****Edited by C

**Ministry of Finance**

Republic of Maldives

**Bidding Document**

**for**

**Design & Build for Construction of Water Supply and Sewerage Facilities in 18 islands**

**Project Number: TES/2020/W-025**

**(National Competitive Bidding – Single Stage Single Envelope)**

Employer: Ministry of National Planning, Housing and Infrastructure

November 2020

National Tender

Ministry of Finance

# Conditions of Contract & contract forms

**Tables of Contents**

[Part 3- Conditions of Contract & contract forms 1](#_Toc56718944)

[Section XII - General Conditions of Contract (GCC) 2](#_Toc56718945)

[Section XIII - Particular Conditions (PC) 3](#_Toc56718946)

[Section XIV - Contract Forms 10](#_Toc56718947)

## General Conditions of Contract (GCC)

The Conditions of Contract comprise two parts, General Conditions of Contract (GCC) and Particular Conditions of Contract (PCC); Part A (Contract Data) & Part B (Specific Provisions).

The General Conditions shall be the Fédération Internationale des Ingénieurs-Conseils (FIDIC) Conditions of Contract - Second Edition 2017, for Plant and Design-Build for Electrical and Mechanical Plant, and for Building and Engineering works, Designed by the Contractor.

*Copy of FIDIC Conditions of Contract, referred to above, may be obtained from:*

*FIDIC Secretariat*

*P.O. Box 86*

*CH 1000 Lausanne 12*

*Switzerland*

*Fax No: +41 21 653 5432*

## Particular Conditions (PC)

The following Particular Conditions shall supplement the GC. Whenever there is a conflict, the provisions herein s

hall prevail over those in the GC.

