

## VOLUME 2

### SECTION 1 CONTRACT FORM

#### WORKS CONTRACT FOR EUROPEAN UNION EXTERNAL ACTIONS

NO 1/14

#### FINANCED FROM THE EU GENERAL BUDGET

Between

GRAD BELI MANASTIR, ULICA KRALJA TOMISLAVA 53, 31300 BELI MANASTIR

(‘The Contracting Authority’),

of the one part,

and

<Full official Name of Contractor>

[Legal status/title]<sup>1</sup>

[Official registration number]<sup>2</sup>

[Full official address]

[VAT number],<sup>3</sup>

(‘the Contractor’)

of the other part,

have agreed as follows:

#### PROJECT

Cross-border cooperation in bicycle infrastructure development

at the BICBC HUHR/1101/1.2.2./1011

#### CONTRACT TITLE

**WORKS ON CONSTRUCTION OF BICYCLE PATH “ŠEĆERANSKO JEZERO”**

**Identification number HUHR/1101/1.2.2./1011 – MV 04/13**

Whereas the Contracting Authority would like the Contractor to carry out the following work:

---

<sup>1</sup> Where the contracting party is an individual.

<sup>2</sup> Where applicable.

<sup>3</sup> Except where the contracting party is not VAT registered.

**Construction of****Construction of bicycle path, Reconstruction of existing building, including lavatory, Reconstruction of approach to sun bathing platform, Skate park flooring**

and has accepted a tender by the Contractor for the execution and completion of such works and the remedying of any defects therein.

**It is hereby agreed as follows:**

- (1) In this Contract, words and expressions shall have the meanings assigned to them in the contractual conditions set out below.
- (2) The following documents shall be deemed to form and be read and construed as part of this Contract, in the following order of precedence:
  - (a) the Contract,
  - (b) the Special Conditions,
  - (c) the General Conditions,
  - (d) the Technical Specifications,
  - (e) the Design Documentation (drawings),
  - (f) the Bill of Quantities (after arithmetical corrections)/breakdown,
  - (g) the tender with appendix,
  - (h) any other documents forming part of the Contract.

The various documents making up the contract shall be deemed to be mutually explanatory; in cases of ambiguity or divergence, they shall prevail in the order in which they appear above. Addenda shall have the order of precedence of the document they are amending.

- (3) In consideration of the payments to be made by the Contracting Authority to the Contractor as hereinafter mentioned, the Contractor undertakes to execute and complete the works and remedy defects therein in full compliance with the provisions of the Contract.
- (4) The Contracting Authority hereby agrees to pay the Contractor in consideration of the execution and completion of the works and remedying of defects therein the amount of:
  - Contract price (excluding VAT/other taxes).....HRK
  - (The EU component .....euro<sup>4</sup>)**
  - Contract price (in words:..... HRK )

or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract. VAT will be paid in compliance with the binding regulations, national law and international agreements concerning the execution of the project. VAT and other taxes shall not be paid on the funds originating from EU funds.

In witness whereof the parties hereto have signed the Contract. This Contract shall take effect on the date on which it is signed by the last party, namely the Contractor.

**Done in English in three originals, two original for the Contracting Authority, and one original for the Contractor.**

---

<sup>4</sup> In the event of cofinancing, the EU-contribution must normally be entered as a lump sum in euro.

**For the Contractor**

Name:

Title:

Signature:

Date:

**For the Contracting Authority**

Name: IVAN DOBOŠ

Title: MAYOR

Signature:

Date:



**VOLUME 2**

**SECTION 3**

**SPECIAL CONDITIONS**

## CONTENTS

These conditions amplify and supplement the General Conditions governing the Contract. Unless the Special Conditions provide otherwise, the General Conditions remain fully applicable. The numbering of the Articles of the Special Conditions is not consecutive but follows the numbering of the General Conditions. Other Special Conditions should be indicated afterwards.

### Article 2 Language of the Contract

- 2.1 The language used shall be English, except oral communication that can be done in Croatian.

### Article 4 Communication

- 4.1

For the Contracting Authority:

<b>Name:</b>	Kornelija Pacanović Zvečevac
<b>Address:</b>	Kralja Tomislava 53, 31 300 Beli Manastir
<b>Telephone:</b>	031/710-210
<b>Fax:</b>	031/710-222

For the Contractor:

<b>Name:</b>	
<b>Legal Address:</b>	
<b>Telephone:</b>	
<b>Fax:</b>	
<b>Legal form:</b>	
<b>Nationality:</b>	
<b>Registered number of VAT:</b>	
<b>Registered number in the Chamber of Commerce / Commercial Court</b>	

### Article 5 Supervisor and Supervisor's representative

- 5.2 All resources available to the project Supervisor and its representative regarding his obligations will be executed in accordance with Croatian law.>
- 5.4 Administrative orders will be performed according to Croatian law

### Article 9 Access to the site

- 9.1 The Contractor is reminded that there is a Head of Delegation of the European Commission in the state of the Contracting Authority. The Contractor is obliged to give the Head of Delegation free access to its sites, factories, workshops, etc., and generally assist the Head of Delegation, like the project Supervisor, in the performance of his duties. The same provisions also apply to the appointed representatives of the Head of Delegation.

