

**9043**

**Original**

THE GOVERNMENT OF THE DEMOCRATIC SOCIALIST REPUBLIC  
OF SRI LANKA

MINISTRY OF CITY PLANNING AND WATER SUPPLY  
NATIONAL WATER SUPPLY & DRAINAGE BOARD

**PLANT & DESIGN – BUILD CONTRACT FOR  
CIVIL AND M&E WORKS**

**DEDURU OYA WATER SUPPLY PROJECT**

**CONTRACT NO.: P&D/DOWSP/EDCF/W/DB/2014/01**

**THE AGREEMENT**

**BETWEEN**

**NATIONAL WATER SUPPLY & DRAINAGE BOARD**

**AND**

**M/S. KOLON GLOBAL CORPORATION**

**9043**

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# The Contract Agreement

MINISTRY OF CITY PLANNING & WATER SUPPLY

NATIONAL WATER SUPPLY AND DRAINAGE BOARD

PLANT & DESIGN - BUILD CONTRACT FOR  
CIVIL AND M&E WORKS

DEDURU OYA WATER SUPPLY PROJECT

CONTRACT NO.: P&D/DOWSP/EDCF/W/DB/2014/01

CONTRACT AGREEMENT

THIS AGREEMENT made the <sup>7<sup>th</sup></sup>~~23<sup>rd</sup>~~ day of ~~....December~~ 2016 between National Water Supply & Drainage Board, a corporate body duly established under the provisions of the National Water Supply & Drainage Board Law No. 2 of 1974 and having its Head Office at Ratmalana in Sri Lanka (hereinafter called "the Employer") of the one part and M/s. Kolon Global Corporation, Kolon Tower, No: 42, Byeoryansangga 2-ro, Gwacheon-si, Gyeonggi-do, Korea (hereinafter called "the Contractor") of the other part.

WHEREAS the Employer desires that the Works known as Plant & Design - Build Contract For Civil & M&E Works of Deduru Oya Water Supply Project, Contract No : P&D/DOWSP/EDCF/W/DB/2014/01 should be executed by the Contractor, and has accepted a Bid by the Contractor for the investigation, design, execution and completion of these Works and remedying of any defects therein during the defect liability period of 365 days from the date of completion.

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 Conditions of Contract hereinafter referred to;
2. The Following documents shall be deemed to form and be read and construed as part of this Agreement in the following priority order.
  1. The Contract Agreement
  2. The Letter of Acceptance
  3. The Letter of Tender
    - 3.1 Letter of Technical Bid
    - 3.2 Letter of Price Bid
    - 3.3 Appendix to Tender
  4. The Conditions of Contract Part II - Particular Applications
  5. The Conditions of Contract Part I - General Conditions
  6. The Employer's Requirements
  7. The Revised Price Proposal
  8. The Contractor's Proposal

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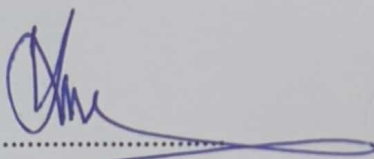


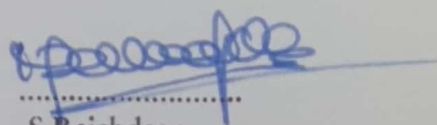
3. In Consideration of the payments to be made by the Employer to the Contractor as indicated in this Agreements, the Contractor hereby covenants with the Employer to design, execute, complete the works and remedy any defects therein during the defect liability period of 365 days from the date of completion of the project, in conformity in all respects with the provisions of the Contract.
4. The Employer hereby covenants to pay the Contractor, in consideration of the investigation design, execution and completion of the Works and the remedying of defects therein during the defect liability period, the Contract Price, **United States Dollars Fifty Five Million (USD 55,000,000.00) excluding Price Contingencies and Manufacturer recommended Spare Parts**, 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.

Applicable VAT will be reimbursed by the Employer to the Contractor on production of Tax Invoices. The Registered No. for NWSDB for VAT is 4090318207000.

In Witness whereof the parties hereto have caused this Agreement to be executed the day and year first before written in accordance with their respective laws.

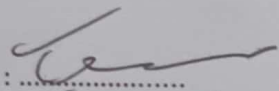
Signed by K.A.Ansar, Chairman of the National Water Supply & Drainage Board and S.Rajabdeen, Vice Chairman of the National Water Supply and Drainage Board at Ratmalana on the 23 day of December Two Thousand and Sixteen in the presence of the following Witnesses


  
 .....  
 K.A.Ansar  
 Chairman

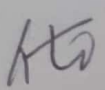
  
 .....  
 S.Rajabdeen  
 Vice Chairman

**FOR NATIONAL WATER SUPPLY AND DRAINAGE BOARD**

**WITNESSES**

Signature 1 :   
 Name : J.R.B. Nedurana  
 Address : N.W.S.D.B.  
 .....