### Part A – Contract Data

|  |  |  |
| --- | --- | --- |
| **Conditions** | **GCC Reference** | **Data** |
| Employer’s Name and Address | 1.1.30  & 1.3 | **Ministry of National Planning, Housing and Infrastructure**  Ameenee Magu,  Maafannu, Male’, 20392,  Republic of Maldives.  Tel: +960 4004-700, +960 3004-123  E-mail: secretariat@planning.gov.mv |
| Contractor’s Name and Address | 1.1.13 | ……………….  ……………….  ……………….  ………………. |
| Engineer’s Name and Address | 1.1.35  & 1.3 | Ministry of National Planning, Housing & Infrastructure  Ameenee Magu,  Maafannu, Male’, 20392,  Republic of Maldives.  Tel: +960 4004-700, +960 3004-123  E-mail: secretariat@planning.gov.mv |
| Defects Notification Period | 1.1.27 | 365 Days |
| Foreign Currency | 1.1.42 | United States Dollar |
| Country | 1.1.21 | Republic of Maldives |
| Electronic Transmission | 1.3 | E - mail |
| General Provisions - Law and Language | 1.4 | The term law includes all statutes, decree, ordinances, by laws & regulations applicable in the Republic of Maldives. |
| Governing Law | 1.4 | Law of the Republic of Maldives |
| Ruling language | 1.4 | English |
| Language for communications | 1.4 | English |
| Contract Agreement | 1.6 | The Parties shall sign the Contract Agreement within 28 days after the Contractor receives the Letter of Acceptance. |
| Time for access to the Site | 2.1 | 14 (Fourteen) Days from the date of signing the contract. |
| Assistance | 2.2 | The Employer shall assist the Contractor with a letter or otherwise to the relevant authorities to facilitate processing of a visa/ work permit for the workers, employees, personnel including consultants, engaged by the Contractor in Maldives. |
| Employer’s Financial Arrangements | 2.4 | This Sub-Clause is not applicable |
| Employer Supplied Materials and Employer’s Equipment | 2.6 | The Employer will not supply any materials/ equipment’s. |
| Engineer’s Duties and Authority | 3.2 | “The Engineer shall obtain the specific approval of the Employer before ordering any works involving delay or any extra payment by the Employer or to make variation of or in the Works or Contract.” |
| Performance Security | 4.2 | The Performance Security shall be in the form of an unconditional bank guarantee for an amount of **5% (Five percent)** of the Contract Price issued by a reputable bank located in Republic of Maldives or reputable local banks including nationalized bank located in India, acceptable to the Employer, in the format included in Section-8, Contract Forms. If the Bank issuing the Security is located outside the territory of Maldives, it shall have a correspondent Bank located in Maldives to make it enforceable. |
| Temporary Utilities | 4.19 | The Employer will not provide any facilities/ temporary utilities. |
| Normal working Hours | 6.5 | From 8 am to 6 pm, Saturday to Thursday - 6 days of week, in compliance with country’s applicable law or as directed by the Engineer |
| Health and Safety of Personnel | 6.7 | The contractor shall provide a written Health and Safety Policy and a project-specific Health & Safety Plan before the commencement of work to the Engineer prior to the start of construction. |
| Time for Completion | 8.2 | Following calendar Months from Commencement Date for the whole works:-  Section 1 – Survey, EIA and Detailed Design – 04 months from the date of commencement.  Section 2 – Construction works  Water supply and Sewerage Lots – 26 Months from the date of commencement  Sewerage only Lots – 24 Months from the date of Commencement  Water supply only Lots – 20 Months from the date of commencement. |
| Delay damages for the works | 8.8 &  14.15 (c) | Section 1 - 0.25% of the Section Value per day, in the currencies and proportions in which the Contract Price is payable.  Section 2 - 0.25% of the Section Value per day, in the currencies and proportions in which the Contract Price is payable. |
| Maximum Amount of Delay Damages | 8.8 | **15%** (Fifteen percent) of the Contract Price. |
| Defect Liability Period | 11.1 | **365 Calendar Days** from the date of Taking - Over Certificate |
| Total Advance Payment | 14.2 | **15%** (Fifteen Percent) of the Accepted Contract Amount of the works payable |
| Repayment of Advance Payment | 14.2.3 | Advance payment recovery shall be from each interim payment @ **20%** (Twenty percent) of each Interim Payment Certificates (excluding the advance payment and the deductions for its re-payments as well as deductions for retention money) |
| Percentage of Retention | 14.3 (iii) | Retention money recovery shall be from each interim payment @ **10%** (Ten percent) of each Interim Payment Certificates |
| Limit of Retention Money | 14.3 (iii) | **5%** (Five percent) of the Accepted Contract Amount |
| Plant and Materials intended for the works | 14.5 | Not Applicable |
| Minimum Amount of Interim Payment Certificates | 14.6.2 | **2.5%** of the Accepted Contract Amount for the works. |
| Currency of Payment | 14.15 | Maldivian Rufiyaa (MVR) |
| Shared Indemnities | 17.6 | Equal to the Accepted Contract Amount |
| Insurance - General requirements | 19.1 | Contractor shall submit to the Employer;   1. Evidence of insurance within 28 days from receiving the Letter of Acceptance and 2. Copy of the Relevant policies within 45 days from receiving the Letter of Acceptance or before commencement of works |
| Minimum Amount of Works Insurance | 19.2.1 (b) | This sub-clause is Not applicable |
| Minimum Amount of Third party Insurance | 19.2.4 | MVR 1 Million |
| Other insurances required by Laws and by local practice | 19.2.6 | Not Applicable |
| Constitution of the DAAB | 21. 1 | The DAAB shall be appointed 28 days after the Commencement Date.  The DAAB shall be comprised of Three (3) Members. |
| Failure to Appoint DAAB Member(s) | 21.2 | Appointing entity will be Ministry of Finance, Maldives. |
| Arbitration | 21.6 | Arbitration will be conducted in accordance to the Arbitration Act of Maldives. |
| Definitions of Sections: | | |

|  |  |  |  |
| --- | --- | --- | --- |
| **Description**  **(Sub-Clause 1.1.76)** | **Value:** | **Time for Completion**  **(Sub-Clause 8.2)** | **Delay Damages**  **(Sub-Clause 8.8)** |
| Section 1 – Survey, EIA and Detailed Design | 5% of contract | 05 Months from the date of Commencement | 0.25% of Section value per day |
| Section 2 – Construction Works, Testing Commissioning & Trial Run | 95% of contract | Varies | 0.25% of Section value per day |

### Part B - Specific Provisions

The Particular Conditions of Contract (PCC) - Specific provisions, is to amend or for additions to the General Conditions of Contract (GCC). Whenever there is a conflict, the provisions herein shall prevail over those in the GCC.

