

Special Conditions of Contract- Annex to the Purchase Order # XXXX

1. Parties:

This special condition of Contract is entered into as an annex to Purchase order #: XXXXX

[Contractor]

Represented by: **[insert Name of Company Representative]**

Registration number: **[insert Company Registration Number]**

Company Address: **[insert full address]**

Phone number: **[insert phone number]**

Hereinafter referred to as the “Contractor”

And

Danish Refugee Council (DRC)

Represented by **[insert Name of Country Director]**

Registration number: **[insert DRC Registration number]**

Office Address: **[insert Office address]**

Phone number: **[insert Office phone number]**

2. General Conditions

- 2.1. Special Conditions of Contract (SCC) shall be read in conjunction with the General Conditions of Contract (GCC) also referred to as the General conditions for contract of procurement of goods, Purchase order, specifications of work, drawings and any other document forming part of this Contract wherever the context requires so.
- 2.2. Where any portion of the GCC is repugnant to or at variance with any provisions of the Special Conditions of Contract (SCC), then unless a different intention appears, the provision(s) of SCC shall be deemed to override the provisions(s) of GCC only to the extent that such repugnancy or variations in the SCC are not possible of being reconciled with the provision of GCC.
- 2.3. Wherever it is stated in this bidding document that such and such a supply to be affected or such and such a work is to be carried out, it shall be understood that the same shall be affected and/or carried out by the contractor at his own cost, unless a different intention is specifically and expressly stated herein or otherwise explicit from the context. Contract price shall be deemed to have included such cost.
- 2.4. The materials, design & workmanship shall satisfy the Iraqi General Technical Specifications (I.G.T.S) published by the Ministry of Housing and Reconstruction/Republic of Iraq, the drawings, contract documents and instructions of engineer. Where the job specifications stipulate requirements in additions to those contained in the standard codes and specifications, these additional requirements shall also be satisfied. In absence of any standard/specification/codes of practice for detailed specifications covering any part of the work covered in this bidding documents, the instructions/directions of DRC’s Engineer-in-Charge will be binding upon the contractor.
- 2.5. Following should prevail as order of precedence for documents in case of contradictions

- i. Detailed Purchase Order
- ii. Special Conditions of Contract
- iii. Instruction to Bidders
- iv. General Conditions for contract of supply of goods.
- v. Drawing/ Data Sheet
- vi. Code of Ethics

3. Scope of Work & Scope of Supply and Installation

1. The scope of work and scope of supply covered in this contract will be as described in the scope of work provided in the instructions to bidders, bid form, technical specifications and drawings.

4. Time Schedule

4.1. The Completion period for this contract shall be **XXXX** from the date of signing of contract.

4.2. The period of completion given above includes the time required for mobilization as well as testing, rectifications, demobilization and completion to the satisfaction of DRC Engineer-in-charge and scope of contract.

4.3. The Engineer- in- Charge shall extend the Completion Date if a Compensation Event occurs or a Variation is issued which makes it impossible for Completion to be achieved by the Required Completion Date without the Contractor taking steps to accelerate the remaining work, which would cause the Contractor to incur additional cost.

5. Payment Terms

5.1. Payments shall be adjusted for deductions for advance payments and retention. The DRC shall pay the Contractor the amounts certified by the Project Manager within 28 days of the date of each certificate.

5.2. The DRC shall make **No** advance payment

- For tender 06026EBL17, the payment terms will be on three instalments:

5.2.1. First instalment shall be 40% of the total value of contract after 60% of the Service/Work is completed and certified by DRC.

5.2.2. Second instalment shall be 40% of the total value of contract after 100% of the Service/Work is completed and certified by DRC.

5.2.3. Third instalment shall be 20% of the Contract Price at the end of the guarantee period described.

6. Bid Prices and Amendments

6.1. The Bidder shall fill in rates and prices for all items of the Works described in the Bill of Quantities. Items for which no rate or price is entered by the Bidder will not be paid for by the DRC when executed and shall be deemed covered by the other rates and prices in the Bill of Quantities.

6.2. The rates and prices quoted by the Bidder shall be fixed for the duration of the Contract and shall not be subject to any adjustment on any account.