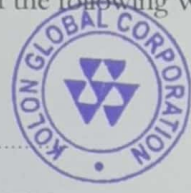
Signature 2:   
 Name : T.U.M.H. Temakozu  
 Address : N.W.S.D.B.  
 .....



0002  

Signed by the said **Jong Woo Yun** in the Capacity of Vice President (Authorized Representative) at the National Water Supply & Drainage Board, Head Office, Ratmalana on the <sup>23<sup>rd</sup></sup> day of ~~.....~~ <sup>December</sup> **Two Thousand and Sixteen** in the presence of the following Witnesses.

*Atto*



Vice President  
FOR M/S. KOLON GLOBAL CORPORATION

**WITNESSES**

Signature 1 : *Kichul yoon*  
Name : *Ki.chul Yoon*  
Address : .....

Signature 2: *[Signature]*  
Name : *Jongbae Park*  
Address : .....





Letter of Acceptance &  
Acknowledgement





# KOLON GLOBAL CORPORATION

No.03, Rockwood Place, Colombo 07. Tel: +94 (0) 11-2697003, Fax: +94 (0) 11-2697004

Head Office : Kolon Tower, 42, Dyeoryansangga2-ro, Gwacheon-si, Gyeonggi-do, Korea  
Tel : (82-2) 3677-6797 Fax : (82-2) 3677-5612 E-mail : ng0118@kolon.com

Ref. No: Deduru - NWS&DB -01

20<sup>th</sup> December, 2016

The General Manager,  
National Water Supply and Drainage Board,  
Galle Road,  
Ratmalana,  
Sri Lanka.

Dear Sir,

TENDR FOR PLANT & DESIGN – BUILD CONTRACT FOR CIVIL AND M&E  
WORKS OF DEDURU OYA WATER SUPPLY SCHEME

CONTRACT NO. P&D/DOWSP/EDCF/W/DB/2014/01

LETTER OF ACCEPTANCE

This references with your Letter of Acceptance dated on 8<sup>th</sup> December 2016.

While thanking you for accepting of our offer for the above tender, we hereby acknowledge the letter of acceptance for the same.

As per the Cl. 8.1 of Particular Conditions of Contract, the commencement date of work should be 22<sup>nd</sup> of December 2016, i.e. 14 days from the date of letter of acceptance and our staffs are scheduled to be mobilized from the same date.

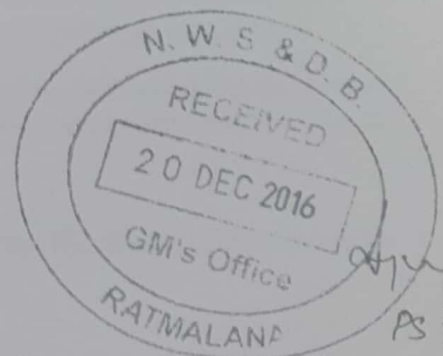
Therefore we kindly request you to arrange the necessary access to sites in order to commence the work and your early attention in this regards is highly appreciated.

Thanking you

Your faithfully,

Jong-Woo, Yun

Vice President / Representative of Kolon Global Corporation



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Regd. Post

T&C/P&D/27/C1/2014

08<sup>th</sup> December 2016

M/s. Kolon Global Corporation,  
Kolon Tower,  
No. 42, Byeoryansangga 2-ro,  
Gwacheon-si,  
Gyeonggi-do,  
Korea

Dear Sir,

**TENDER FOR PLANT & DESIGN – BUILD CONTRACT FOR  
CIVIL & M&E WORKS OF  
DEDURU OYA WATER SUPPLY PROJECT  
CONTRACT NO.: P&D/DOWSP/EDCF/W/DB/2014/01**

**LETTER OF ACCEPTANCE**

With reference to your offer submitted on 22<sup>nd</sup> October 2015 on the above tender, we are pleased to inform you that your offer has been accepted for the Contract Sum of **USD Fifty Five Million (USD 55,000,000.00)** excluding Price Contingencies and Manufacture recommended Spare Parts.

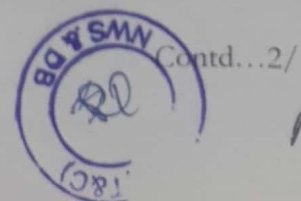
Applicable VAT will be payable on production of Tax Invoices. The Registered No. for NWSDB for VAT is 4090318207000.

Custom Duties, Levied in respect of the Goods supplied under the Contract and incorporated in the permanent works shall be paid by the Employer directly to the Department of Customs.

Payment of Business taxes, income and all other taxes that may be Levied according to the laws and regulations in being as of the base date in the Employer's Country on profits made in respect of the contract shall be the responsibility of the Contractor.

Works under this contract should be completed within 819 days from the date of commencement of Work.

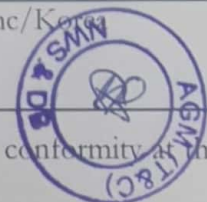
0093



Pipes Fittings Valves Accessories to be supplied under the Contract should be from respective manufactures as Listed below.

