

PART B: CONTRACT¹¹ & SPECIAL CONDITIONS & RELATED ANNEXES

CONTRACT SECTION I: CONTRACT

Kosovo Humanitarian Charitable Society “ Mother Teresa “ (hereinafter called "the Contracting Authority"), of the one part; and

General Supply and Logistics Sh.P.K. _____ (hereinafter called “the Supplier”), of the other part, have agreed to conclude a public contract for the Supply of:

Supplies with Bag Equipment for 40 Beneficiaries-Returnees

with Identification number: **Equipment 003-2019-121**

Article 1 Subject

1.1 The subject of the contract shall be the Supplier the following supplies:

Supplies with Bag Equipment for 40 Beneficiaries-Returnees

Lot no	Short description
1	Floktari- HAIR DRESING
2	Instalues i Elektrikes ELECTRICAL INSTALATION
3	Instalues i Ujësjiellësit- WATER INSTALLATION- PLLUMBING
4	Ndertimtari-Fasader CONSTRUCTION-FACADE
5	Ndërtimtari – Keramik –TILING
6	Ndërtimtari –Murator BULDER-BRICK LAYER
7	Ndërtimtari – Zdrukthtari -CARPENTRY
8	Rrobaqepësi- Dizajn – TAILORING/DESIGNER
9	Saldim – WELDING
10	Bankier-Kamarier- WAITER/CATERING

Organizata Humanitare Gëzimese e Kosovës „MËNA TEREZE“
 Humanitarno dobrotvorno udruženje Kosova „MAJKA TEREZA“
 Kosovo Humanitarian and Charitable Society „MOTHER TERESA“
 Nr. Br. N° 032
24.05.2019 viti god. year
 Priştinë = Priština = Prishtine

¹¹ Before signing the Contract “this Draft Contract” should be modified by the Contracting Authority according to the conditions of the procurement activity

Article 2 Delivery terms

2.1 The time limit for the delivery shall be 30 days from the time of the issue of the purchase order by the Contracting authority.

2.2 The place of the delivery of the supplies shall be According to the request of Contracting Authorities

2.3 The Incoterm¹² applicable shall be [insert Inco term].

Article 3 Origin

3.1 A certificate of origin for the supplies must be provided by the Supplier at the latest when he/she requests provisional acceptance of the supplies. Failure to comply with this condition may result in the termination of the contract.

3.2 The origin of the goods shall be determined according to the Community Customs Code or the international agreements to which the country concerned is a signatory.

Article 4 Price

4.1 The total price of the supplies shall be **42,000.00_€**; *[insert price of supplies in words Four/two/zero/zero/zero and 00/100__ Euro.*

4.2 The price referred to in Article 4.1 above shall be the sole remuneration owed by the Contracting Authority to the Supplier under this contract.

4.3 The price shall be firm and shall not be subject to revision.

[If some items are subject to revision]

[Prices of the items that are subject to the price adjustments are subject to the following adjustments: [insert index or other source of regulating prices]

4.4 Payments shall be made in accordance with the General and/or Special Conditions of the Contract.

Article 5 Order of precedence of contract documents

5.1 The contract is made up of the following documents:

- (a) This Contract Agreement;
- (b) Special Conditions of Contract;
- (c) General Conditions of Contract;
- (d) The Supplier's Tender including Technical Specifications;
- (e) The financial offer;
- (f) *[insert any other provisions of the tender dossier].*

¹² Incoterms 2010 International Chamber of Commerce

5.2 The various documents making up the contract shall be deemed to be mutually explanatory; in cases of ambiguity or divergence, they should be read in the order in which they appear above.

Article 6 Communications

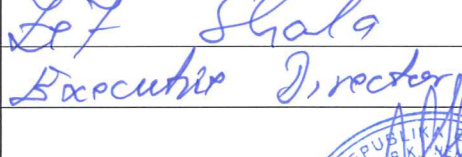

6.1 Any written communication relating to this Contract between the Contracting Authority, on the one hand, and the Supplier on the other must state the Contract title and identification number and must be done in writing. Communications shall be sent by post, cable, telex, fax transmission, mail or delivered by hand.

6.2 If the sender of a communication requires acknowledgement of receipt, this shall be indicated in the communication. Whenever there is a deadline for the receipt of a written communication, the sender should ask for an acknowledgement of receipt of his communication. In any event, the sender shall take all necessary measures to ensure receipt of his communication.

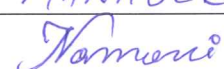

6.3 Wherever the contract provides for the giving or issue of any notice, consent, approval, certificate or decision, unless otherwise specified such notice, consent, approval, certificate or decision shall be in writing and the words "notify", "certify", "approve" or "decide" shall be construed accordingly. Any such consent, approval, certificate or decision shall not unreasonably be withheld or delayed.

6.4 This contract is done in English in three originals, two originals being for the Contracting Authority and one original being for the Supplier.

For the Contracting Authority

Name:	<i>Le7 Shala</i>
Position:	<i>Executive Director</i>
Signature:	
Date:	<i>24/05/2019</i>
Stamp:	

For the Ekonomik Operator-Supplier

Name:	<i>ILIR NAMANI</i>
Position:	<i>MANAGER</i>
Signature:	
Date:	<i>24.05.2019</i>
Stamp:	

CONTRACT SECTION II

GENERAL CONDITION

Article 1 Definitions

1.1 "**Contract**" means the agreement entered into between the Contracting Authority and the Supplier, as recorded in the Contract Form signed by the Parties, including all attachments and appendices thereto and all documents incorporated by reference therein.

