

## CONTRACT

No. 06-31-92/28.11.2018

for a public procurement with subject matter: **"Supply and assembly of furniture for furnishing the residence of the Ambassador of the Republic of Bulgaria in Riyadh, the Kingdom of Saudi Arabia, and of the Embassy of the Republic of Bulgaria in Riyadh, the Kingdom of Saudi Arabia, with the attaching residence part in two lots:**

**Under lot No. 1 "Supply and assembly of office furniture" and Lot No 2 "Supply and assembly of upholstered furniture"**

Today, 28.11.2018, by and between:

**The EMBASSY OF THE REPUBLIC OF BULGARIA IN RIYADH, THE KINGDOM OF SAUDI ARABIA** – Umm Al Hamam, Taik Residence Compound House 77, Riyadh, Kingdom of Saudi Arabia, BULSTAT/CC 0007011003276, represented by Vladimir Plamenov Dorovski, Chargé d'Affaires a.i., hereinafter referred to as the **CONTRACTING AUTHORITY**, as one party,

and  
**Al Jedaie Office Furniture Co**, address: Tahliya Street Riyadh, Kingdom of Saudi Arabia, having its seat and registered office at: Tahliya Street Riyadh, Kingdom of Saudi Arabia, UIC / BULSTAT Code / registration number or another identification code: 1010176855, represented by Emad Galal Ghonem in their capacity as Project Manager, pursuant to ..... (document or instrument from which the powers of the person or persons representing the contractor arise, if applicable), hereinafter referred to as the **CONTRACTOR**, as the other party,

(the **CONTRACTING AUTHORITY** and the **CONTRACTOR** referred to together as the **"Parties"** and each of them separately as the **"Party"**),

on the grounds of Article 20(7)(2) of the Public Procurement Act (**"PP Act"**) and a Protocol for ranking the participants and determining the contractors for a public procurement contract with subject matter **"Supply and assembly of furniture for furnishing the residence of the Ambassador of the Republic of Bulgaria in Riyadh, the Kingdom of Saudi Arabia, and of the Embassy of the Republic of Bulgaria in Riyadh, the Kingdom of Saudi Arabia, with the attaching residence part"**, in two lots, approved on 23.11.2018 by the Contracting Authority, this contract was concluded under Lot No 1 **"Supply and assembly of office furniture"** and Lot No 2 **"Supply and assembly of upholstered furniture"**, whereby the parties agreed to the following:

### I. SUBJECT MATTER AND DURATION OF THE CONTRACT

**Article 1. (1)** The **CONTRACTING AUTHORITY** awards, and the **CONTRACTOR** agrees to perform, for consideration, **supply and assembly of furniture for furnishing the residence of the Ambassador of the Republic of Bulgaria in Riyadh, the Kingdom of Saudi Arabia, and of the Embassy of the Republic of Bulgaria in Riyadh, the Kingdom of Saudi Arabia, with the attaching residence part, under lot No 1 "Supply and assembly of office furniture" and Lot No 2 "Supply and assembly of upholstered furniture"**

**(2)** The furniture under Paragraph (1) will be referred to hereinafter as **"items"** or **"goods"**.

**Article 2.** This contract will enter into force at the time of its conclusion and the term of its execution shall be the earlier of 12 (twelve) months or until the maximum value is reached.

**Article 3.** The goods supplied shall be new, unused and shall conform to the conditions and requirements of the Contracting Authority specified in Annex No 1 "Technical Specification" prepared by the **CONTRACTING AUTHORITY**, and in Annex No 2 - "Technical Proposal" and Annex No 3 "Price Proposal" prepared by the **CONTRACTOR**, all constituting an integral part of this contract.

**Article 4.** The documents that prove the quality of the goods and their origin, such as certificates of origin and quality, information sheets, instructions for safe use and/or other types of documents, shall accompany the goods upon their delivery.

**Article 5. (1)** The **CONTRACTOR** is obliged to ensure packaging of the delivered goods that protects them from damage and/or destruction during their transportation as well as during their storage in a warehouse.

**(2)** The packaging of the goods must be intact. If the manufacturer has specified instructions for assembly and use, these instructions shall be attached to the packaging.

**(3)** The supply of the items shall include all activities relating to the execution of the contract: loading, unloading, transportation, assembly and other accompanying activities to/in the buildings of the Contracting Authority, as well as all costs relating to the execution of the contract, including transport costs, fees and charges, loading, unloading, assembly, etc.

**(4)** The maximum deadline for delivery and assembly of an ordered item shall be 30 (thirty) business days of receiving the order and during the normal working hours from 9:00 a.m. to 5:30 p.m., in accordance with Annex No 1 "Technical Specification" and the Technical Proposal of the Contractor (Annex No 2).