Equipment and Material	Basic Specifications	Type	Manufacturer/Country of Manufacture	Country of Origin
Raw water pumps	RPM 1450, VSD Driven,	Vertical Shaft Driven Split Casing	Hyosung Goodsprings/ Korea	Korea
Treated Water pumps	RPM 1450 or 2900 , positive suction type	Horizontal shaft driven Double Suction/ End Suction, VFD Driven	Grundfos / Korea	Korea
VFD drives	As specified in the Tender Document	V/constant , Frequency control	Vacon PIC/Finland	Korea
Surge Vessel	As specified in the tender Document	Bladder type	Joong Ang Engineering or JANGHAN Engineering.	Korea
Air Blowers	As specified in the tender Document	Positive Displacement Rotary Blower	NAEWAI Industries Ltd. Ltd.	Korea
Screens and Accessories	As specified in the tender Document	Course screen -Manual bar screen / Fine screen - Mechanical y operated	Lucent Eng Co. Ltd/ Republic of Korea or KOREA SLOT Co., Ltd/ Republic of Korea	Korea
Valves	As specified in the Tender Document	MOV /Sluice Gates/Penstocks/ Motorized Penstock Gates, etc as specified	Samjin precision Co., Ltd or Kosung valve Co. Ltd	Korea
Chlorination	As specified in the tender Document	Completely integrated vendor package	AQUS Inc., Korea	Korea
Control panel	As specified in the tender Document	Power Incoming/Power Distribution/Starting/Controlling /Instrumentation Panel, etc	Hyosung Corporation or Hyundai Heavy Industries Co., Ltd	Korea
Generators	As specified in the tender Document	Prime rated, sound attenuate(sound proof) type	EAST POWER, Korea	Korea
SCADA System	As specified in the tender Document	SCADA Soft ware /PLC /PC/Communication/other as specified	Schneider Electric Korea	Korea
Field Instruments	As specified in the tender Document	Instrumentation	Endress Hauser, Korea	Korea
DI Pipes & Fittings	As specified in the tender Document	Standard to confirm:ISO2531, BS EN545, ratings shall be as design	Korea Cast Iron Pipe Ind Co Ltd or KSP-Xinxing DIP CO., Ltd, Korea	Korea
PE Pipes and Fittings	As specified in the tender Document	As per Design & Specified	Dong Won/KUPP/Shinwoo	Korea
Flow Meters	As specified in the tender Document	EMF	Endress Hauser/ Krohne Korea	Korea
Chemical Dosing System/ Pumps	As specified in the tender Document	Pumps- Positive Displacement - System - As specified	Aqus Inc/Korea	Korea

All Materials and Equipment including above will be checked for product conformity at the time of approving for ordering during project Implementation.



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The Liquidated Damages for the Works shall be 0.04% of the Final Contract Price per day in the currencies and proportions in which the Contract Price is payable not exceeding 10% of the Final Contract Price.

A performance security in the prescribed format for an amount of 5% of the Accepted Contract Amount in the currencies and proportions in which the Contract Price is payable issued by the Export-Import Bank of Korea shall be submitted to the Employer within 28 days after the receipt of the Letter of Acceptance. The security shall be valid up to 21 days after the issuance of the Performance Certificate.

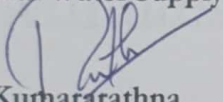
You are entitled for an Advance Payment of 20% of the Accepted Contract Amount excluding Provisional Sums and Contingencies upon signing of the Contract Agreement on production of an Advance Payment Guarantee in the prescribed format from the Export-Import Bank of Korea.

Please acknowledge receipt of this letter by return fax and make arrangements to sign the agreement by prior appointment with the Asst. General Manager (Tenders & Contracts)

Please contact Addl. General Manager (WSP), Engineer's Representative of this Project on Telephone No.0114210825 for further action on this contract.

Yours faithfully,

**National Water Supply & Drainage Board**

  
**G.A. Kumararathna**  
**General Manager**

Copy to: Secretary, Ministry of CP &WS

Auditor General - Duplicate offer and a copy of the Tender Board Decision attached

Commissioner of Inland Revenue

Commissioner of Labour

Addl. General Manager (WSP)

Addl. General Manager (F)

Addl. General Manager (N&C)

Addl. General Manager (P&P)

Deputy General Manager (PC)

Deputy General Manager (RSC-NW)

Deputy General Manager (IA)

Assistant General Manager (P&S)

Site Copy

Tenders & Contracts Section - Please update the Web

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# Letter of Tender

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# Letter of Technical Bid



A



**Letter of Technical Bid**  
**(Single-Stage Two-Envelope Bidding Procedure)**

Date: 19 October, 2015

CB No.: P&D/DOWSP/EDCF/W/DB/2014/01

Invitation for Bid No.: P&D/DOWSP/EDCF/W/DB/2014/01

To: National Water Supply & Drainage Board

We, the undersigned, declare that:

- (a) We have examined and have no reservations to the Bidding Documents, including Addenda issued in accordance with Instructions to Bidders (ITB) 8;
- (b) We offer to execute in conformity with the Bidding Documents the following Works:
  - I. Raw Water Intake to extract raw water 34,500 m<sup>3</sup>/day with all necessary structures and Pumping Stations with all necessary instrumentation of minimum output capacity 16,500 m<sup>3</sup>/day located near control channel located downstream of Deduru Oya reservoir
  - II. Raw Water Main from Intake to Treatment Plant at Pothuwewa of approximately 3.5 km length and 500mm diameter
  - III. Water Treatment Plant of treated water output capacity 15,000 m<sup>3</sup>/day at Pothuwewa
  - IV. Treated water Transmission pipelines from the Water Treatment Plant to serve three new Elevated Water Towers located at Mahawa, Nagollagama and Polpithigama, Existing water at Mahawa and associated Pumping Stations
  - V. Distribution network of approximately 266 km length and diameters 450mm – 90mm to serve Mahawa, Nagollagama and Polpithigama areas
  - VI. Construction of Three Elevated Water Towers in Mahawa (1,000 m<sup>3</sup>), Nagollagama (750 m<sup>3</sup>) and Polpithigama (1,500 m<sup>3</sup>) areas
  - VII. All Civil Works, Mechanical, Electrical & Electronic equipment and associated work of all above I to VI
  - VIII. Office building and staff quarters
  - IX. Detailed Designs of all above I to VIII
  - X. Testing and Commissioning of all above I to VIII
  - XI. Operational Assistance and Maintenance of all I to VIII for 3 months and Training of Local Staff for 6 months



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(c) Our Bid consisting of the Technical Bid and the Price Bid shall be valid for a period of 119 days from the date fixed for the bid submission deadline in accordance with the Bidding Documents, and it shall remain binding upon us and may be accepted at any time before the expiration of that period;

(d) Our firm, including any subcontractors or suppliers for any part of the Contract, have nationalities from eligible countries;

Republic of Korea

(e) We, including any subcontractors or suppliers for any part of the contract, do not have any conflict of interest in accordance with ITB 4.3;

(f) We are not participating, as a Bidder or as a subcontractor, in more than one bid in this bidding process in accordance with ITB 4.3, other than alternative offers submitted in accordance with ITB 13;

(g) Our firm, its affiliates or subsidiaries, including any Subcontractors or Suppliers for any part of the contract, has not been declared ineligible by the Bank, under the Employer's country laws or official regulations.

(h) We are not a government owned entity.



Name : Jong Woo Yun

In the capacity of Director

Signed \_\_\_\_\_



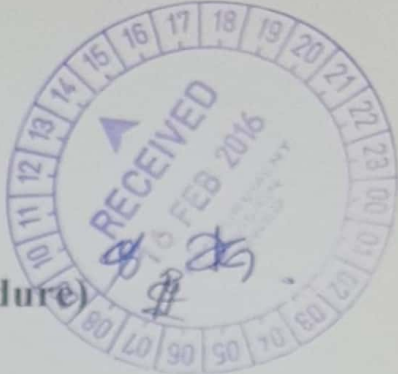
Duly authorized to sign the bid for and on behalf of Kolon Global Corporation

Dated on 19<sup>th</sup> day of October, 2015



# Letter of Price Bid





**Letter of Price Bid**  
**(Single-Stage Two-Envelope Bidding Procedure)**

Date: 19 October, 2015

CB No.: P&D/DOWSP/EDCF/W/DB/2014/01

Invitation for Bid No.: P&D/DOWSP/EDCF/W/DB/2014/01

To: National Water Supply & Drainage Board

We, the undersigned, declare that:

- (a) We have examined and have no reservations to the Bidding Documents, including Addenda issued in accordance with Instructions to Bidders (ITB) 8;
- (b) We offer to execute in conformity with the Bidding Documents and the Technical Bid submitted for the works of Plant and Design Build contract for Civil, Mechanical and Electrical works of Deduru Oya water supply project.
- (c) The total price of our Bid, excluding any discounts offered in item (d) below is:  
  
USD 63,495,722.87 (US dollars Sixty Three Million Four Hundred Ninety Five Thousand Seven Hundred Twenty Two and Eighty Seven Cents)
- (d) The discounts offered and the methodology for their application are:  
  
N/A
- (e) Our Bid shall be valid for a period of 119 days from the date fixed for the bid submission deadline in accordance with the Bidding Documents, and it shall remain binding upon us and may be accepted at any time before the expiration of that period;
- (f) If our Bid is accepted, we commit to obtain a performance security in accordance with the Bidding Documents;



(g) We have paid, or will pay the following commissions, gratuities, or fees with respect to the bidding process or execution of the Contract:

Name of Recipient	Address	Reason	Amount
"none"	"none"	"none"	"none"
_____	_____	_____	_____

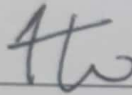
(h) We understand that this bid, together with your written acceptance thereof included in your notification of award, shall constitute a binding contract between us, until a formal contract is prepared and executed; and

(i) We understand that you are not bound to accept the lowest evaluated bid or any other bid that you may receive.