1.2 "**Products**" is determined as material goods that have economic value, including but without the restriction on the goods, articles, first materials, liquid, gas and concrete objects.

1.3 "**Contracting Authority**" means the organization purchasing the Goods, as named in the Tender Data Sheet.

1.4 "**The Supplier**" means a natural or legal person that is party to this contract and according to the dispositions of this contract supplies the goods that are the object of this contract.

1.5 "**Party (is)**" means the parties that sign the contract.

1.6 "**Incoterms**" means international trade terms that compose interpretation rules of trade terms that determine the manner, costs and risks related to the transfer of the products by the supplier to the contracting authority.

1.7 "**Supply**" means submission of the products with quality, amount and type specified in the contract, and also placed and packed in the manner determined in the contract.

1.8 "**Contract Price**" means the price payable to the Supplier as specified in the Contract Form, subject to such additions and adjustments thereto or deductions there from, as may be made pursuant to the Contract.

1.9 "**After sale services**" means supporting services, as: installation, maintenance, reparation of the supplies, security of the spare parts that produces or distributes the supplier and/or similar obligations in relation with the supply of products.

1.10 "**GCC**" means the General Conditions of Contract.

1.11 "**SCC**" means the Special Conditions of Contract.

Article 2 Law applicable and language

2.1 The SCC shall specify the law governing all matters not covered by the contract.

2.2 The contract and all written communications between the parties will be drafted in the language specified in the SCC.

Article 3 Assignment

3.1 An assignment shall be valid only, if it is a written agreement by which the Supplier transfers his contract or part thereof to a third party.

3.2 The Supplier may not, without the prior written consent of the Contracting Authority, assign the contract or any part thereof, or any benefit or interest there under, except in the following cases:

- a) a charge, in favour of the Supplier's bankers, of any amount due or to become due under the contract; or
- b) the assignment to the Supplier's insurers of the Supplier's right to obtain relief against any other person liable in cases where the insurers have discharged the Supplier's loss or liability.

3.3 For the purpose of Article 3.2, the approval of an assignment by the Contracting Authority shall not relieve the Supplier of his obligations for the part of the contract already performed or the part not assigned.

3.4 Assignees must satisfy the eligibility criteria applicable for the award of the contract except in cases where assignments are done to a bank or an insurance company or other financing institution.

Article 4 Subcontracting

4.1 A subcontract shall be valid only if it is a written agreement by which the Supplier entrusts performance of a part of his contract to a third party.

4.2 The elements of the contract to be subcontracted and the identity of the subcontractors shall be notified to the Contracting authority upon the tender submission. In case of change of subcontractors during the implementation of the contract, the Contractor shall notify in writing to the Contracting Authority. The contracting authority shall notify the Contractor of its decision within 30 days of receiving the notification, stating its reasons if authorization is withheld. The Contractor shall not subcontract without the written authorization of the Contracting Authority. All the proposed subcontractors must meet eligibility requirements.

4.3 The Contracting Authority recognises no contractual link between itself and the subcontractors; however it may vouch, where deemed necessary, for direct payments to subcontractors.

4.4 The Supplier shall be responsible for the acts, defaults and negligence of his subcontractors and their agents or employees, as if they were the acts, defaults or negligence of the Supplier, his agents or employees. The approval by the Contracting Authority of the subcontracting of any part of the contract or of the subcontractors shall not relieve the Supplier of any of his obligations under the contract

4.5 If the Supplier has undertaken any continuing obligation for a period exceeding the warranty period under the contract towards the Supplier, in respect of the supplies provided by the subcontractors, the Supplier must, at any time after the expiration of the warranty period, transfer immediately to the Contracting Authority, at the Contracting Authority's request and cost, the benefit of such obligation for the unexpired duration thereof.

Article 5 Supply of documents

5.1 If necessary, within 30 days of the signing of the contract, the Contracting Authority shall, where necessary, provide the Supplier, free of charge, with a copy of the drawings prepared for the performance of the contract and a copy of the specifications and other contract documents. The Supplier may purchase additional copies of these drawings, specifications and other documents, in so far as they are available. Upon the issue of the warranty certificate, or upon final acceptance, the Supplier shall return to the Contracting Authority all drawings, specifications and other contract documents.

5.2 Unless it is necessary for the purposes of the contract, the drawings, specifications and other documents provided by the Contracting Authority shall not be used or communicated to a third party by the Supplier without the prior consent of the Contracting Authority.

5.3 The Contracting Authority shall have authority to issue to the Supplier administrative orders incorporating such supplementary documents and instructions as are necessary for the proper execution of the contract and the remedying of any defects therein.

Article 6 Assistance with local regulations

6.1 The Supplier may request the assistance of the Contracting Authority in obtaining copies of laws, regulations and information on local customs, orders or bye-laws of the Republic of Kosovo which may affect the Supplier in the performance of his obligations under the contract. The Contracting Authority may provide the assistance requested to the Supplier at the Suppliers' cost.

6.2 If necessary, the Supplier shall duly notify the Contracting Authority of details of the supplies so that the Contracting Authority can obtain the requisite permits or import licences.

6.3 The Contracting Authority will undertake to obtain the requisite permits or import licences within a reasonable period, taking account of the performance dates for the contract.