All correspondence between the Contractor and the Contracting Authority or project Supervisor must be copied, for information, to the Head of Delegation of the European Commission at the following official address:

Predstavništvo Europske komisije u Hrvatskoj

Ulica Augusta Cesarca 4

10 000 Zagreb

Hrvatska

Contractor will commence with works 30 days after contract signing

### **Article 12c Design and build contracts**

- 12c1 Set of detailed documents and operating and maintenance manuals will be delivered to Contracting Authority at latest on the day of handover of finished work.

### **Article 15 Performance guarantee**

- 15.1 The amount of the performance guarantee will be 10% of the amount of the Contract and any addenda thereto.

### **Article 16 Insurance**

- 16.3 In the case of personal injuries, liability shall be to a per occurrence limit of the 100.000,00kn
- 16.4 Amount of third-party insurance shall be 200.000,00HRK per accident with the number of occurrences unlimited.  
Insurance certificate have to be submitted 21 days after commencement of the works

### **Article 19 Contractor's drawings and execution studies**

- 19.7 The language of the manuals and drawings is Croatian.

### **Article 24 Interference with traffic**

- 24.2 The Contractor is obliged to ensure proper traffic management measures if interfering with traffic on public roads near constructions sites. The contractor must ensure that relevant permits have been obtained for that purpose

### **Article 27 Demolished materials**

- 27.1 Excavated soil is property of the Contracting Authority
- 27.2 Contractor have to transfer excavated soil to place given by of the Contracting Authority (in proximity of 1km)

- 27.4 Contractor is obliged to remove demolition and/or rubble materials and dispose it in accordance with Croatian law.

**Article 29 Temporary works**

- 29.2 All temporary works are the responsibility of the Contractor.

**Article 30 Soil studies**

- 30.1 Soil studies were carried out before obtaining Building Permit. In case of any difference from supposed state, supervisor may determine that geotextile should be provided, or additional studies carried out.

**Article 34 Period of implementation of tasks**

- 34.1 The Contractor shall fully complete the works within the period of implementation of 6 months, that ends 30.09.2014.

**Article 36 Delays in the implementation of tasks**

- 36.1 The rate of liquidated damages for delays in the completion of works shall be 0.1% of the contract price for every day or part thereof which elapses between the end of the period of implementation of tasks and the actual date of completion, up to a maximum amount of 10% of the contract price or, if the contract is subdivided into phases, 10% of the price of the phase concerned.

**Article 39 Work register**

- 39.2 All statements must be set out, kept and filled in on the Site by Contractor and certified by Supervisor, according to Croatian building law

**Article 40 Origin and quality of works and materials**

- 40.1 All goods purchased under the Contract must originate in any eligible source country as defined in Hungary-Croatia IPA Cross-border Co-operation Programme 2007-2013. For these purposes, 'origin' means the place where the goods are mined, grown, produced or manufactured and/or from which services are provided. The origin of the goods must be determined according to the EU Customs Code or the applicable international agreement.

When importing goods, any change in the specified origin must be pointed out to the project Supervisor and approved by him.

- 40.2 The works and the objects, appliances, equipment or materials used in their construction must comply with design documentation including drawings (see Volume V of tender dossier):

- 40.3 No preliminary technical acceptance is necessary

**Article 41 Inspection and testing**

Inspection and testing shall be performed in accordance with the requirements of the applicable technical regulations and local legislation.

**Article 44: General principles for payments**

- 44.1 Payments shall be made in national currency (HRK).

**Article 46 Pre-financing**

46.1 Pre-financing is not possible

**Article 47 Retention monies**

47.1 The sum to be retained from the interim payments to guarantee performance of the contractor's obligations during the maintenance period shall be 10% of the executed works and supplies.

**Article 48 Price revision**

There will be no Price revision.

**Article 49 Measurement**

49.1 This is a unit-price contract.

**Article 51 Final statement of account**

51.2 Within 30 days from issuing the certificate of final acceptance referred to in article 62, the Supervisor shall prepare and signed the final statement of account.

**Article 61 Defects liability**

61.1 The defects liability period is defined as the period commencing on the date of provisional acceptance, during which the Contractor is required to make good any effect in, or damage to, any part of the work which may appear or occur during this period as notify by the Supervisor or the Contracting Authority. The rights and obligations of the parties with regard to this defects liability period are laid down in Article 61 of the General Conditions.

