

Supply Contract
no. _____ date _____

On the basis of the Government Emergency Ordinance no. 34/2006 regarding the award of public procurement contracts, the public work concession contracts and of the service concession contracts, with later modifications and completions, there was concluded the present contract for the supply of products,

1. the contracting Parties

between

THE NATIONAL INSTITUTE OF RESEARCH – DEVELOPMENT FOR GEOLOGY AND MARINE GEOECOLOGY – GEOECOMAR with the registered office in Romania, Bucharest, 23-25, Dimitrie Onciu str., 2nd district, telephone/fax 021/252.25.94, trade registry number J40/1075/1997, fiscal code RO 5194978, IBAN account no. RO 95 RNCB 0073049976680001 opened at B.C.R. of 2nd district, represented by General Director Gheorghe OAIE, in the capacity of **purchaser**, on one side,

and

.....address.....

(designation of the economic operator)

telephone/fax	Trade	Registry
number.....	code.....	account
(treasury, bank)	represented
by.....	holding	the position of

.....

(designation of the leader),
in the capacity of **supplier**, on the other side.

2. Definitions

2.1 - In the present contract the following terms shall be interpreted as follows:

- a. **contract** – the present contract and all its annexes;
- b. **purchase and supplier** – the contracting parties, as referred to in the present contract;
- c. **price of the contract** – the price payable to the supplier by the purchaser, on the basis of the contract, for the full and appropriate fulfillment of all obligations undertaken through the contract;
- d. **products** – the equipment, machinery, devices, any other goods, contained in the annex(es) to the present contract, which the supplier commits by contract, to provide to the purchaser;

- e. **services** - services corresponding to the delivery of the products, respectively the activities pertaining to the supply of the products, such as the transportation, insurance, installation, start-up, technical assistance during the guarantee period and any other such obligations that are assigned to the supplier by contract;
- f. **origin** – the place where the products were made, manufactured. The products are manufactured when by the process of manufacturing, processing or major and essential assembly of the composing elements there results a new product, commercially recognized, which is different by its basic characteristics, purpose or utility from its components. The origin of the products and services can be different from the nationality of the supplier;
- g. **final destination** – the place where the supplier has the obligation to provide the products;
- h. **commercial terms** of delivery shall be interpreted according to INCOTERMS 2000 – The International Chamber of Commerce (CIC);
- i. **force majeure** – represents a circumstance of external origin, with extraordinary character, absolutely unpredictable and inevitable, which is outside the control of any of the parties, which is not due to the mistake or guilt thereof, and which turns impossible the execution and, respectively, the fulfillment of the contract; the following are considered to be such events: wars, revolutions, fires, floods or any other natural disasters, restrictions resulting from a quarantine, embargo, and the enumeration is not exhaustive, but enunciating. An event similar to the ones above which without creating the impossibility of execution but turns the execution of the obligations of one of the parties extremely expensive is not considered a force majeure event;
- j. **day** – calendar day ; **year** - 365 days.
(there shall be added any other terms which the parties understand to define for the contract)

3. Interpretation

3.1 – In the present contract, except for contrary provisions, the words in the singular shall include the plural and vice versa, wherever this is allowed by the context.

3.2 – The word “day” or “days” or any referral to days represent calendar days if they are not differently specified.

Compulsory Clauses

4. Subject and price of the contract

4.1. – The supplier commits to provide and install
(*designation of the products and quantities*)
during the agreed period(s) and in accordance with the obligations undertaken by the present contract.

4.2. – The purchaser commits to pay the supplier the agreed priced for the fulfillment of the supply contract for
(*designation of the products*)

4.3. – The agreed price for the fulfillment of the contract, respectively the price of the delivered products and of the accessory services provided, payable to the supplier by the purchaser according to the payment schedule, is of euro, out of which VAT euro.

5. Duration of the contract

5.1. – The duration of the present contract is of..... months, that is from.....until

6. Documents of the contract

6.1. – Documents of the contract are *(at least)*:

- a) *the task book;*
- b) *the technical proposition and the financial proposition;*
- c) *the contract fulfillment schedule;*
- d) *the payment schedule;*
- e) *the good execution guarantee, if this is the case;*
- f) *the firm commitment of sustenance from a third party, if this is the case.*

(there shall be enumerated, according to the case, all documents that the parties understand to consider as integral part of the contract)

7. Main obligations of the supplier

7.1. – The supplier commits to deliver / make available to the purchaser, and according to the case, install.....(designation of the products and quantity), the products defined in the present contract.