Article 7 General Obligations of the Supplier

7.1 The Supplier shall perform the contract with due care and diligence including, where specified, the design, manufacture, delivery of the supplies and carrying out of any other work including the remedying of any defects in the supplies.

7.2 The Supplier shall comply with administrative orders given by the Contracting Authority. Where the Supplier considers that the requirement of an administrative order goes beyond the scope of the contract, he shall, on pain of breach of contract, notify the Contracting Authority thereof, giving his reasons, within 30 days of receipt of the order. Execution of the administrative order shall not be suspended because of this notice.

7.3 The Supplier shall respect and abide by all laws and regulations in force the Republic of Kosovo and shall ensure

that his personnel, their dependants, and his local employees also respect and abide by all such laws and regulations.

7.4 The Supplier shall treat all documents and information received in connection with the contract as private and confidential. He shall not, save in so far as may be necessary for the purposes of the contract's execution, publish or disclose any particulars of the contract without the prior consent in writing of the Contracting Authority.

7.5 If the Supplier is a group, the composition of the group shall not be altered without the prior consent in writing of the Contracting Authority.

Article 8 Origin

8.1 The Supplier shall present an official certificate of origin on provisional acceptance. Failure to comply with this obligation shall lead, after formal notice, to termination of the contract.

Article 9 Performance guarantee

9.1 The Supplier shall, not later than the day of signing the contract, furnish the Contracting Authority with a guarantee for the full and proper performance of the contract. The amount of the guarantee is specified in the SCC. The performance guarantee shall be held against payment to the Contracting Authority for any loss resulting from the Supplier's failure to perform his contractual obligations fully and properly.

9.2 The performance guarantee of the contract shall be in the format given in Section IV of this contract.

9.3 Except for such part as may be specified in the SCC in respect of after-sales service, the performance guarantee shall be released within 30 days of the issue of the provisional acceptance certificate.

Article 10 Insurance

10.1 The Goods supplied under the Contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage, and delivery in the manner specified in the SCC.

10.2 Notwithstanding the Supplier's insurance obligations under Article 10.1, the Supplier shall bear sole liability for, and indemnify the Contracting Authority against, any claims by third parties for damage to property or personal injuries arising from the execution of the contract by the Supplier, his subcontractors and their employees.

Article 11 Performance programme

11.1 If the SCC so require, the Supplier shall submit to the Contracting Authority for approval a programme of performance of the contract which shall contain at least the following:

- i) the order in which the Supplier proposes to perform the contract including design, manufacture, delivery to place of receipt, installation, testing and commissioning; and
- ii) such further details and information as the Contracting Authority may reasonably require.

11.2 The SCC shall specify the time limit within which the programme of performance must be submitted to the Contracting Authority for approval and the deadline for the Contracting Authority's approval. The approval of the programme by the Contracting Authority shall not relieve the Supplier of any of his obligations under the contract.

11.3 If the Contracting Authority fails to notify his decision of approval referred to in Article 11.2 within the deadlines referred to in the contract such programme of performance shall be deemed to be approved on expiry of the deadlines. If no deadline is specified, they shall be deemed to be approved 30 days after receipt.

11.4 No material alteration to the programme shall be made without the approval of the Contracting Authority. If, however, the progress of the performance of the contract does not conform to the programme, the Contracting Authority may instruct the Supplier to revise the programme and submit the revised programme to him for approval.

11.5 Before provisional acceptance of the supplies, the Supplier shall supply operation and maintenance manuals together with drawings, which shall be in such detail that will enable the Contracting Authority to operate, maintain, adjust and repair all parts of the supplies. Unless otherwise stated in the SCC, the manuals and drawings shall be in the language of the contract and in such forms and numbers as stated in the contract. The supplies shall not be considered completed for the purpose of provisional acceptance until such manuals and drawings have been supplied to the Contracting Authority

Article 12 Tax and customs arrangements

12.1 Subject to any other provisions stipulated in the SCC, the Supplier shall be entirely responsible for the payment of all taxes, stamp duties, license fees, customs charges and other such levies incurred or imposed until delivery of the contracted Goods to the place of delivery, as specified by the Contracting Authority.

Article 13 Patents and licences

13.1 Unless otherwise specified in the SCC, the Supplier shall indemnify the Contracting Authority against any claim resulting from the use as specified in the contract of patents, licences, drawings, models, or brand or trademarks, unless such infringement results from compliance with the design or specification provided by the Contracting Authority.

Article 14 Period of execution of tasks

14.1 The period of execution of tasks shall commence be as stated in the contract Article 2, without prejudice to extensions of the period which may be granted under Article 15.

14.2 Save where the Parties agree otherwise, performance of the contract shall begin no later than 90 days after notification of award of contract. After that date the Supplier shall be entitled not to perform the contract and to obtain its termination or compensation for the damage he has suffered. The Supplier shall forfeit this right unless he exercises it within 30 days of the expiry of the 90 day period.

14.3 If provision is made for separate periods of performance for separate lots, such periods shall not be aggregated in cases where one Supplier is allocated more than one lot.

Article 15 Extension of period of execution

15.1 The Supplier may request an extension to the period of execution if his performance of the contract is delayed, or expected to be delayed, for any of the following reasons:

- a) extra or additional supplies ordered by the Contracting Authority;
- b) exceptional weather conditions in the country of the Contracting Authority which may affect installation of the supplies;
- c) physical obstructions or conditions which may affect delivery of the supplies, which could not reasonably have been foreseen by a competent supplier;
- d) administrative orders affecting the date of completion other than those arising from the Supplier's default;
- e) failure of the Contracting Authority to fulfil its obligations under the contract;
- f) any suspension of the delivery and/or installation of the supplies which is not due to the Supplier's default;
- g) force majeure;
- h) any other causes referred to in these General Conditions which are not due to the Supplier's default.