|  |  |
| --- | --- |
| **GCC Sub-clause** | **Specific Description** |
| Sub-Clause 4.4  The Contractor -Sub-contractor | Prior consent shall not be required if the value of the subcontract is less than one percent (1%) of the Accepted Contract Amount. |
| Sub-Clause 4.12  The Contractor -Unforeseeable Physical Conditions | *Insert at the end of first paragraph of Sub-Clause 4.12 with:*  Hard rock (Beach rock) areas or areas where excavation works cannot be carried out using normal methodology of works shall not be considered as unforeseeable under this Clause.” |
| Sub-Clause 4.18  The Contractor -Protection of the Environment | *Insert the following after paragraph c;*   1. Adopt any environmental and social risk mitigations measures as defined in the Environmental Impact Assessment (EIA) report issued for the project. |
| Sub-Clause 4.20  The Contractor - Progress Report | *Insert the following to Sub-Clause 4.20;*   1. Videography of the work sites showing status and progress of work in each site at pre, during and post implementation stages of the subject work 2. Monitoring of the obligations in Sub-Clauses 4.13, 4.18, 6.4 & 6.7. |
| Sub-Clause 8.1  Commencement, Delays & Suspension  Commencement of Work | Commencement date shall be within 21 days after signing of the contract. |
| Sub-Clause 14.4 (a)  Contract price and Payment - Schedule of Payments | Not applicable |
| Sub-Clause 18.1  Exceptional Events | *To read the following Sub-clause 18.1 (d) as; -*  (d) Strike, lockouts, Pandemic situation or any other action by Government agencies not solely involving the Contractor’s Personnel and other employees of the Contractor and Subcontractors |
| *To read the following Sub-clause 18.1 (f) as; -*  (f) Natural catastrophes such as fire, flood, explosion, storm, earthquake, tsunami, hurricane, typhoon, volcanic activity or any other adverse weather conditions. |
| Sub-Clause 20.2.4  Employer’s & Contractor’s Claim - Fully detailed Claim | *Amend number days referred in sub-Clause 20.2.4 (i) to:*  Amend from 84 days to 56 days |

## Contract Forms

#### Letter of Acceptance

*[letterhead paper of the Employer]*

*[date]*

**To:***[Name and address of the Contractor]*

This is to notify you that your Bid dated *[date]* for execution of the *[name of the Contract and identification number, as given in the Contract Data]* for the Accepted Contract Amount of the equivalent of *[amount in numbers and words] [name of currency]*, as corrected and modified in accordance with the Instructions to Bidders, is hereby accepted by our Agency.

You are requested to furnish the Performance Security within 28 days in accordance with the Conditions of Contract, using for that purpose one of the Performance Security Form*s* included in Section IX, Annex to the Particular Conditions - Contract Forms, of the Bidding Documents

Authorized Signature:

Name and Title of Signatory:

Name of Agency:

#### Contract Agreement

THIS AGREEMENT made the \_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, \_\_\_\_\_, between [*insert name and address of Employer*]of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (hereinafter “the Employer”), of the one part, and [ *insert name and address of Contractor*] of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (hereinafter “the Contractor”), of the other part:

WHEREAS the Employer desires that the Works known as \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ should be executed by the Contractor, and has accepted a Bid by the Contractor for the execution and completion of these Works and the remedying of any defects therein,

The Employer and the Contractor agree as follows:

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Contract documents referred to.

2. The following documents shall be deemed to form and be read and construed as part of this Agreement. This Agreement shall prevail over all other Contract documents.

1. The Letter of Acceptance
2. The Letter of Bid
3. Particular Conditions Part A – Contract Data
4. Particular Conditions Part B – Special Provisions
5. General Conditions;
6. Employers Requirements
7. Price Schedules
8. Contractors Proposal
9. Any other document forming part of the Contract.

3. In consideration of the payments to be made by the Employer to the Contractor as specified in this Agreement, the Contractor hereby covenants with the Employer to execute the Works and to remedy defects therein in conformity in all respects with the provisions of the Contract.

4. The Employer hereby covenants to pay the Contractor in consideration of the execution and completion of the Works and the remedying of defects therein, the Contract Price 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.