**(5)** Items delivered by the **CONTRACTOR** in deviation from the requirements of the contract and the annexes thereto may not be accepted by the **CONTRACTING AUTHORITY** and may be returned and replaced at the expense of the **CONTRACTOR**.

### III. PRICE AND TERMS OF PAYMENT

**Article 6. (1)** The maximum contract price shall be:

Under Lot No 1 – up to BGN 90,800 (ninety thousand and eight hundred) or 197040.487 SAR.

Under Lot No 2 – up to BGN 22,150 (twenty-two thousand one hundred and fifty) or 48066.594 SAR.

*(The lot which is not applicable shall be deleted)*

**(2)** The unit prices of the individual items stated in Annex No 3 "Price Proposal", prepared by the **CONTRACTOR** and constituting an integral part of the contract, shall be final for the contract execution period and may not be increased.

**(3)** Unit prices shall include all costs of the **CONTRACTOR** for the execution of this contract, including the costs of the packaging, the transport costs, the fees and charges, the loading, unloading, assembly, etc. to/at the place of delivery specified in Article 8.

**Article 7. (1)** A bipartite acceptance and handover protocol signed by the parties shall be drawn up for each completed delivery.

**(2)** For the full implementation of the contract subject, the parties shall sign a bilateral final acceptance and handover protocol.

**CONTRACTOR** to the **CONTRACTING AUTHORITY** of an invoice as well as a guarantee that covers the advance payment in the amount of the advance payment in one of the forms specified in Paragraph (3). The guarantee covering the advance payment shall be released within 10 days of the return or utilisation of the advance payment. The advance payment shall be deemed utilised after the signing of a final Acceptance and Handover Protocol for the execution of the contract subject without comments.

(4) The **CONTRACTOR** shall provide a guarantee covering the advance payment under in the amount of 100 (one hundred) % of [amount of the advance payment] of the contract price under Article 6, Paragraph (1).

(5) The **CONTRACTING AUTHORITY** shall transfer the advance payment in Bulgarian lev into the following bank account of the **CONTRACTOR**:

BANK: Al Awal Bank;

BIC: ALASARI;

IBAN: SA61 5000 0000 0323 8772 5048

(6) The **CONTRACTOR** shall submit documents confirming that the guarantee covering the advance payment has been deposited as at the date of its conclusion.

(7) Form of guarantee.

The **Contractor** shall select the form of guarantee among the following:

- (i) cash amount paid into the bank account of the Contracting Authority;
- (ii) bank guarantee; or
- (iii) insurance.

7.1. Where the guarantee is presented in the form of a **cash amount**, this amount shall be deposited in a **CONTRACTING AUTHORITY**'s bank account. All bank costs, related to the transfer of the guarantee amount shall be at the expense of the Contractor;

7.2. Where the **CONTRACTOR** presents a **bank guarantee**, it shall provide it in original, and the bank guarantee shall be unconditional, irrevocable and non-transferrable, and shall cover 100% (*one hundred percent*) of the value of the guarantee covering the advance payment, and its validity shall be equal to the deadline for the utilisation of the advance payment plus 5 days for the guarantee covering the advance payment.

(8) The parties hereby agree that in the event of the issuance of a bank guarantee the latter shall contain a condition requiring of the bank to pay the amount of the guarantee upon first request, irrespective of any objections or defence arising in connection with the main obligations.

(9) All bank costs pertaining to the servicing of the transfer of the guarantee, including those for its refund, shall be borne by the **CONTRACTOR**.

(10) The **insurance** covering the advance payment shall be valid until the utilisation of the advance payment plus 5 days. The **CONTRACTING AUTHORITY** shall be included as a third party – beneficiary under this insurance. The insurance shall cover the liability for failure to utilise or failure to refund the advance payment and may not be used to cover the same party's liability under a different Contract. The costs of entry into the insurance contract and for maintaining the validity of the insurance for the term required, as well as the costs associated with each payment of insurance compensation in favour of the Contracting Authority, shall be at the expense of the **CONTRACTOR**.

payment within 10 (ten) days of the utilisation or the return of the advance payment, and the advance payment shall be considered utilised at the time of the delivery of the entire ordered quantity of furniture and the signing of the Acceptance and Handover Protocol.

(12) The **CONTRACTING AUTHORITY** shall not owe interest, charges, commissions or any other payments on the amounts of the guarantee, irrespective of the form in which the guarantee was provided.

(13) The guarantee shall not be released by the **CONTRACTING AUTHORITY** if in the course of the contract execution a dispute between the parties has arisen regarding non-performance of the obligations of the Contractor and the matter has been referred for settlement to the court. If the dispute is decided in favor of the **CONTRACTING AUTHORITY**, it may commence the retaining of the performance guarantee.