15.2 Within 15 days of realising that a delay might occur, the Supplier shall notify the Contracting Authority of his intention to make a request for extension of the period of performance to which he considers himself entitled and, save where otherwise agreed between the Supplier and the Contracting Authority, within 30 days provide the Contracting Authority with comprehensive details so that the request can be examined.

15.3 Within 30 days, by written notice to the Supplier, the Contracting Authority shall grant such extension of the period of performance as may be justified, either prospectively or retrospectively, or inform the Supplier that he is not entitled to an extension.

Article 16 Delays in execution

16.1 If the Supplier fails under his own responsibility to deliver any or all of the goods or perform the services within the time limit(s) specified in the contract, the Contracting Authority shall, without formal notice and without prejudice to its other remedies under the contract, be entitled, for every day which shall elapse between the expiry of the contractual period and the actual date of completion, to liquidated damages equal to 0,25% in days of the value of the undelivered supplies to a maximum of 10% of the total value of the contract.

16.2 If the non-delivery of any of the goods prevents the normal use of the supplies as a whole, the liquidated damages provided for in paragraph 16.1 shall be calculated on the basis of the total contract value.

16.3 If the Contracting Authority has become entitled to claim at least 10% of the contract value it may, after giving

written notice to the Supplier:

- seize the performance guarantee;
- terminate the contract, in which case the Supplier will have no right to compensation; and
- enter into a contract with a third party for the provision of the balance of the supplies. The Supplier shall not be paid for this part of the contract. The Supplier shall also be liable for the additional costs and damages caused by his failure.

Article 17 Suspension

17.1 The Contracting Authority may, by administrative order, at any time, instruct the Supplier to suspend:

- a. The manufacture of the supplies;
- b. the delivery of the supplies to the place of acceptance at the time specified for delivery in the performance program or, if no time specified, at the time appropriate for it to be delivered; or
- c. the installation of the supplies which have been delivered to the place of acceptance.

17.2 The Supplier shall, during suspension, protect and secure the supplies stored at the Supplier's warehouse or elsewhere, against any deterioration, loss or damage to the extent possible and as instructed by the Contracting Authority, even if supplies have been delivered to the place of acceptance in accordance with the contract but their installation has been suspended by the Contracting Authority.

17.3 Additional expenses incurred in connection with such protective measure shall be added to the contract price. The Supplier shall not be paid any additional expenses if the suspension is:

- a) dealt with differently in the contract; or
- b) necessary by reason of normal climatic conditions at the place of acceptance;
- c) necessary owing to some default of the Supplier; or
- d) necessary for the safety or the proper execution of the contract or any part thereof insofar as such necessity does not arise from any act or default by the Contracting Authority.

17.4 The Supplier shall not be entitled to such additions to the contract price unless he notifies the Contracting Authority, within 30 days of receiving the order to suspend progress of delivery, of his intention to make a claim for them.

17.5 The contracting authority, after consultation with the Supplier, shall determine such extra payment and/or extension of the period of performance to be made to the Supplier in respect of such claim as shall, in the opinion of the Contracting Authority.

17.6 If the period of suspension exceeds 180 days, and the suspension is not due to the Supplier's default, the Supplier may, by notice to the Contracting Authority, request to proceed with the supplies within 30 days, or terminate the contract.

17.7 Where the award procedure or performance of the contract is vitiated by substantial errors or irregularities or by fraud, the Contracting Authority shall suspend performance of the contract. Where such errors, irregularities or fraud are attributable to the Supplier, the Contracting Authority may also refuse to make payments or may recover amounts already paid, in proportion to the seriousness of the errors, irregularities or fraud.

17.8 The purpose of suspending the contract shall be to verify whether presumed substantial errors and irregularities or fraud have actually occurred. If they are not confirmed, performance of the contract shall resume as soon as possible. A substantial error or irregularity shall be any infringement of a contract or regulatory provision resulting from an act or an omission that causes or might cause a loss to the budget of Contracting Authority.

Article 18 Quality of supplies

18.1 The supplies must in all respects satisfy the technical specifications laid down in the contract and conform in all respects to the drawings, surveys, models, samples, patterns and other requirements in the contract, which must be held at the disposal of the Contracting Authority for the purposes of identification throughout the period of performance

18.2 Any preliminary technical acceptance stipulated in the SCC should be the subject of a request sent by the Supplier to the Contracting Authority. The request shall specify the materials, items and samples submitted for such acceptance according to the contract and indicate the lot number and the place where acceptance is to take place, as appropriate. The materials, items and samples specified in the request must be certified by the Contracting Authority

as meeting the requirements for such acceptance prior to their incorporation in the supplies.

18.3 Even if materials or items to be incorporated in the supplies or in the manufacture of components to be supplied have been technically accepted in this way, they may still be rejected if a further examination reveals defects or faults, in which case they must immediately be replaced by the Supplier. The Supplier may be given the opportunity to repair and make good materials and items which have been rejected, but such materials and items will be accepted for incorporation in the supplies only if they have been repaired and made good to the satisfaction of the Contracting Authority.