Name : Jong Woo Yun

In the capacity of Director

Signed \_\_\_\_\_



Duly authorized to sign the bid for and on behalf of Kolon Global Corporation

Dated on 19<sup>th</sup> day of October, 2015



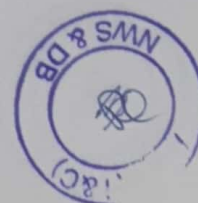
# Appendix to Tender



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## Part II – Appendix to Tender

Item	Sub-Clause	Entry
Employer's name and address	1.1.2.2 & 1.3	National Water Supply and Drainage Board, Galle Road, Ratmalana, Sri Lanka.
Contractor's name and address	1.1.2.3 & 1.3	
Engineer's name and address	1.1.2.4 & 1.3	General Manager, National Water Supply and Drainage Board, Galle Road, Ratmalana, Sri Lanka.
Time for completion of the works	1.1.3.3	819 days from the date of date at commencement of work.
Defects Notification Period	1.1.3.7	365 days
Governing law	1.4	The law of the Government of the Democratic Socialist Republic of Sri Lanka
Ruling language	1.4	English
Language for communications	1.4	English
Time for access to the Site	2.1	14 days after Commencement Date
Amount of Performance Security	4.2	The performance security will be in the form of an unconditional bank guarantee and in the amount 5% of the Accepted Contract Amount, in the currencies and proportions in which the Contract Price is payable.
Period for notifying unforeseeable errors, faults and defects in the Employer's Requirements	5.1	14 days
Normal working hours	6.5	8.00hrs- 17.00hrs
Delay damages for the works	8.7 & 14.15 (b)	0.04% of the final Contract Price per day, in the currencies and proportions in which the Contract Price is payable.
Maximum amount of delay damages	8.7	10% of the final Contract Price



If Sub-Clause 13.8 applies: Adjustments for Changes in Cost: Table(s) of adjustment data	13.8	Not Applicable
Total advance payment	14.2	20% of the Accepted Contract Amount excluding Provisional sums and Contingences
Currencies and proportions	14.2	Foreign Currency: 20% of the Foreign portion Accepted Contract Amount  Local Currency: 20% of the Local portion Accepted Contract Amount
Start repayment of advance payment	14.2(a)	From 1 <sup>st</sup> payment and to be complete within 20 months
Percentage of retention	14.3	10%
Limit of Retention Money	14.3	5% of the Accepted Contract Amount
Plant and materials for payment when delivered to the site	14.5(c)	DI, Pipes, fittings and accessories, Pumps, Motors, related spare parts, imported Treatment plant and Intake equipment upto 65% of the total or prorate CIP cost
Minimum amount of interim payment certificates	14.6	3% of the Accepted Contract Amount



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If payments are only to be made in a currency/ currencies named on the first page of the Letter of Tender:		
If some payments are to be made in a currency/ currencies not named on the first page of the letter of tender.		
Currencies of payment	14.15	
Local:		KRW
Foreign:		KRW
Periods for submission of insurance:	18.1	14days 28days
(a) Evidence of insurance		
(b) Relevant policies		
Maximum amount of deductibles for insurance of the Employer's risks	18.2(d)	The Minimum insurance amounts and deductibles shall be: (a) for the Works, Detailed Designs, Plants and Materials : 110% of the initial contract price. (b) For loss or damage to Equipment: replacement cost of the equipment (c) For loss or damage to property (except the Works, Detailed Designs, Plants, Materials and Equipment) in connection with contract 5,000,000.00 LKR. (number of events unlimited)
Minimum amount of third party insurance	18.3	LKR. 1,500,000.00 (number of events unlimited)
Insurance for Contractor Personal	18.4	For personal injury or death: (i) of the contractor's employees: 1,000,000.00 LKR per event (no of events unlimited) (ii) of Employer's or Consultants Employees: LKR 1,000,000.00 per event (no of events unlimited)
Insurance for Design	18.5	Amount of Professional Indemnity Insurance 5% of the initial contract price and period shall be valid up to 2 years after the Defect Notification Period.
The DAB shall be	20.2	One sole Member
Appointment (if not agreed) to be made by	20.3	Institution of Engineers, Sri Lanka





Conditions of Contract – Part II  
Conditions of Particular Application

## Section VIII. Conditions of Particular Application (PC)

The following Particular Conditions shall supplement the GC. Whenever there is a conflict, the provisions herein shall prevail over those in the GC.