6.3. The Contractor may request or DRC may order changes in the Work or the timing or sequencing of the Work that impacts the Contract Price or the Contract Time. All such changes in the Work that affect Contract Time or Contract Price shall be formalized in a written request. Any such requests for a change in the Contract

Price must be agreed by both parties in written. An amendment of upto 5% (five) of the total contract value can be made with the approval of DRC incase unforeseen needs arises during implementation.

7. Insurance & Risks

- 7.1. Contractor is responsible for providing insurance cover from the start date to the end date of defects liability period.
- 7.2. From the Starting Date until the Defects Correction Certificate has been issued, the risks of personal injury, death, and loss of or damage to property (including, without

limitation, the Works, Plant, Materials, and Equipment) are Contractor's risks. DRC will not be held responsible for any events or risks associated with the completion of contract.

- 7.3.3 (Three) Month Guarantee. Contractor unconditionally guarantees all of the Work against defects in material and workmanship for a period of 3 (Three) months from the date of the acceptance of completion of the Work by Consignee in writing. Contractor covenants and agrees to correct and repair any such defects within 7 (Seven) days after receipt of written notifications of such from Consignee.

8. Corrections of Defects & Liability Period

- 8.1. The Engineer-in-charge shall give notice to the Contractor of any Defects before the end of the Defects Liability Period, which begins at Completion, and is defined in the Contract Data. The Defects Liability Period shall be extended for as long as Defects remain to be corrected.
- 8.2. Every time notice of a Defect is given, the Contractor shall correct the notified Defect within the length of time specified by the Engineer-in-charge's notice.
- 8.3. If the Contractor has not corrected a Defect within the time specified in the Engineer-in-charge's notice, the Engineer-in-charge's will assess the cost of having the Defect corrected, and the Contractor will pay this amount, or the DRC shall recuperate these amounts by deduction from the amounts due to the contractor.
- 8.4. The defect liability period for this contract is 3 (three) months from the completion & issuance of the completion certificate by the Engineer-in-charge.

9. Liquidated Damages

- 9.1. The Contractor shall pay liquidated damages to the DRC at the rate per day stated in the Contract Data for each day that the Completion Date is later than the Required Completion Date. The total amount of liquidated damages shall not exceed the amount defined in the Contract Data. The DRC may deduct liquidated damages from any payments due to the Contractor. Payment of liquidated damages shall not affect the Contractor's liabilities.
- 9.2. **Rate of liquidated damages is – 0.2% per day**

10. Test and inspection

- 10.1. The contractor shall carry out various tests to confirm that the performance of the work is as per the scope of the contract
- 10.2. The work is subject to inspection at all times by engineer-in-charge. The contractor should carry out all the instructions given during the inspection and shall ensure that the work is being carried out according to the technical specifications of the bidding document.

11. Completion and taking over

- 11.1. The Contractor shall request the Engineer-in-charge to issue a certificate of completion of the Supply, installation and Works, and the Engineer-in-charge will issue such a certificate when he determines that the work is satisfactorily completed.

12. Termination of contract

- 12.1. The DRC may terminate the Contract if the other party causes a fundamental breach of the Contract.

Fundamental breaches of Contract shall include, but shall not be limited to, the following:

- a) The Contractor stops work for 15 days when no stoppage of work is shown on the current Program and the stoppage has not been authorized by the Engineer-in-charge;
- b) The Engineer-in-charge instructs the Contractor to delay the progress of the Works, and the instruction is not withdrawn within 15 days; or agreement reached on payments due contractor for cost of delay.
- c) The Engineer-in-charge gives Notice that failure to correct a particular Defect is a fundamental breach of Contract and the Contractor fails to correct it within 30 days determined by the Project Manager;
- d) The Contractor has delayed the completion of the Works by more than 15 of days.

13. Payment upon Termination

- 13.1. If the Contract is terminated because of a fundamental breach of Contract by the Contractor, the Engineer-in-charge shall issue a certificate for the value of the work done and Materials ordered less advance payments received up to the date of the issue of the certificate.

14. Release from performance

- 14.1. If the Contract is frustrated by the outbreak of war or by any other event entirely outside the control of either the DRC or the Contractor, the Engineer-in-charge shall certify that the Contract has been frustrated. The Contractor shall make the Site safe and stop work as quickly as possible after receiving this certificate and shall be paid for all work carried out before receiving it and for any work carried out afterwards for which an agreement has been reached.

Signed as an Annex to Purchase order #

By Contractor (sign and stamp) _____

By Danish Refugee Council _____