

Contract no.8451-C1.12

between

Moldova Energy Projects Implementation Unit (MEPIU)

and

JVA Techno Test SRL & FCP SOLDI SRL

for

**Procurement of Plant Design, Supply and
Installation of Technological upgrade of
Pumping Systems using VSD in CHP-2
and HOB West**

Chisinau, 2018

Contract Agreement

THIS AGREEMENT is made the 30 day of *May*, 2018,

BETWEEN

(1) **Moldova Energy Projects Implementation Unit (Beneficiary – SA “TERMOELECTRICA”)**, a corporation incorporated under the laws of Republic of Moldova and having its principal place of business at No.1, Alecu Russo Street, block 1A, office 163, Chisinau, MD-2068, Republic of Moldova (hereinafter called “the Employer”),

and

(2) **JVA Techno Test SRL and FCP SOLDI SRL**, a corporation incorporated under the laws of Republic of Moldova and having its principal place of business at No. 66, Mihai Eminescu Street, Chisinau, MD-2012, Republic of Moldova, (hereinafter called “the Contractor”).

WHEREAS the Employer desires to engage the Contractor to design, manufacture, test, deliver, install, complete and commission certain Facilities, viz. *Procurement of Plant Design, Supply and Installation of Technological upgrade of Pumping Systems using VSD in CHP-2 and HOB West* (“the Facilities”), and the Contractor has agreed to such engagement upon and subject to the terms and conditions hereinafter appearing.

NOW IT IS HEREBY AGREED as follows:

Article 1. Contract Documents 1.1 Contract Documents (Reference GC Clause 2)

The following documents shall constitute the Contract between the Employer and the Contractor, and each shall be read and construed as an integral part of the Contract:

- (a) This Contract Agreement and the Appendices hereto
- (b) Letter of Bid and Price Schedules submitted by the Contractor
- (c) Particular Conditions
- (d) General Conditions
- (e) Specifications
- (f) Drawings
- (g) JV Agreement and Amendment no.1 to JV Agreement
- (h) Bidder’s Clarifications
- (i) Minutes of Contract Signing
- (k) Notification of Contract Award

1.2 Order of Precedence (Reference GC Clause 2)


In the event of any ambiguity or conflict between the Contract Documents listed above, the order of precedence shall be the order in which the Contract Documents are listed in Article 1.1 (Contract Documents) above.



- 1.3 Definitions (Reference GC Clause 1)
- Capitalized words and phrases used herein shall have the same meanings as are ascribed to them in the General Conditions.
- Article 2. Contract Price and Terms of Payment**
- 2.1 Contract Price (Reference GC Clause 11)
- The Employer hereby agrees to pay to the Contractor the Contract Price in consideration of the performance by the Contractor of its obligations hereunder. The Contract Price shall be the aggregate of: **EUR 2,145,870.00** and **MDL 2,352,600.00** as specified in Price Schedule No. 5 (Grand Summary), or such other sums as may be determined in accordance with the terms and conditions of the Contract.
- 2.2 Terms of Payment (Reference GC Clause 12)
- The terms and procedures of payment according to which the Employer will reimburse the Contractor are given in the Appendix 1 (Terms and Procedures of Payment) hereto.
- Article 3. Effective Date**
- 3.1 Effective Date (Reference GC Clause 1)
- The Effective Date from which the Time for Completion of the Facilities shall be counted is the date when all of the following conditions have been fulfilled:
- (a) This Contract Agreement has been duly executed for and on behalf of the Employer and the Contractor;
 - (b) The Contractor has submitted to the Employer the performance security and the advance payment guarantee;
 - (c) The Employer has paid the Contractor the advance payment.
- Each party shall use its best efforts to fulfill the above conditions for which it is responsible as soon as practicable.
- 3.2 If the conditions listed under 3.1 are not fulfilled within two (2) months from the date of this Contract notification because of reasons not attributable to the Contractor, the Parties shall discuss and agree on an equitable adjustment to the Contract Price and the Time for Completion and/or other relevant conditions of the Contract.
- Article 4. Communications**
- 4.1 The address of the Employer for notice purposes, pursuant to GC 4.1 is: No.1, Alecu Russo Street, Block A1, sixteenth floor, office 163, Chisinau, MD-2068, Republic of Moldova.
- 4.2 The address of the Contractor for notice purposes, pursuant to GC 4.1 is: No. 66, Mihai Eminescu Street, Chisinau, MD-2012, Republic of Moldova.
- Article 5. Appendices**
- 5.1 The Appendices listed in the attached List of Appendices shall be deemed to form an integral part of this Contract Agreement.
- 5.2 Reference in the Contract to any Appendix shall mean the Appendices attached hereto, and the Contract shall be read and construed accordingly.