<b>Sub Clause 1.1</b> Definitions	1.1.2.2 "The Employer" is The National Water Supply and Drainage Board, Sri Lanka Sometimes referred to as the "Board". Employer's Authorized representative – Chairman, National Water Supply & Drainage Board, Sri Lanka.
	Add the following definitions.
	1.1.2.11 "Bank" / Donor / Funding Agency shall mean the Export-Import Bank of Korea
	1.1.2.12 "The Government" shall mean the Government of the Democratic Socialist Republic of Sri Lanka
	1.1.3.7 Delete the text in Part 1 and add following. "Defects Liability Notification Period" means the period of 12 months after the time completion of works of the contract, commissioned and handed over to the Employer.
	1.1.4.2 Replace the text of sub clause with the Following. "Contract price" means the sum stated in the letter of Acceptance as payable to the contractor for the detailed investigation, including subsurface and hydrological investigation, design, execution, completion and commissioning of the works and operation and maintenance and remedying of any defects in accordance with the provisions of the contract.
1.1.6.1 Replace the text of <b>Sub-Clause 1.1.6.1</b> with the following "Construction Documents" means all detailed investigation reports, drawings, calculations, computer software (programs), samples, patterns, models, operation and maintenance manuals, and other manuals material standards and other standards detailed designs and related calculation, drawings, detailed Bill of Quantities and information of a similar nature, to be submitted by the Contractor.  <b>Additional Sub Clause :</b> Investigation/detail investigation means soil test, subsurface hydrological investigations or any other tests/surveys necessary for detailed designs, construction, completion, testing and commissioning of the Water Supply Scheme/Project.	
1.1.6.10 Add a new clause. CIP mean Carriage and Insurance paid to site (DeduruOya, Sri Lanka)	



<p><b>Sub Clause 1.4</b> <b>Languages and Law</b></p>	<p>Replace the text of <b>Sub-Clause 1.4</b> with the following:</p> <p>“The law of the Contract is the law of The Democratic Socialist Republic of Sri Lanka. The language of the contract is the “English language” for the purpose of all works under the contract.</p>
<p><b>Sub-Clause 1.5</b> <b>Priority of Documents</b></p>	<p><b>Delete the priority order given in Part I and substitute the following:</b></p> <p>The order of priority of contract documents is as follows:</p> <ol style="list-style-type: none"> <li>1. The Contract Agreement</li> <li>2. The Letter of Acceptance</li> <li>3. The Letter of Tender             <ol style="list-style-type: none"> <li>3.1 Letter of Technical Bid</li> <li>3.2 Letter of Price Bid</li> <li>3.3 Appendix to Tender</li> </ol> </li> <li>4. The Conditions of Contract Part II – Particular Applications</li> <li>5. The Conditions of Contract Part I – General Conditions</li> <li>6. The Employer’s Requirements</li> <li>7. The Revised Price Proposal</li> <li>8. The Contractor’s Proposal</li> </ol>
<p><b>Sub-Clause 1.6</b> <b>Contract Agreement</b></p>	<p><b>Replace the text of clause 1.6 with the following:</b></p> <p>The Contractor shall enter into and execute the contract agreement to be prepared by the Employer in the form annexed to these conditions with such modification as may be necessary within 28 days of the receipt of the letter of acceptance. The stamp duty and any registration fees shall be payable by the Contractor.</p>
<p><b>Sub-Clause 1.12</b> <b>Confidential Detail</b></p>	<p>Additional sub-clause:</p> <p>“The Contractor shall treat the details of the contract as private and confidential, except to the extent necessary to carry out its obligations under it. The Contractor shall not publish, permit to be published or disclose any particulars of the Contract in any trade or technical paper or elsewhere without the prior consent in writing of the Employer”</p>
<p><b>Sub-Clause 2.2</b> <b>Permits, Licenses or Approvals</b></p>	<p>At the end of Sub-Clause 2.2 add the Following :</p> <p>Employer will assist the Contractor in obtaining approval from Road Development Authority, Provincial Road Development Authority and Local Authorities for laying of pipes along road ways at the cost of the Contractor.</p>