IN WITNESS whereof the parties hereto have caused this Agreement to be executed in accordance with the laws of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ on the day, month and year specified above.

Signed by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (for the Employer)

Signed by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (for the Contractor)

#### Performance Security

**(Option 1 : Bank Guarantee)**

*\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*

**Beneficiary:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Date:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**PERFORMANCE GUARANTEE No.:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Guarantor:** *\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*

We have been informed that \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (hereinafter called "the Applicant") has entered into Contract No. \_\_\_\_\_\_\_\_\_\_\_\_\_ dated \_\_\_\_\_\_\_\_\_\_\_\_ with the Beneficiary, for the execution of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (hereinafter called "the Contract").

Furthermore, we understand that, according to the conditions of the Contract, a performance guarantee is required.

At the request of the Applicant, we as Guarantor,hereby irrevocably undertake to pay the Beneficiary any sum or sums not exceeding in total an amount of \_\_\_\_\_\_\_\_\_\_\_   
(),[[1]](#footnote-1)1 such sum being payable in the types and proportions of currencies in which the Contract Price is payable, upon receipt by us of the Beneficiary’s complying demand supported by the Beneficiary’s statement, whether in the demand itself or in a separate signed document accompanying or identifying the demand, stating that the Applicant is in breach of its obligation(s) under the Contract, without the Beneficiary needing to prove or to show grounds for your demand or the sum specified therein.

This guarantee shall expire, no later than the …. Day of ……, 2… [[2]](#footnote-2)2, and any demand for payment under it must be received by us at this office indicated above on or before that date.

This guarantee is subject to the Uniform Rules for Demand Guarantees (URDG) 2010 Revision, ICC Publication No. 758, except that the supporting statement under Article 15(a) is hereby excluded.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_   
*[signature(s)]*

**Note: All italicized text (including footnotes) is for use in preparing this form and shall be deleted from the final product.**

**Option 2: Performance Bond**

By this Bond\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ as Principal (hereinafter called “the Contractor”) and\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_] as Surety (hereinafter called “the Surety”), are held and firmly bound unto\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_] as Obligee (hereinafter called “the Employer”) in the amount of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, for the payment of which sum well and truly to be made in the types and proportions of currencies in which the Contract Price is payable, the Contractor and the Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS the Contractor has entered into a written Agreement with the Employer dated the day of , 20 , for \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ in accordance with the documents, plans, specifications, and amendments thereto, which to the extent herein provided for, are by reference made part hereof and are hereinafter referred to as the Contract.

NOW, THEREFORE, the Condition of this Obligation is such that, if the Contractor shall promptly and faithfully perform the said Contract (including any amendments thereto), then this obligation shall be null and void; otherwise, it shall remain in full force and effect. Whenever the Contractor shall be, and declared by the Employer to be, in default under the Contract, the Employer having performed the Employer’s obligations thereunder, the Surety may promptly remedy the default, or shall promptly:

(1) complete the Contract in accordance with its terms and conditions; or

(2) obtain a Bid or bids from qualified Bidders for submission to the Employer for completing the Contract in accordance with its terms and conditions, and upon determination by the Employer and the Surety of the lowest responsive Bidder, arrange for a Contract between such Bidder and Employer and make available as work progresses (even though there should be a default or a succession of defaults under the Contract or Contracts of completion arranged under this paragraph) sufficient funds to pay the cost of completion less the Balance of the Contract Price; but not exceeding, including other costs and damages for which the Surety may be liable hereunder, the amount set forth in the first paragraph hereof. The term “Balance of the Contract Price,” as used in this paragraph, shall mean the total amount payable by Employer to Contractor under the Contract, less the amount properly paid by Employer to Contractor; or

(3) pay the Employer the amount required by Employer to complete the Contract in accordance with its terms and conditions up to a total not exceeding the amount of this Bond.

The Surety shall not be liable for a greater sum than the specified penalty of this Bond.

Any suit under this Bond must be instituted before the expiration of one year from the date of the issuing of the Taking-Over Certificate.

No right of action shall accrue on this Bond to or for the use of any person or corporation other than the Employer named herein or the heirs, executors, administrators, successors, and assigns of the Employer.