(14) The **CONTRACTING AUTHORITY** may retain in full or in part the guarantee that covers the advance payment if obligations arise for the **CONTRACTOR** to return money paid in advance. In such cases, the **CONTRACTING AUTHORITY** shall be entitled to retain the guarantee covering the advance payment – the amount equal to the advance payment – provided that this amount has not already been retained or returned to the **CONTRACTOR**.

(15) The resources transferred by the **CONTRACTING AUTHORITY**, but not absorbed by the **CONTRACTOR** in pursuance of this contract, shall be subject to refunding to the following bank account of the **CONTRACTING AUTHORITY**:

Bank: Alinma Bank

IBAN: SA8505000068202119810000

BIC: INMASARI

#### **IV. PLACE AND TERMS OF DELIVERY**

**Article 8.** The items subject to delivery under this Contract shall be delivered at the following addresses of the **CONTRACTING AUTHORITY**: Umm Al Hamam, Talk Residence Compound House 77, Riyadh, Kingdom of Saudi Arabia.

**Article 9.** The deadline for the delivery and assembly of the items is up to 30 (thirty) business days of making an order.

#### **V. RIGHTS AND OBLIGATIONS OF THE CONTRACTING AUTHORITY**

**Article 10.** The **CONTRACTING AUTHORITY** shall have the right:

1. to demand from the **CONTRACTOR** to implement the assigned delivery within the prescribed term without diverging from the contract and without shortcomings;
2. in cases where the elimination of defects is impossible or the delivery is incomplete, to require from the **CONTRACTOR** to replace the poor quality, incomplete or defective delivery in accordance with the procedure and within the deadlines specified in this contract;
3. to demand from the **CONTRACTOR** to remove at its own expense all factory or production defects within 7 (seven) business days;
4. at any time during the execution of this contract to exercise ongoing control and checks of the quality of the goods delivered, the stage of delivery, etc., without interfering with the **CONTRACTOR's** operational activities;
5. not to accept and to return to the **CONTRACTOR** items which do not satisfy any of the

**Article 11.** The **CONTRACTING AUTHORITY** shall be obliged:

1. to pay to the **CONTRACTOR** the value of items delivered by the **CONTRACTOR** in accordance with the procedure and under the conditions of this contract;
2. to accept the items delivered by the **CONTRACTOR** in accordance with the procedure and under the conditions of this contract.

## **VI. RIGHTS AND OBLIGATIONS OF THE CONTRACTOR**

**Article 12.** The **CONTRACTOR** shall have the right:

1. to receive the price of the items delivered in accordance with the procedure and under the conditions of this contract;
2. to request from the **CONTRACTING AUTHORITY** information and assistance necessary for the quality performance of the supplies under Article 1.

**Article 13.** The **CONTRACTOR** undertakes:

1. to deliver goods that correspond in terms of quantity, quality, description, model, colour, etc., and packaging to those specified in this contract and the annexes thereto;
2. to deliver goods that correspond to the description of items contained in the Technical Specification (Annex No 1), the Technical Proposal (Annex No 2) and the Price Proposal (Annex No 3);
3. to make the deliveries to the location/locations specified in Article 8 at its expense;
4. to repair or replace a defective/damaged item it has delivered if the defect is not caused by incorrect operation and the item is still covered by warranty;
5. to rectify at its own expense any shortcomings, errors and defects found in the process of implementation of the Contract within the term specified in Article 21;
6. to replace at its own expense items that do not conform with the requirements under this contract, where the repair of such items is impossible;
7. to provide the necessary technical documentation accompanying the items where such documentation is provided by the manufacturer;
8. to provide access to the documents related to the execution of this contract to the authorised representatives of the **CONTRACTING AUTHORITY**;
- [9. (if applicable) The **CONTRACTOR** undertakes to conclude a subcontract/subcontracts with the subcontractors specified in its tender within 7 (seven) days of concluding this Contract. Within three days from the conclusion of a subcontract or of a supplementary agreement replacing a subcontractor indicated in the tender, the **CONTRACTOR** shall send a copy of the contract or of the supplementary agreement to the **CONTRACTING AUTHORITY** together with evidence that the conditions under Article 66 (2) and (11) of the Public Procurement Act have been fulfilled.]

## **VII. NOTICES BETWEEN THE PARTIES. CONTACT PERSONS.**

**Article 14.** All notices between the parties, including orders for delivery, shall be made in writing.

**Article 15.** The persons responsible for the performance of the activities under this contract are as follows:

1. For the **CONTRACTING AUTHORITY**: Name, position, telephone, fax, e-mail, address:
2. For the **Contractor**: Name, position, telephone, fax, e-mail, address:



**Article 16.** The handing over and the acceptance of the delivery at the location/locations specified in Article 8 shall be made by signing, without comments, of a bipartite acceptance and handover protocol. The type, quantity and price of the items delivered shall be stated in the protocol. Deliveries shall be made during the working hours of the **CONTRACTING AUTHORITY**.