Article 19 Inspection and testing

19.1 The Supplier shall ensure that the supplies are delivered to the place of acceptance in time to allow the Contracting Authority to proceed with acceptance of the supplies. The Supplier is deemed to have fully appreciated the difficulties which he might encounter in this respect, and he shall not be permitted to advance any grounds for delay.

19.2 The Contracting Authority shall be entitled, from time to time, to inspect, examine measure and test the components, materials and workmanship, and check the progress of preparation, fabrication or manufacture of anything being prepared, fabricated or manufactured for delivery under the contract, in order to establish whether the components, materials and workmanship are of the requested quality and quantity. This shall take place at the place of manufacture, fabrication, preparation or at the place of acceptance or at such other places as may be specified in the SCC.

19.3 For the purposes of such tests and inspections, the Supplier shall:

- a) provide the Contracting Authority, temporarily and free of charge, with such assistance, test samples or parts, machines, equipment, tools, labour, materials, drawings and production data as are normally required for inspection and testing;
- b) agree, with the Contracting Authority, the time and place for tests;
- c) give the Contracting Authority access at all reasonable times to the place where the tests are to be carried out.

19.4 If the representative of the Contracting Authority is not present on the date agreed for tests, the Supplier may, unless otherwise instructed by the Contracting Authority, proceed with the tests, which shall be deemed to have been made in the Contracting Authority's presence. The Supplier shall immediately send duly certified copies of the test results to the Contracting Authority, who shall, if he has not attended the test, be bound by the test results.

19.5 When components and materials have passed the above-mentioned tests, the Contracting Authority shall notify the Supplier or endorse the Supplier's certificate to that effect.

19.6 If the Contracting Authority and the Supplier disagree on the test results, each shall state his views to the other within 15 days of such disagreement. The Contracting Authority or the Supplier may require such tests to be repeated on the same terms and conditions or, if either Party so requests, by an expert selected by common consent. All test reports shall be submitted to the Contracting Authority, who shall communicate the results of these tests without delay to the Supplier. The results of retesting shall be conclusive. The cost of retesting shall be borne by the Party whose views are proved wrong by the retesting.

19.7 In the performance of their duties, the Contracting Authority and any person authorised by him shall not disclose to unauthorised persons information concerning the undertaking's methods of manufacture and operation obtained through inspection and testing.

Article 20 General principles of payment

20.1 Payments shall be made in Euro. The method and conditions of payment to be made to the Supplier under this Contract shall be specified in the SCC.

20.2 Payments due according to an invoice issued by the supplier shall be made to the bank account mentioned on Section V, **Financial Identification**, of this contract, completed by the Supplier. The same form, annexed to the payment request, must be used to report changes of bank account.

20.3 Sums due shall be paid within no more than 30 days from the date on which an admissible payment request is registered by the competent department. The date of payment shall be the date on which the institution's account is debited. The payment request shall not be admissible if one or more essential requirements are not met.

20.4 The 30-day period may be suspended by notifying the Supplier that the payment request cannot be fulfilled because the sum is not due, provided or because there is evidence that the expenditure might not be eligible. In the latter case, an inspection may be carried out on the spot for the purpose of further checks. The Supplier shall provide clarifications, modifications or further information within 15 days of being asked to do so. The payment period shall continue to run from the date on which a properly drawn-up payment request is registered.

20.5 Once the deadline laid down in Article 20.3 has expired, the Supplier may, within two months of late payment, claim late-payment interest at the rediscount rate applied by the issuing institution of Kosovo on the first day of the month in which the deadline expired, plus seven percentage points. The late-payment interest shall apply to the time which elapses between the date of the payment deadline (exclusive) and the date on which the Contracting Authority's account is debited (inclusive).

20.6 Any default in payment of more than 90 days from the expiry of the period laid down in Article 20.3 shall entitle the Supplier either not to perform the contract or to terminate it, with 30 days' prior notice to the Contracting Authority.

Article 21 Delivery

21.1 The Supplier shall deliver the supplies in accordance with the conditions of the contract. The supplies shall be at the risk of the Supplier until their provisional acceptance.

21.2 The Supplier shall provide such packaging of supplies as is required to prevent their damage or deterioration in transit to their destination as indicated in the contract. The packaging shall be sufficient to withstand, without limitation, rough handling, and exposure to extreme temperatures, salt and precipitation during transit and open storage. Package size and weight shall take into consideration, where appropriate, the remoteness of the final destination of the supplies and the possible absence of heavy handling facilities at all points in transit.

21.3 The packaging, marking and documentation inside and outside the packages shall comply with such requirements as shall be expressly provided for in the SCC, subject to any variations subsequently ordered by the Contracting Authority.

21.4 No supplies shall be shipped or delivered to the place of acceptance until the Supplier has received a delivery order from the Contracting Authority. The Supplier shall be responsible for the delivery at the place of acceptance of all supplies and supplier's equipment required for the purpose of the contract.

21.5 Delivery shall be deemed to have been made when there is written evidence available to both Parties that delivery of the supplies has taken place in accordance with the terms of the contract.

Article 22 Verification operations

22.1 The supplies shall not be accepted until the prescribed verifications and tests have been carried out at the expense of the Supplier. The inspections and tests may be conducted before shipment, at the point of delivery and/or at the final destination of the goods.