In testimony whereof, the Contractor has hereunto set his hand and affixed his seal, and the Surety has caused these presents to be sealed with his corporate seal duly attested by the signature of his legal representative, this day of 20 .

SIGNED ON on behalf of

By in the capacity of

In the presence of

SIGNED ON on behalf of

By in the capacity of

In the presence of

#### Advance Payment Security

**Demand Guarantee**

*\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*

**Beneficiary:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Date:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**ADVANCE PAYMENT GUARANTEE No.:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Guarantor:** *\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*

We have been informed that \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (hereinafter called “the Applicant”) has entered into Contract No. \_\_\_\_\_\_\_\_\_\_\_\_\_ dated \_\_\_\_\_\_\_\_\_\_\_\_ with the Beneficiary, for the execution of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (hereinafter called "the Contract").

Furthermore, we understand that, according to the conditions of the Contract, an advance payment in the sum \_\_\_\_\_\_\_\_\_\_\_ ()is to be made against an advance payment guarantee.

At the request of the Applicant, we as Guarantor,hereby irrevocably undertake to pay the Beneficiary any sum or sums not exceeding in total an amount of \_\_\_\_\_\_\_\_\_\_\_   
()*[[3]](#footnote-3)1* upon receipt by us of the Beneficiary’s complying demand supported by the Beneficiary’s statement, whether in the demand itself or in a separate signed document accompanying or identifying the demand, stating either that the Applicant:

* + 1. has used the advance payment for purposes other than the costs of mobilization in respect of the Works; or
    2. has failed to repay the advance payment in accordance with the Contract conditions, specifying the amount which the Applicant has failed to repay.

A demand under this guarantee may be presented as from the presentation to the Guarantor of a certificate from the Beneficiary’s bank stating that the advance payment referred to above has been credited to the Applicant on its account number \_\_\_\_\_\_\_\_\_\_\_ at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_..

The maximum amount of this guarantee shall be progressively reduced by the amount of the advance payment repaid by the Applicant as specified in copies of interim statements or payment certificates which shall be presented to us. This guarantee shall expire, at the latest, upon our receipt of a copy of the interim payment certificate indicating that ninety (90) percent of the Accepted Contract Amount, less provisional sums, has been certified for payment, or on the \_\_\_ day of \_\_\_\_\_, 2\_\_\_,[[4]](#footnote-4)2 whichever is earlier.Consequently, any demand for payment under thisguarantee must be received by us at this office on or before that date..

This guarantee is subject to the Uniform Rules for Demand Guarantees (URDG) 2010 Revision, ICC Publication No. 758, except that the supporting statement under Article 15(a) is hereby excluded.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_   
*[signature(s)]*

**Note: All italicized text (including footnotes) is for use in preparing this form and shall be deleted from the final product.**

#### Retention Money Security

**Demand Guarantee**

*\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ [Guarantor letterhead or SWIFT identifier code]*

**Beneficiary:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ *[Insert name and Address of* Employer*]*

**Date:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*[Insert date of issue]*

**RETENTION MONEY GUARANTEE No.:** *[Insert guarantee reference number]*

**Guarantor:** *[Insert name and address of place of issue, unless indicated in the letterhead]*

We have been informed that \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ *[insert name of Contractor, which in the case of a joint venture shall be the name of the joint venture]* (hereinafter called "the Applicant") has entered into Contract No. \_\_\_\_\_\_\_\_\_\_\_\_\_ *[insert reference number of the contract]*dated \_\_\_\_\_\_\_\_\_\_\_\_ with the Beneficiary, for the execution of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ *[insert name of contract and brief description of* Works*]*(hereinafter called "the Contract").

Furthermore, we understand that, according to the conditions of the Contract, the Beneficiary retains moneys up to the limit set forth in the Contract (“the Retention Money”), and that when the Taking-Over Certificate has been issued under the Contract and the first half of the Retention Money has been certified for payment, payment of *[insert the second half of the Retention Moneyor if the amount guaranteed under the Performance Guarantee when the Taking-Over Certificate is issued is less than half of the Retention Money,thedifference between half of the Retention Money and the amount guaranteed under the Performance Security]* is to be made against a Retention Money guarantee.