IN WITNESS WHEREOF the Employer and the Contractor have caused this Agreement to be duly executed by their duly authorized representatives the day and year first above written.

Signed by, for and on behalf of the Employer



Director, Moldova Energy Projects Implementation Unit (MEPIU)


Aurelia SAMSON

in the presence of 

State Secretary, Minister of Economy and Infrastructure


Vitalie IURCU

in the presence of 

General Director, SA "TERMoeLECTRICA"


Veaceslav ENI

Signed by, for and on behalf of the Contractor



Authorized Representative of JVA Techno Test SRL & FCP SOLDI SRL,
Director of TECHNO TEST SRL


Gheorghe BURDILA

in the presence of _____
Director FCP SOLDI SRL

Mihail SOLCAN

LIST OF APPENDICES

- Appendix 1 Terms and Procedures of Payment
- Appendix 2 Price Adjustment
- Appendix 3 Insurance Requirements
- Appendix 4 Time Schedule
- Appendix 5 List of Major Items of Plant and Installation Services and List of Approved Subcontractors
- Appendix 6 Scope of Works and Supply by the Employer
- Appendix 7 List of Documents for Approval or Review
- Appendix 8 Functional Guarantees

Appendix 1. Terms and Procedures of Payment

In accordance with the provisions of GC Clause 12 (Terms of Payment), the Employer shall pay the Contractor in the following manner and at the following times, on the basis of the Price Breakdown given in the section on Price Schedules. Payments will be made in the currencies quoted by the Bidder unless otherwise agreed between the Parties. Applications for payment in respect of part deliveries may be made by the Contractor as work proceeds.

TERMS OF PAYMENT

Schedule No. 1. Plant and Equipment Supplied from Abroad

In respect of plant and equipment supplied from abroad, the following payments shall be made:

Ten percent (10%) of the total CIP amount as an advance payment against receipt of invoice and an irrevocable advance payment security for the equivalent amount made out in favor of the Employer. The advance payment security may be reduced in proportion to the value of the plant and equipment delivered to the site, as evidenced by shipping and delivery documents.

Eighty percent (80%) of the total or pro rata CIP amount of Incoterm "CIP", upon delivery to the carrier within forty-five (45) days after receipt of documents:

- (i) Two originals and two copies of the Supplier's invoice, showing Project name, Employer's name; Contract number, Goods' description, quantity, unit price, and total amount. Invoices must be signed in original and stamped or sealed with the Company stamp/seal.
- (ii) Two copies of the Supplier's Certificate of Origin covering all items supplied.
- (iii) Two copies of the packing list identifying content of each package (if not included in the Certificate of Origin).
- (iv) Two copies of the Certificate of Conformity issued by the relevant European Authority for each type of Goods supplied (where required).
- (v) Two copies of waybill (*factura fiscal*) showing Project name, Employer's name and delivery through to final destination as stated in the Contract, countersigned by the Employer.
- (vi) One copy of the invoice issued and used for custom procedures.

Five percent (5%) of the total or pro rata CIP amount upon issue of the Completion Certificate, within forty-five (45) days after receipt of invoice.

Five percent (5%) of the total or pro rata CIP amount upon issue of the Operational Acceptance Certificate, within forty-five (45) days after receipt of invoice.

Schedule No. 2. Plant and Equipment Supplied from within the Employer's Country

In respect of plant and equipment supplied from within the Employer's country, the following payments shall be made:

Ten percent (10%) of the total EXW amount as an advance payment against receipt of invoice, and an irrevocable advance payment security for the equivalent amount made out in favor of the Employer. The advance payment security may be reduced in proportion to the value of the plant and equipment delivered to the site, as evidenced by shipping and delivery documents.