22.2 The Contracting Authority shall, during the progress of the delivery of the supplies and before the supplies are taken over, have the power to order or decide:

- a) the removal from the place of acceptance, within such time or times as may be specified in the order, of any supplies which, in the opinion of the Contracting Authority, are not in accordance with the contract;
- b) their replacement with proper and suitable supplies;
- c) the removal and proper re-installation, notwithstanding any previous test thereof or interim payment thereof, of any installation which in respect of materials, workmanship or design for which the Supplier is responsible, is not, in the opinion of the Contracting Authority, in accordance with the contract;
- d) that any work done or goods supplied or materials used by the Supplier is or are not in accordance with the contract, or that the supplies or any portion thereof do not fulfil the requirements of the contract.

22.3 The Supplier shall, with all speed and at his own expense, make good the defects so specified. If the Supplier does not comply with such order, the Contracting Authority shall be entitled to employ other persons to carry out the orders and all expenses consequent thereon or incidental thereto shall be deducted by the Contracting Authority from any monies due or which may become due to the Supplier.

22.4 Supplies which are not of the required quality shall be rejected. A special mark may be applied to the rejected supplies. This shall not be such as to alter them or affect their commercial value. Rejected supplies shall be removed by the Supplier from the place of acceptance, if the Contracting Authority so requires, within a period which the

Contracting Authority shall specify, failing which they shall be removed as of right at the expense and risk of the Supplier. Any works incorporating rejected materials shall be rejected.

Article 23 Provisional acceptance

23.1 The supplies shall be taken over by the Contracting Authority when they have been delivered in accordance with the contract, have satisfactorily passed the required tests, or have been commissioned as the case may be, and a certificate of provisional acceptance has been issued or is deemed to have been issued

23.2 The Supplier may apply, by notice to the Contracting Authority, for a certificate of provisional acceptance when supplies are ready for provisional acceptance. The Contracting Authority shall within 30 days of receipt of the Supplier's application either:

-issue the certificate of provisional acceptance to the Supplier with a copy to the Contracting Authority stating, where appropriate, his reservations, and, inter alia, the date on which, in his opinion, the supplies were completed in accordance with the contract and ready for provisional acceptance; or

-reject the application, giving his reasons and specifying the action which, in his opinion, is required of the Supplier for the certificate to be issued.

23.3 Should exceptional circumstances make it impossible to proceed with the acceptance of the supplies during the period fixed for provisional or final acceptance, a statement certifying such impossibility shall be drawn up by the Contracting Authority after consultation with the Supplier. The certificate of acceptance or rejection shall be drawn up within 30 days following the date on which such impossibility ceases to exist. The Supplier shall not invoke these circumstances in order to avoid the obligation of presenting the supplies in a state suitable for acceptance.

23.4 If the Contracting Authority fails either to issue the certificate of provisional acceptance or to reject the supplies within the period of 30 days, he shall be deemed to have issued the certificate on the last day of that period, except where the certificate of provisional acceptance is deemed to constitute a certificate of final acceptance. If the supplies are divided by the contract into lots, the Supplier shall be entitled to apply for a separate certificate for each lot.

23.5 In case of partial delivery, the Contracting Authority reserves the right to give partial provisional acceptance.

23.6 Upon provisional acceptance of the supplies, the Supplier shall dismantle and remove temporary structures and materials no longer required for use in connection with the performance of the contract. He shall also remove any litter or obstruction and redress any change in the condition of the place of acceptance as required by the contract.

Article 24 Warranty obligations

24.1 The Supplier shall warrant that the supplies are new, unused, of the most recent models and incorporate all recent improvements in design and materials, unless otherwise provided in the contract. The Supplier shall further warrant that all supplies shall have no defect arising from design, materials or workmanship. This warranty shall remain valid as specified in SCC.

24.2 The Supplier shall be responsible for making good any defect in or damage to, any part of the supplies which may appear or occur during the warranty period and which:

- a) results from the use of defective materials, faulty workmanship or design of the Supplier; or
- b) results from any act or omission of the Supplier during the warranty period; or
- c) appears in the course of an inspection made by, or on behalf of, the Contracting Authority.

24.3 The Supplier shall at his own cost make good the defect or damage as soon as practicable. The warranty period for all items replaced or repaired shall recommence from the date on which the replacement or repair was made to the satisfaction of the Contracting Authority. The warranty period shall be extended only for the part of the supplies affected by the replacement or repair.

24.4 If any such defect appears or such damage occurs during the warranty period, the Contracting Authority shall notify the Supplier. If the Supplier fails to remedy a defect or damage within the time limit stipulated in the notification, the Contracting Authority may:

- a) remedy the defect or the damage itself, or employ someone else to carry out the work at the Supplier's risk and costs, in which case the costs incurred by the Contracting Authority shall be deducted from amounts due or guarantees held against the Supplier or from both;
- b) in case no amounts are due or no guarantee is effective claim the amount due from the Supplier; or
- c) terminate the contract.

24.5 The maintenance obligations shall be stipulated in the SCC and technical specifications. If the duration of the warranty period is not specified, it shall be 365 days. The warranty period shall commence on the date of provisional acceptance.

Article 25 After-sales service

25.1 An after-sales service, if required by the contract, shall be provided in accordance with the details stipulated in the SCC. The Supplier shall undertake to carry out or have carried out the maintenance and repair of supplies and to provide a rapid supply of spare parts. The SCC may specify that the Supplier must provide any or all of the following materials, notifications and documents pertaining to spare parts manufactured or distributed by the Supplier:

- a) such spare parts as the Contracting Authority may choose to purchase from the Supplier, it being understood that this choice shall not release the Supplier from any warranty obligations under the contract
- b) in the event of termination of production of the spare parts, advance notification to the Contracting Authority to allow it to procure the parts required and, following such termination, provision at no cost to the Contracting Authority of the blueprints, drawings and specifications of the spare parts, if and when requested.