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<p><b>Sub-Clause 3.1</b> <b>Engineer's Duties and Authority</b></p>	<p>Add the following clause:</p> <p>The Employer or Engineer may appoint any number of persons to assist the Engineer in carrying out of his duties under sub clause 2(2). He shall notify the Contractor the names, duties and the authority of such persons. Such assistants shall have no authority to issue any instructions to the Contractor save in so far as such instruction may be necessary to enable them to carry out their duties and to secure their acceptance of materials, plant or workmanship as being in accordance with the contract and any instructions given by them for these purposes shall be deemed to have been given by the Engineer.</p>
<p><b>Sub-Clause 4.1</b> <b>Contractor's General Obligations</b></p>	<p>Insert "Carryout detail investigations including sub surface and hydrological investigation" before "design" in the 1st sentence of Paragraph 1 and 3rd Sentence of Paragraph 2.</p> <p>Add the following sentence to proceed the existing text under Sub-Clause 4.1:</p> <p>The contractor is required to carry out investigations as per the Employer's requirements in section VI</p> <p>"The Contractor is required to check the design criteria and calculations (if any) included in the Employer's Requirements, to confirm their correctness in its bid and to assume full responsibility of them."</p> <p>The Contractor should include all costs of permanent reinstatement of road ways in the lump sum price for pipe laying in his contract price. Contractor should maintain roads where pipe laying were done up to the motorable conditions at contractors cost until permanent reinstatements are done.</p>
<p><b>Sub-Clause 4.2</b> <b>Performance Security</b></p>	<p>Replace the text of 1<sup>st</sup> paragraph of Sub-Clause 4.2 with the following:</p> <p>"The Contractor shall provide security for its proper performance of the Contract to the Employer within 28 days after the receipt of the Letter of Acceptance. The performance security shall be in the form of a bank guarantee and in the form included in the Tender document, issued either</p> <p>(a) by a Bank located in Sri Lanka approved by the Central Bank of Sri Lanka or a foreign Bank through a correspondent bank approved by the Central Bank of Sri Lanka located in Sri Lanka.</p> <p>(b) directly by a foreign Bank but security shall be confirmed by a Bank operating in Sri Lanka; approved by the Central Bank of Sri Lanka acceptable to the Employer.</p>



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	<p>However, the requirement of confirmation of performance guarantees issued by a Bank based in another country, by a Bank operating in Sri Lanka is not necessary, if the entity that issues the guarantee is an Export Credit Agency of any foreign government or a reputed International Financier acceptable to the Central Bank of Sri Lanka.</p> <p>The performance security shall be denominated in the types and proportions of currencies in which the Contract Price is payable. When providing such security to the Employer, the Contractor shall notify the Employer's Representative of so doing.</p> <p>Validity period of the Performance Security shall cover the defects notification period.</p>
<b><u>Sub-Clause 4.3</u></b> <b>Contractor's Representative</b>	<p>Add at the end of Sub-Clause 4.3:</p> <p>"If the Contractor's Representative is not fluent in the English language, the Contractor shall make a competent interpreter available during all working hours" at the contractor's cost.</p>
<b><u>Sub-Clause 4.4</u></b> <b>Sub Contracting</b>	<p>The contractor shall sub contract the work for a maximum value only up to 50% of the total contract price.</p>
<b><u>Sub-Clause 4.10</u></b> <b>Site Data</b>	<p>Delete the First paragraph and insert the following.</p> <p>The contractor is responsible for carrying out all hydrological and subsurface investigations and studies on environmental impact.</p>

<b><u>Sub-Clause 4.12</u></b> <b>Unforeseeable Sub-Surface Conditions</b>	<p>Insert the following.</p> <p>Notwithstanding anything in the clause in Part 1, It is the contractors responsibility to carryout all detailed investigations on sub surface conditions at the contractor's cost prior to detailed designs and constructions.</p>
<b><u>Sub-Clause 4.20</u></b> <b>Employer's Equipment &amp; free-issue Material</b>	<p>Delete the clause and insert following.</p> <p>The contractor shall provide all the items of machinery, plant and materials required for execution of the work.</p>
<b>Sub-Clause 5</b>	<p>Change the heading "Design" to "Detailed Investigations &amp; Designs"</p>



<p><b><u>Sub Clause 5.1</u></b> <b>General Design Obligations</b></p>	<p>Delete the clause and insert the following</p> <p>The contractor shall carry out and be responsible for the detail investigations including sub surface, hydrological and geological investigations and design of the works. Detail investigations and design shall be carried out by qualified personnel who are engineers or other professionals who comply with the criteria (if any) stated in the Employer's Requirements. For each part of the works, the prior consent of the Employer's Representative shall be obtained to the staff and subcontractors if they are not named in the contract. Nothing contained in the contract shall create any contractual relationship or professional obligation between any designer, or a design sub contractor or the Employer.</p> <p>The contractor holds himself, his staff and sub contractors as having experience and capability necessary for the detail investigation and the design. The contractor undertakes that the designers and other staff shall be available to attend discussions with the Employer's Representative at all reasonable times during the contract period.</p>
<p><b><u>Sub-Clause 5.2</u></b> <b>Contractor's Documents</b></p>	<p><i>In Sub-Clause 5.2 delete sub-paragraph (a) and substitute:</i></p> <p>"(a) Construction shall not commence until the Contractor receives from the "Engineer" concurrence of the Construction Documents relevant to the detail investigations design and construction of such parts; provided always that if the "Engineer" fails to give his ruling at the end of 28 days, despite the Contractor's written reminder at the end of the 21 days "review period", then the Contractor may proceed with the construction as though approval had been given".</p>
<p><b><u>Sub-Clause 6.4</u></b> <b>Labour laws</b></p>	<p>Add to the clause</p> <p>The Contractor shall indemnify and keep indemnified the Employer against all claims made under the all labour laws of the Democratic Socialists Republic of Sri Lanka and any statutory amendments thereto or modification thereof.</p>
<p><b><u>Sub-Clause 7.3</u></b> <b>Inspection</b></p>	<p>Add the following paragraph at the end;</p> <p>The Employer requires the goods to be supplied under this contract shall conform to the requirements. The Contractor shall obtain the certificates of Inspection for the specific requirement of this contract document carried out by one of the inspection agencies mentioned in the Sub Clause 7.3.1.5 hereof, acceptable to the Employer. All cost of such inspection should be included in the lump sum contract price.</p> <p>7.3.1 Testing and Inspection by Inspection Agencies</p>