Eighty percent (80%) of the total or pro rata EXW amount upon Incoterm "Ex-Works," upon delivery to the carrier within forty-five (45) days after receipt of invoice and documents:

- (i) Two originals and two copies of the Supplier's invoice, showing Project name, Employer's name; Contract number, Goods' description, quantity, unit price, and total amount. Invoices must be signed in original and stamped or sealed with the Company stamp/seal.
- (ii) Two copies of the Supplier's Certificate of Origin covering all items supplied.
- (iii) Two copies of the packing list identifying content of each package (if not included in the Certificate of Origin).
- (iv) Two copies of the Certificate of Conformity issued by the relevant State Authority of the Republic of Moldova for each type of Goods supplied (where required).
- (v) Two copies of waybill (*factura fiscala*) showing Project name, Employer's name and delivery through to final destination as stated in the Contract, countersigned by the Employer.

Five percent (5%) of the total or pro rata EXW amount upon issue of the Completion Certificate, within forty-five (45) days after receipt of invoice.

Five percent (5%) of the total or pro rata EXW amount upon issue of the Operational Acceptance Certificate, within forty-five (45) days after receipt of invoice.

Schedule No. 3. Design Services

In respect of design services for both the foreign currency and the local currency portions, the following payments shall be made:

Ten percent (10%) of the total design services amount as an advance payment against receipt of invoice, and an irrevocable advance payment security for the equivalent amount made out in favor of the Employer.

Ninety percent (90%) of the total or pro rata design services amount upon acceptance of design in accordance with GC Clause 20 by the Project Manager within forty-five (45) days after receipt of invoice.

Schedule No. 4. Installation Services

In respect of installation services for both the foreign and local currency portions, the following payments shall be made:

Ten percent (10%) of the total installation services amount as an advance payment against receipt of invoice, and an irrevocable advance payment security for the equivalent amount made out in favor of the Employer. The advance payment security may be reduced in proportion to the value of work performed by the Contractor as evidenced by the invoices for installation services.

Eighty percent (80%) of the measured value of work performed by the Contractor, as identified in the said Program of Performance, during the preceding month, as evidenced by the Employer's authorization of the Contractor's application, will be made monthly within forty-five (45) days after receipt of invoice.

Five percent (5%) of the total or pro rata value of installation services performed by the Contractor as evidenced by the Employer's authorization of the Contractor's monthly applications, upon issue of the Completion Certificate, within forty-five (45) days after receipt of invoice.

Five percent (5%) of the total or pro rata value of installation services performed by the Contractor as evidenced by the Employer's authorization of the Contractor's monthly applications, upon issue of the Operational Acceptance Certificate, within forty-five (45) days after receipt of invoice.

In the event that the Employer fails to make any payment on its respective due date, the Employer shall pay to the Contractor interest on the amount of such delayed payment at the rate of four percent (4%) per year for the foreign currency payment portion and ten percent (10%) per year for the local currency payment portion, for period of delay until payment has been made in full.

PAYMENT PROCEDURES

The procedures to be followed in applying for certification and making payments shall be as follows:

The payments shall be made by bank transfer to the Contractor's nominated bank account upon submission of documents specified above.

Invoices must be submitted by the Contractor as specified in the contract. Each invoice must clearly specify the corresponding goods or work performed, or must be supported by a statement of works, as appropriate. The invoice must show the costs, taxes shown separately, of the work done, the amount of any withholding for the mobilization advance, the total to be paid, the Contractor's bank account to which payment should be made, and the pertinent reference to the accompanying statements of work. Invoices must be dated and signed by the Contractor's authorized representative.

Payments to Contractors from the Employer's country (in addition to the above-mentioned).

Payment invoiced in foreign currency shall be paid in accordance with the rules and regulations of the National Bank of Republic of Moldova in force at the time of payment.



Appendix 2. Price Adjustment

Prices are to remain firm and fixed for the duration of the Contract.