At the request of the Applicant, we,as Guarantor, hereby irrevocably undertake to pay the Beneficiary any sum or sums not exceeding in total an amount of \_\_\_\_\_\_\_\_\_\_\_ *[insert amount in figures]*()*[amount in words][[5]](#footnote-5)1* upon receipt by us of the Beneficiary’s complying demand supported by the Beneficiary’s statement, whether in the demand itself or in a separate signed document accompanying or identifying the demand, stating that the Applicant is in breach of its obligation(s) under the Contract,without your needing to prove or show grounds for your demand or the sum specified therein.

A demand under this guarantee may be presented as from the presentation to the Guarantor of a certificate from the Beneficiary’s bank stating that the second half of the Retention Money as referred to above has been credited to the Applicant on its account number \_\_\_\_\_\_\_\_\_\_\_ at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ *[insert name and address of Applicant’s bank]*.

This guarantee shall expireno later than the …. day of ……, 2… [[6]](#footnote-6)2, and any demand for payment under it must be received by us at the office indicated above on or before that date.

This guarantee is subject to the Uniform Rules for Demand Guarantees (URDG) 2010 Revision, ICC Publication No. 758, except that the supporting statement under Article 15(a) is hereby excluded.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_   
*[signature(s)]*

**Note: All italicized text (including footnotes) is for use in preparing this form and shall be deleted from the final product.**

1. *1 The Guarantor shall insert an amount representing the percentage of the Accepted Contract Amount specified in the Letter of Acceptance, less provisional sums, if any, and denominated either in the currency(cies) of the Contract or a freely convertible currency acceptable to the Beneficiary.* [↑](#footnote-ref-1)
2. *2 Insert the date twenty-eight days after the expected completion dateas described in GC Clause 11.9. The Employer should note that in the event of an extension of this date for completion of the Contract, the Employer would need to request an extension of this guarantee from the Guarantor. Such request must be in writing and must be made prior to the expiration date established in the guarantee. In preparing this guarantee, the Employer might consider adding the following text to the form, at the end of the penultimate paragraph: “The Guarantor agrees to a one-time extension of this guarantee for a period not to exceed [six months][one year], in response to the Beneficiary’s written request for such extension, such request to be presented to the Guarantor before the expiry of the guarantee.”* [↑](#footnote-ref-2)
3. 1 *The Guarantor shall insert an amount representing the amount of the advance payment and denominated either in the currency(ies) of the advance payment as specified in the Contract, or in a freely convertible currency acceptable to the Employer.* [↑](#footnote-ref-3)
4. 2 *Insert the expected expiration date of the Time for Completion. The Employer should note that in the event of an extension of the time for completion of the Contract, the Employer would need to request an extension of this guarantee from the Guarantor. Such request must be in writing and must be made prior to the expiration date established in the guarantee. In preparing this guarantee, the Employer might consider adding the following text to the form, at the end of the penultimate paragraph: “The Guarantor agrees to a one-time extension of this guarantee for a period not to exceed [six months][one year], in response to the Beneficiary’s written request for such extension, such request to be presented to the Guarantor before the expiry of the guarantee.”* [↑](#footnote-ref-4)
5. 1 *The Guarantor shall insert an amount representing the amount of the second half of the Retention Money or or if the amount guaranteed under the Performance Guarantee when the Taking-Over Certificate is issued is less than half of the Retention Money, the difference between half of the Retention Money and the amount guaranteed under the Performance Security and denominated either in the currency(ies) of the second half of the Retention Money as specified in the Contract, or in a freely convertible currency acceptable to the Beneficiary.* [↑](#footnote-ref-5)
6. *2 Insert the same expiry date as set forth in the performance security, representing the date twenty-eight days after the completion date described in GC Clause 11.9. The Employer should note that in the event of an extension of thisdatefor completion of the Contract, the Employer would need to request an extension of this guarantee from the Guarantor. Such request must be in writing and must be made prior to the expiration date established in the guarantee. In preparing this guarantee, the Employer might consider adding the following text to the form, at the end of the penultimate paragraph: “The Guarantor agrees to a one-time extension of this guarantee for a period not to exceed [six months][one year], in response to the Beneficiary’s written request for such extension, such request to be presented to the Guarantor before the expiry of the guarantee.”* [↑](#footnote-ref-6)