7.2. - The supplier commits to deliver the products at the standards and/or performances stipulated in the technical proposition.

7.3. - The supplier commits to deliver the products within the periods / upon the dates stipulated in the delivery schedule submitted in the technical proposition, annex to the contract.

7.4. – The supplier commits to comply with the deadline for the execution of the works as stipulated in the schedule for the execution of the works submitted within the technical proposition, annex to the contract.

7.5. - The supplier commits to pay damages to the purchaser against any:

1. claims and legal actions, resulting from the violation of intellectual property rights (brevets, commercial names, trademarks etc.), regarding the equipment, materials, installations or machinery used for or in connection with the purchased products, and

2. related damages -interests, costs, fees and expenses of any type, except for the situation when such a violation results from the compliance with the task book prepared by the purchaser.

8. Main obligations of the purchaser

8.1. – The purchaser commits to purchase, respectively to buy and pay the price agreed in the present contract.

8.2. - The purchaser commits to receive the products and works upon the agreed deadline.

8.3. - The purchaser commits to pay the price of the products to the supplier within the agreed deadline since the issuance of the invoice by the latter. Payments in hard currency shall be carried out in compliance with the legal provisions.

(the payment deadline since the date of the invoice shall be stipulated and, according to the case, the payment schedule).

8.4. – If the purchaser does not pay the invoices within 30 days since the expiry of the agreed period, then the supplier is entitled to cut off the delivery of the products and

works. As soon as the purchaser honors its obligations, the supplier shall restart the delivery of the products and the restart of the works within the shortest time span.

9. Sanctions for the culpable failure to fulfill the obligations

9.1. - In case, due to its exclusive guilt, the supplier does not fulfill the undertaken obligations, then the purchaser is entitled to deduce from the price of the contract, as penalties, 0.1% for each day of delay, until the effective fulfillment of the obligations.

9.2. - In case the purchaser does not honor its obligations within 30 days since the expiry of the agreed period, then it shall have the obligation to pay, as penalties, 0.1% for each day of delay, until the effective fulfillment of the obligations

9.3. – The culpable failure to comply with the obligations undertaken by the present contract by any of the parties, entitles the affected party to consider the contract *de jure* terminated/ to request the contract termination and claim the payment of damages-interests.

9.4. – The purchaser reserve its right to unilaterally denounce the contract, by a written notification addressed to the supplier, without any compensation, if the latter undergoes bankruptcy, on the condition that such denouncement does not prejudice or affect the right to take action or be paid damages for the supplier. In this case, the supplier is entitled to claim only the payment corresponding to the part of the contract that was fulfilled until the date of the unilateral denouncement of the contract.

Specific Clauses

10. Guarantee of good execution of the contract

10.1. – The supplier commits to create the guarantee of good execution of the contract before the start of the execution of the contract. The performance bond is 10% of the contract price, excluding VAT and is furnished by a guarantee instrument issued under the law of a bank which becomes an annex to the contract.

10.2. – The purchaser commits to free the guarantee for participation and, according to the case, issue the order for starting the contract, only after the supplier demonstrated the creation of the guarantee of good execution.

10.3. – The purchaser is entitled to issue claims on the guarantee of good execution, within the limit of the created prejudice, if the supplier does not execute, executes with delay or executes inadequately the obligations undertaken by the present contract. Prior to issuing a claim on the guarantee of good execution, the purchaser has the obligation to notify it to the supplier, specifying also the obligations which were not complied with.

10.4. - The purchaser commits to return the guarantee of good execution within 14 days since the date of the signature without objections of the report on the engine start-up, if the purchaser has not raised any claim on it until that moment.

10.5. – The guarantee of the products differs from the guarantee of good execution of the contract.

11. Reception, inspections and tests

11.1. – The purchaser or its representative is entitled to inspect and/or test the products for checking their conformity with the specifications in the annex(es) to the contract.