Article 26 Final acceptance

26.1 Upon expiry of the warranty period or, where there is more than one such period, upon expiry of the latest period, and when all defects or damage have been rectified, the Contracting Authority shall issue the Supplier a final acceptance certificate, with a copy to the Contracting Authority, stating the date on which the Supplier completed his obligations under the contract to the Contracting Authority's satisfaction. The final acceptance certificate shall be issued by the Contracting Authority within 30 days of the expiry of the warranty period or as soon as any repairs ordered under Article 24 have been completed to the satisfaction of the contracting authority.

26.2 The contract shall not be considered to have been performed in full until the final acceptance certificate has been signed or is deemed to have been signed by the contracting authority.

26.3 Notwithstanding the issue of the final acceptance certificate, the Supplier and the Contracting Authority shall remain liable for the fulfilment of any obligation incurred under the contract prior to the issue of the final acceptance certificate which remains unperformed at the time that final acceptance certificate is issued. The nature and extent of any such obligation shall be determined by reference to the provisions of the contract.

Article 27 Breach of contract

27.1 A Party shall be in a breach of contract if it fails to discharge any of its obligations under the contract.

27.2 Where a breach of contract occurs, the injured Party shall be entitled to the following remedies:

- a) damages; and/or
- b) termination of the contract.

27.3 In addition to the above-mentioned measures, damages may be awarded. They may be either:

- a) general damages; or
- b) liquidated damages.

27.4 Recovery of damages, disbursements or expenses resulting from the application of measures provided for in this Article shall be affected by deduction from the sums due to the Supplier, from the deposit, or by payment under the guarantee.

Article 28 Termination of the Contract by the Contracting Authority

28.1 The Contracting Authority may, after giving the Supplier 14 days' notice, terminate the contract in any of the following cases:

- a) the Supplier substantially fails to perform his obligations under this contract;
- b) the Supplier fails to comply within a reasonable time with a notice given by the Contracting Authority requiring him to make good any neglect or failure to perform his obligations under the contract which seriously affects the proper and timely performance of the works;
- c) the Supplier refuses or neglects to carry out administrative orders given by the Contracting Authority;
- d) the Supplier assigns the contract or subcontracts without the authorisation of the Contracting Authority;

- e) the Supplier go into bankruptcy or is being wound up, is having its affairs administered by the courts, has entered into an arrangement with creditors, has suspended business activities, is the subject of proceedings concerning those matters, or is in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
- f) the Supplier has been convicted of an offence concerning professional conduct by a judgment which has the force of res judicata;
- g) the Supplier has been guilty of grave professional misconduct proven by any means which the Contracting Authority can justify;
- h) the Supplier has been the subject of a judgment which has the force of res judicata for fraud, corruption, involvement in a criminal organisation or any other illegal activity detrimental to the Communities' financial interests;
- i) the Supplier, following another procurement procedure or grant award procedure financed by the Community budget, has been declared to be in serious breach of contract for failure to perform its contractual obligations;
- j) any organisational modification occurs involving a change in the legal personality, nature or control of the Supplier, unless such modification is recorded in an addendum to the contract;
- k) any other legal disability hindering performance of the contract occurs;
- l) the Supplier fails to provide the required guarantee or insurance, or if the person providing the earlier guarantee or insurance required under the present contract is not able to abide by his commitments.

28.2 Termination shall be without prejudice to any other rights or powers of the Contracting Authority and the Supplier under the contract. The Contracting Authority may, thereafter, conclude any other contract with a third party on behalf of the Supplier. The Supplier's liability for delay in completion shall immediately cease upon termination without prejudice to any liability there under that may already have occurred.

28.3 The Contracting Authority shall, upon the issue of the notice of termination of the contract, instruct the Supplier to take immediate steps to bring the execution of the supplies to a close in a prompt and orderly manner and to reduce expenditure to a minimum.

28.4 In the event of termination, the Contracting Authority shall, as soon as possible and in the presence of the Supplier or his representatives or having duly summoned them, draw up a report on the supplies delivered and the work performed and take an inventory of the materials supplied and unused. A statement shall also be drawn up of monies due to the Supplier and of monies owed by the Supplier to the Contracting Authority as at the date of termination of the contract.

28.5 The Contracting Authority shall not be obliged to make any further payments to the Supplier until the supplies are completed, whereupon the Contracting Authority shall be entitled to recover from the Supplier the extra costs, if any, of providing the supplies or shall pay any balance due to the Supplier prior to the termination of the contract.

28.6 If the Contracting Authority terminates the contract it shall be entitled to recover from the Supplier any loss it has suffered under the contractual conditions set out in Article 2 of SCC.

Article 29 Termination by the Supplier

29.1 The Supplier may, after giving 14 days notice to the Contracting Authority, terminate the contract if the Contracting Authority:

- fails to pay the Supplier the amounts due under any certificate issued by the authorised person after the expiry of the deadline stated.
- Consistently fails to meet its obligations after repeated reminders; or
- suspends the delivery of the supplies, or any part thereof, for more than 180 days, for reasons not specified in the contract or not attributable to the Contractor

29.2 Termination shall be without prejudice to any other rights or powers under the contract of the Contracting Authority and the Supplier.