*[(if applicable) (2) Where the **CONTRACTOR** has concluded a subcontract(s), the work of the subcontractors shall be accepted by the **CONTRACTING AUTHORITY** in the presence of the **CONTRACTOR** and the subcontractor in accordance with the procedure and under the conditions of this contract as applicable to the **CONTRACTOR**.]*

#### **X. WARRANTY PERIODS. CLAIMS**

**Article 17.** The warranty period of each item delivered under this contract is 24 months *(not shorter than 24 (twenty-four) months, to be indicated in accordance with the warranty period specified in the Technical Proposal of the **CONTRACTOR**).*

**Article 18. (1)** The warranty periods shall start to run from the date of signing the acceptance and handover protocol referred to in Article 16 without comments.

**(2)** When defective furniture is repaired, the replaced or repaired part shall have a warranty period equal to the remaining warranty period of the defective item and not shorter than 6 months from the date on which the Contracting Authority has accepted the repair results.

**Article 19.** In the event that hidden shortcomings and/or defects are established, about which the **CONTRACTOR** has been informed, it shall be obliged to remove them or to replace, within 7 days, the goods with new ones, having the same or better characteristics, if the defect makes them unfit for use according to purpose.

**Article 20.** All costs relating to the replacement, transportation, etc. of poor-quality or defective goods during the warranty period shall be at the expense of the **CONTRACTOR**.

#### **XI. PENALTIES AND COMPENSATIONS**

**Article 21. (1)** If the **CONTRACTOR** fails to make the agreed delivery or part thereof, or fails to meet the requirements of the contract for such delivery or part within the time limit indicated in the contract, it shall owe to the **CONTRACTING AUTHORITY** a penalty in the amount of 2% (two percent) of the value of the delivery but no more than 10% (ten percent) of the maximum contract value.

**(2)** If the **CONTRACTOR** fails to fulfil its obligations under Article 17 of the contract within the time limit set, it shall owe to the **CONTRACTING AUTHORITY** a penalty in the amount of 100% of the value of the item.

**Article 22.** In the event of delay of the delivery, the **CONTRACTOR** shall owe to the **CONTRACTING AUTHORITY** a penalty in the amount of 0.5% (half percent) of the value of the delivery for each day of delay but no more than 10% (ten percent) of the maximum contract value.

**Article 23.** In the event of delay of the payment, the **CONTRACTING AUTHORITY** shall owe a penalty in the amount of 0.05% (zero point zero five percent) of the amount due for each day of delay but no more than 3% (three percent) of the maximum contract value.

#### **XII. TERMINATION OF THE CONTRACT**

Contract, the CONTRACTING AUTHORITY shall terminate this contract unilaterally with a seven-day written notice. "Systematic" shall mean on three or more occasions.

(2) The **CONTRACTING AUTHORITY** may terminate this contract without notice if the **CONTRACTOR** is deprived, for any reason, of the right to exercise its activity in accordance with the law of the state where the violation was committed.

(3) The **CONTRACTING AUTHORITY** can terminate this Contract with the **CONTRACTOR** in case of ascertained conflict of interests: by unilateral written notice sent by the **CONTRACTING AUTHORITY** to the **CONTRACTOR**.

(4) The **CONTRACTING AUTHORITY** can terminate this contract with a one-month written notice if it decides that it derives no economic benefit from it.

**Article 25.** In case of termination of the contract under this Section, the **CONTRACTING AUTHORITY** shall not owe to the **CONTRACTOR** any default penalties, interest, compensation for foregone benefits or other compensations.

**Article 26.** The **CONTRACTING AUTHORITY** shall terminate this contract upon the expiration of the term for its execution or when its maximum value is reached, as well as if the Contracting Authority can no longer make payments under the contract due to circumstances beyond its control.

### **XIII. OTHER TERMS**

**Article 27.** The parties shall resolve disputes arising out of or in connection with the implementation of this contract by mutual agreement, and where such agreement cannot be reached the dispute shall be referred to the competent court.

**Article 28.** This Contract is signed in two identical copies, one for the **CONTRACTING AUTHORITY** and one for the **CONTRACTOR**.

**Article 32.** The following annexes shall form an integral part of this Contract:

1. Annex No 1 – Technical Specification;
2. Annex No 2 – Technical Proposal of the **CONTRACTOR** with a colour catalogue with photos of the proposed items attached to it;
3. Annex No 3 – Price Proposal of the **CONTRACTOR** accompanied by Annex No 4 and 5 (5.1 or 5.2) to it.

**CONTRACTING AUTHORITY:**

Vladimir Dorovski

Заличено на осн.  
чл.2 от 33ЛД



**CONTRACTOR:**

Emad Ghonem

Заличено на осн.  
чл.2 от 33ЛД