61.6 The defects liability work necessitated by normal wear and tear is not to be carried out by the Contractor.

61.7 Duration of the defects liability period is 365 days.

**Article 68 Dispute settlement**

68.4 Any dispute arising out of or relating to this Contract which cannot be settled otherwise shall be referred to the exclusive jurisdiction of Trgovački sud u Osijeku in accordance with the national legislation of the state of the Contracting Authority.

\* \* \*



## VOLUME 2

### SECTION 4 SPECIMEN PERFORMANCE GUARANTEE

(To be completed on paper bearing the letterhead of the financial institution)

For the attention of  
GRAD BELI MANASTIR, ULICA KRALJA TOMISLAVA 53, 31300 BELI MANASTIR  
referred to below as the 'Contracting Authority'

Subject: Guarantee No ...

Performance Guarantee for the full and proper execution of Contract **WORKS ON CONSTRUCTION OF BICYCLE PATH "ŠEĆERANSKO JEZERO"** number 01/14 (please quote number and title in all correspondence)

We, the undersigned, [name, and address of financial institution], hereby irrevocably declare that we guarantee, as primary obligor, and not merely as a surety on behalf of [Contractor's name and address], hereinafter referred to as 'the Contractor', payment to the Contracting Authority of [amount of the performance guarantee], representing the performance guarantee mentioned in Article 15 of the Special Conditions of the Contract (contract number and title) concluded between the Contractor and the Contracting Authority, hereinafter referred to as 'the Contract'.

Payment will be made without objection or legal proceedings of any kind, upon receipt of your first written claim (sent by registered letter with confirmation of receipt) stating that the Contractor has failed to fulfil its contractual obligations fully and properly or that the Contract has been terminated. We will not delay the payment, nor will we oppose it for any reason whatsoever. We will inform you in writing as soon as payment has been made.

We accept that no amendment to the terms of the Contract can release us from our obligation under this guarantee. We waive the right to be informed of any change, addition or amendment to the Contract.

We note that the guarantee will be released in accordance with Article 15.8 of the General Conditions to the Contract [and at the latest on (at the expiry of 18 months after the implementation period of the Contract)].<sup>5</sup>

The law applicable to this guarantee will be Croatian law. Any dispute arising out of or in connection with this guarantee will be referred to the courts of Republic of Croatia.

---

<sup>5</sup> This mention should be inserted only where required, for example where the law applicable to the guarantee imposes a precise expiry date or where the guarantor can justify that he is unable to provide such a guarantee without expiry date.

The guarantee will enter into force and take effect upon its signature.

Done at ....., ././..

Name and first name: ..... On behalf of: .....

Signature: .....

*[stamp of the body providing the guarantee]*

## VOLUME 2

### SECTION 5 SPECIMEN RETENTION GUARANTEE

(To be completed on paper bearing the letterhead of the financial institution)

For the attention of  
GRAD BELI MANASTIR, ULICA KRALJA TOMISLAVA 53, 31300 BELI MANASTIR  
referred to below as the 'Contracting Authority'

Subject: Guarantee No ...

Retention Guarantee for Contract **WORKS ON CONSTRUCTION OF BICYCLE PATH  
"ŠEĆERANSKO JEZERO"** number 01/14 (please quote number and title in all correspondence)

We, the undersigned, [name, and address of financial institution ], hereby irrevocably declare that we guarantee, as primary obligor, and not merely as a surety on behalf of [Contractor's name and address], hereinafter referred to as 'the Contractor', payment to the Contracting Authority of [amount of the retention guarantee], representing the retention guarantee mentioned in Article 47 of the Special Conditions of the Contract (contract number and title) concluded between the Contractor and the Contracting Authority, hereinafter referred to as 'the Contract'

Payment will be made without objection or legal proceedings of any kind, upon receipt of your first written claim (sent by registered letter with confirmation of receipt) stating that the Contractor has failed to fulfil its contractual obligations fully and properly or that the Contract has been terminated. We will not delay the payment, nor will we oppose it for any reason whatsoever. We will inform you in writing as soon as payment has been made.

We accept that no amendment to the terms of the Contract can release us from our obligation under this guarantee. We waive the right to be informed of any change, addition or amendment to the Contract.

We note that the guarantee will be released in accordance with Article 47.3 of the General Conditions to the Contract [and in any case at the latest on (at the expiry of 18 months after the implementation period of the Contract)].

The law applicable to this guarantee will be Croatian law. Any dispute arising out of or in connection with this guarantee will be referred to the courts of Republic of Croatia.

The guarantee will enter into force and take effect upon its signature.

Done at ....., ..../..

Name and first name: ..... On behalf of: .....

Signature: .....

[Stamp of the body providing the guarantee]