11.2. - (1) The inspections and tests to which the products shall be subjected, as well as the conditions for passing the temporary reception and the final (qualitative) reception are described in the annex(es) to the contract.

(2) The purchaser has to obligation to notify, in writing, the supplier as for the identity of its representative agents for undertaking the reception, tests and inspections.

11.3. – Inspections and tests within the temporary reception and final (qualitative) reception shall be carried out at the final destination of the products, including upon the completion of the works of montage of the new propulsion systems.

(the final destination of the products shall be specified)

11.4. – If any of the inspected or tested products does not answer adequately the specifications, the purchaser has the right to reject it, and the supplier without modifying the price of the contract has the obligation :

a) to replace the refused products; or

b) to make all necessary modifications so that the products answer the technical specifications.

11.5. – The right of the purchaser to inspect, test and, if necessary, reject the products shall not be limited or delayed due to the fact that the products were inspected and tested by the supplier, with or without the participation of a representative of the purchaser, prior to the delivery thereof at the final destination.

11.6. – The provisions of clauses 11.1-11.4 shall not remove the obligation of the supplier to undertake the guarantees or any other obligations stipulated in the contract.

12. Packaging and marking

12.1. - (1) The supplier has the obligation to pack the products so that they resist, without limitation, to the tough manipulation during transportation, transit and exposure to extreme temperatures, sun and precipitations that might appear during transportation and storage in the open, so that they reach the final destination in good condition.

(2) In case of packaging weights and volumes in boxes, the supplier shall take into consideration, whenever the case, the large distance until the final destination of the products and the absence of facilities for heavy manipulation in all transit points.

12.2. – The packaging, marking and documentation inside or outside the parcels shall strictly comply with the requirements that shall be especially stipulated in the contract, including the additional requirements.

(there shall be stipulated such requirements, including the additional ones, and any later instructions required by the purchaser)

12.3. – All packaging materials for the products, as well as all materials necessary to the protection of the parcels (wooden pallets, protection sheets etc.) remain the property of the purchaser.

13. Delivery and documents accompanying the products

13.1. - The supplier has the obligation to deliver the products at the final destination indicated by the purchaser, complying with:

a) the data in the delivery schedule and

b) the agreed commercial deadline.

13.2. - (1) Upon the dispatching of the products, the supplier has the obligation to communicate, in writing, both to the purchaser, and, according to the case, the insurance company the dispatching data, the contract number, the description of the products, the quantity, loading and unloading places.

(2) The supplier shall transmit the purchaser the documents that accompany the products.

(there shall be stipulated the documents that shall accompany the products)

13.3. – The certification by the purchaser of the fact that the products were partly or fully delivered shall be done after the installation and after the reception, by the receipt signature affixed by the authorized representative thereof on the documents issued by the supplier for the delivery.

13.4. – The delivery of the products shall be considered terminated the moment the provisions of the clauses regarding the reception of the products are fulfilled.

14. Insurances

14.1. - The supplier has the obligation to fully insure the products provided by contract against the unforeseen loss or deterioration during manufacture, transportation, storage and delivery.

15. Services

15.1. – Apart from the effective delivery of the products, the supplier has the obligation to provide accessory services to the delivery of the products, without modifying the price of the contract.

15.2. - The supplier has the obligation to provide the services, for the agreed period of time, on the condition that these services do not remove any obligation of guarantee the supplier undertook by the contract.

(there shall be stipulated the period of time agreed for the delivery of the services)

16. Warranty period granted to the products

16.1. - The supplier has the obligation to guarantee that the products provided by contract are new, unexploited. The supplier also has the obligation to guarantee that all products provided by contract shall have no defect resulting from the project, materials or labor (except when the project and/ or material is expressly required by the purchaser) or any other action or omission of the supplier and that they shall operate at the required parameters, under normal operating conditions.

16.2. - (1) The warranty period granted to the products by the supplier is the one declared in the technical proposition and imposed through the Task Book.

(there shall be stipulated the warranty period granted to the products)

(2) The warranty period granted to the products starts with the date of the reception carried out after the delivery and installation thereof at the final destination.

16.3. – The purchaser is entitled to immediately notify the supplier, in writing, as for any complaint or claim resulting in compliance with such warranty.

