages subject of quality guarantee in a maximum one month from the moment of written notification in accordance with paragraph 8 below.

5. Submission of invoices

- 5.1 One original and one copy of every invoice shall be submitted by mail by the Contractor for each payment under the Contract to the Engineer's address specified in clause 8.2.
- 5.2 Invoices submitted by fax shall not be accepted by UNDP.

6. Time and manner of payment

- 6.1 Invoices shall be paid within thirty (30) days of the date of their receipt and acceptance by UNDP.
- 6.2 All payments shall be made by UNDP to the following Bank account of the Contractor:

Beneficiary: IM "PRO EX 2005" SRL

IBAN: MD53MO2224ASV56125827100

Bank name: BC Mobiasbanca-OTP Group S.A. / (Sucursala) Nr.5 Riscani

Bank address: 13/1, Miron Costin str., Chisinau, MD-2068, Republic of Moldova

Bank SWIFT Code: MOBBMD22

Fiscal Code: 1002600004948

7. Modifications

- 7.1 Any modification to this Contract shall require an amendment in writing between both parties duly signed by the authorized representatives of the Contractor and UNDP.

8. Notifications

- 8.1 For the purpose of notifications under the Contract, the addresses of UNDP and the Contractor are as follows:

**For the UNDP:
Anatolie TERZI**

The logo consists of a stylized 'DS' in a square frame above the letters 'CG'.

Title: EU-CBM Programme Manager, UNDP Moldova
Address: 101, Sciusev Street, office 204, MD-2012 Chisinau, Republic of Moldova
Tel: (+373 22) 839 866
E-mail: anatolie.terzi@undp.org

For the Contractor:

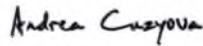
Pavel PLAMADEALA
Title: Director General
Address: 21/1 Cuza Voda b-d, ap.12, MD-2072, Chisinau, Republic of Moldova
Tel: (+373) 79 777 857; (+373) 604 41 569
E-mail: procx_2005@mail.ru

- 8.2 For the purposes of communications with the Engineer, the address of the Engineer shall be as follows:

Andrei VASILACHI
Title: EU-CBM Project Manager/ Community & Infrastructure
Address: 101, Sciusev Street, office 204, MD-2012 Chisinau, Republic of Moldova
Tel.: (+373 22) 839-872; (+373) 68 980 086
E-mail: andrei.vasilachi@undp.org

If the above terms and conditions meet with your agreement as typed in this letter and in the Contract Documents, please initial every page of this letter and its attachments and return to this office one original of this Contract, duly signed and dated.

Yours sincerely,

DocuSigned by:

30A862C52008484
Andrea CUZYOVA
Deputy Resident Representative
UNDP Moldova



For IM "PRO EX 2005" SRL

Agreed and Accepted:

Signature: 

Name: Pavel PLAMADEALA

Title: Director General

Date: 15.03.2022