29.3 In the event of termination in accordance with (a) and (b) under section 29.1, the Contracting Authority shall pay to the Supplier for any loss or damage the Supplier may have suffered.

Article 30 Force majeure

30.1 Neither Party shall be considered to be in default or in breach of its obligations under the contract if the performance of such obligations is prevented by any event of force majeure arising after the date when the contract becomes effective.

30.2 For the purposes of this Article, the term "force majeure" means acts of God, strikes, lock-outs or other industrial disturbances, acts of the public enemy, wars whether declared or not, blockades, insurrection, riots, epidemics, landslides, earthquakes, storms, lightning, floods, washouts, civil disturbances, explosions and any other similar unforeseeable events which are beyond the Parties' control and cannot be overcome by due diligence.

30.3 Notwithstanding the provisions of Articles 16 and 28, the Supplier shall not be liable to forfeiture of his performance guarantee, liquidated damages or termination for default if, and to the extent that, his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure. Nor, notwithstanding the provisions of Articles 20.5 and 29, shall the Contracting Authority be liable for the payment of interest on delayed payments, for non-performance or for termination by the Supplier for default if, and to the extent that, the Contracting Authority's delay or other failure to perform its obligations is the result of force majeure.

30.4 If either Party considers that any circumstances of force majeure have occurred which may affect performance of its obligations, it shall promptly notify the other Party, giving details of the nature, the probable duration and the likely effect of the circumstances. Unless otherwise directed by the contracting authority in writing, the Supplier shall continue to perform his obligations under the contract as far as is reasonably practicable, and shall employ every reasonable alternative means to perform any obligations that the event of force majeure does not prevent him from performing. The Supplier shall not employ such alternative means unless directed to do so by the Contracting Authority.

30.5 If the Supplier incurs additional costs in complying with the Contracting Authority directions or using alternative means under Article 30.4, the amount thereof shall be certified by the Contracting Authority.

Article 31 Amicable dispute settlement

31.1 The Parties shall make every effort to settle amicably any dispute which may arise between them. Once a dispute has arisen, the Parties shall notify each other in writing of their positions on the dispute and any solution which they consider possible. If either Party deems it useful, the Parties shall meet and try and settle the dispute. A Party shall respond to a request for amicable settlement within 15 days of such a request. The maximum period laid down for reaching such a settlement shall be 30 days from the commencement of the procedure. Should the attempt to reach an amicable settlement fail or a Party fail to respond in time to requests for a settlement, either Party shall be free to proceed to the next stage of the dispute-settlement procedure by notifying the other.

31.2 If the amicable dispute-settlement procedure fails, the Parties may agree to try conciliation through the institution specified in SCC. If no settlement is reached within 30 days of the start of the conciliation procedure, each Party shall be entitled to move on to the next state of the dispute-settlement procedure.

Article 32 Dispute settlement by litigation

32.1 If no settlement is reached within 30 days of the start of the amicable dispute-settlement procedure, each Party may seek:

- a) either a ruling from a court; or
- b) where the parties agree, an arbitration ruling in accordance with the SCC.

32.2 Dispute settlement model i.e. courts or arbitration shall be decided by the parties before contract signature

CONTRACT SECTION III SPECIAL CONDITIONS

The following SCC shall supplement and / or amend the GCC. Whenever there is a conflict, the provisions herein shall prevail over those in the GCC.

[Instructions for completing the SCC are provided, as needed, in the notes in italics mentioned for the relevant GCC Articles. Delete none relevant ones]

General Conditions of Contract	Art. No.	Amendment/Modification of relevant Article in the GCC
Article description	Art. No.	
Law applicable and language	2.1	Kosovo Laws that are in power shall apply in all matters not covered by the provisions of the contract. The jurisdiction shall be the relevant court in Prishtina.
	2.2	The language used shall be English
Performance guarantee	9.1	
Insurance	10.1	
Performance programme	11	
Taxes and customs arrangements	12.1	<i>[insert the delivery terms]</i>
Patents and licences	13.1	<i>[Specify whether there is derogation from Article 13 of the GCC]</i>
Quality of supplies	18.2	<i>[indicate here if a preliminary technical acceptance is required]</i>
Inspection and testing	19.2	<i>[Specify the place where the goods will be inspected]</i>
Payment	20.1	Payments shall be made After delivering off all Goods
Delivery	21.3	Start time <i>Thre days after sign off the contract</i> Finish deliveru day 15.06.2019
Warranty	24.1	<i>[insert warranty period]</i>

obligations		
	24.5	<i>[Specify any additional obligations under the warranty]</i>
After sale services	25.1	<i>[Give details of any after-sales service that the Supplier must provide and specify the proportion of the performance guarantee assigned to that activity]</i>
Amicable dispute settlement	31.2	<i>[Specify the Commission department responsible for conciliation]</i>
Dispute settlement by litigation	32.1	<p><i>[Insert both]</i></p> <p>a) Any dispute between the Parties that may arise during the performance of this contract and that it has not been possible to settle otherwise between the Parties shall be submitted to <i>[specify competent court]</i> in accordance with the Kosovo law.</p> <p>or</p> <p>b) where the parties expressly agree, any dispute between the Parties that may arise during the performance of this contract and that it has not been possible to settle otherwise between the Parties shall be submitted to the arbitration of <i>[specify dispute-settlement body]</i> in accordance with <i>[specify arbitration rules (rules of International Chamber of Commerce, United Nations Commission on International Trade Law, or other internationally recognised arbitration procedure)]</i>.</p>