16.4. – Upon the receipt of such notification, the supplier has the obligation to remediate the defect or to replace the product within the agreed period, with no additional costs for the purchaser. The products which, during the warranty period, replace those which are defective, benefit of a new warranty period starting with the date of the replacement of the product.

(there shall be specified the period of time for the remediation of the defects or for the replacement of the product)

16.5. – If the supplier, after being notified, does not manage to remediate the defect within the agreed period of time, the purchaser is entitled to take measures for the remediation on the risk and expense of the supplier and without bringing any prejudice to any other rights the purchaser might have to the supplier by means of the contract.

17. Adjustment of the price of the contract

17.1. – For the delivered products and the provided services, the payments due by purchaser to the supplier are those declared in the financial proposition, annexed to the contract.

17.2. – The contracting parties are entitled, throughout the duration of the contract implementation, to agree the modification of the contract clauses by means of amendments, according to the legal provisions.

18. Subcontractors

18.1. – In case the supplier subcontracts parts of the contract, the supplier has the obligation to sign contracts with the designated subcontractors, under the same conditions in which it signed the contract with the purchaser .

18.2. - (1) The supplier is fully responsible to the purchaser as for the way it fulfills the contract.

(2) The subcontractor is fully responsible to the supplier as for the way it fulfills its part of the contract.

(3) The supplier is entitled to claim damages-interests from the subcontractors if they do not fulfill their parts of the contract.

18.3 – The supplier may change any subcontractor if such subcontractor has not fulfilled its part of the contract. The modification of the subcontractor shall be notified to the purchaser and shall not determine the modification of the price of the contract.

19. Delays in fulfilling the contract

19.1. - The supplier has the obligation to fulfill the supply contract during the period(s) included in the delivery schedule.

19.2. – If during the implementation of the contract the supplier does not comply with the delivery or service supply schedule, then it has the obligation to notify the purchaser in due time; the modification of the supply date/ periods undertaken by means of the delivery schedule shall be carried out with the agreement of the parties, by means of an amendment.

19.3. – Except for the case in which the purchaser agrees with an extension of the delivery deadline, any delay in fulfilling the contract entitles the purchaser to claim penalties from the supplier.

20. Force majeure

20.1. – Force majeure is acknowledged by a competent authority.

20.2. – Force majeure exonerates the contracting parties of the fulfillment of the obligations undertaken by the present contract, throughout its whole period in which it is effective.

20.3. – The contract fulfillment shall be suspended during period in which the force majeure is effective, but without bringing prejudice to the rights due to the parties before the occurrence thereof.

20.4. – The contracting party that invokes the force majeure has the obligation to notify the other party immediately and fully as for the occurrence of the same and take any measures that are available to it for limiting its consequences.

20.5. - The contracting party that invokes the force majeure has the obligation to notify the other party the termination of the cause thereof within at maximum 15 days since the termination.

20.6. – In case the force majeure is effective or is estimated it shall be effective for a period of more than 6 months, each party shall be entitled to notify the other party the de jure termination of the present contract, without the possibility of claiming from the other damages - interests.

21. Solving litigations

21.1. – The purchaser and the supplier shall make all efforts for amicably solving, by direct negotiations, any misunderstanding or dispute that might occur between them within or in connection with the fulfillment of the contract.

21.2. - If, after 15 days since the initiation of such negotiations, the purchaser and the supplier do not manage to amicably solve a contractual divergence, each party may request to have the dispute solved by the competent courts of law of Romania.

22. Language governing the contract

22.1. – The language that governs the contract is English language.

23. Communications

23.1. - (1) Any communication between the parties, referring to the fulfillment of the present contract, must be transmitted in writing.

(2) Any written document must be registered both on the moment of its transmission and on the moment of its receipt.

23.2. – Communications between the parties can also be done by phone, telegram, telex, fax or e-mail, on the condition the receipt of the communication is confirmed in writing

24. Applicable of the contract

24.1. – The contract shall be interpreted according to the Romanian laws.

The Parties agreed to sign today..... the present contract in 2
(there shall be stipulated the date of signature by the parties)
(two) counterparts, one for each party.

Purchaser ,
.....
(authorized signature)

Supplier,
.....
(authorized signature)