	<p>7.3.1.1 The Employer or his representative shall have the right to inspect and/or to test the Goods for their conformity to the Contract. The Technical Specifications and Employer's Requirement shall specify what inspections and tests the Employer requires, not specified any where and where they are to be conducted. The Employer shall notify the Contractor in writing of the identity of any representatives retained for these purposes.</p> <p>7.3.1.2 The inspections and tests may be conducted on the premises of the Supplier or his subcontractor(s), at point of delivery and/or at the Good's final destination. Where Inspection and Testing are conducted on the premises of the Contractor or its subcontractor(s), all facilities and assistance including access to drawings, documents and production data shall be furnished to the inspectors at no cost to the Employer.</p> <p>7.3.1.3 Should any inspected or tested Goods fail to conform to the specifications, the Employer may reject them and the Contractor shall either replace the rejected Goods or make all alterations necessary to meet specification requirements free of charge to the Employer.</p> <p>7.3.1.4 The Employer's right to inspect, test and, where necessary, reject the Goods after the Goods' arrival at site shall in no way be limited or waived by reason of the Goods having previously been inspected, tested and passed by the Employer or its representative prior to the delivery of Goods or Goods' shipment from the country of origin, in case of importing.</p> <p>7.3.1.5 The Employer requires the goods to be supplied under this contract shall conform to the requirements given in the specifications. The Contractor shall obtain the Certificates of Inspection for the specific requirement of this contract document carried out by one of the following inspection agencies acceptable to the Employer. All cost of such Inspections should be included in the lump sum price of the contract.</p>
	<ol style="list-style-type: none"> <li>1. M/s Lloyds Register, Lloyds Register Industrial Division, Register House, 29 Wallesley Road, Croydon DRO-2AJ, U.K.</li> <li>2. M/s Crown Agents, Quality assurance &amp; Inspection Service Townend House, Walsall WSI INT U.K.</li> <li>3. M/s Societe Generale de Surveillance S.A., 1, Place des Alpes, Case Postale 898, CH-1211 Geneva 1, Switzerland.</li> </ol>



	<p>4. Bureau of Veritas, Cedex 44, 92077 Paris Le Defense, France.</p> <p>Nomination Inspection Agency shall carryout inspection and testing during manufacturing process, after manufacturing and at any time prior to shipping and shall confirm that goods are in conformity with specifications included in the contract document. He shall submit his Inspection report to the Employer including all items given in the Terms of Reference (TOR) for the Nominated Inspection Agency, which is included in the contract document.</p> <p>7.3.1.6 Nothing in clause 7 shall in any way release the Contractor from any warranty or other obligations under this Contract.</p> <p>7.3.1.7 The Contractor shall obtain the approval of the Employer to ship the goods to be imported for the Works or to deliver such materials and plant to the site. Applications for such approval to ship shall be accompanied by manufacturer's test certificates and certificates of inspection prescribed in the Contract or agreed with the Employer. Application shall be made so as to give the Employer a reasonable time to deal with such applications.</p>
	<p>7.3.2 <b>Pre-shipment Inspection by NWSDB</b></p> <p>The Contractor shall arrange for minimum of 2 NWSDB Engineers per inspection for pre-shipment inspection visits to country of manufacture before dispatching the DI Pipes, fittings, Valves, Specials and Accessories, pumps and motors, chemical dosing equipment, chlorinators, pressurized tanks, surge vessels, Generators, air compressors, vacuum pumps, HV/LV Transformers, HV switch boards, LV electrical cabinet, gun sets and all motors, SCADA System, all treatment plant equipment, any other plant, equipment or machinery, water meters and other related equipment.</p> <p>Each shipment should be inspected by NWSDB Engineers before dispatching at Manufacturer's factory in the manufacturer's country.</p> <p>The Contractor shall in his bid provide detailed proposals for pre-shipment inspection visit he offers to provide under this clause. The following guidelines shall be used by the Contractor to formulate his proposals.</p> <p>7.3.2.1 The duration of inspection for each officer shall not be less than ten days for pipes &amp; fittings and one week for pumps and other Mechanical and Electrical equipment, excluding Travelling to the Manufacturer's country and back.</p>



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7.3.2.2 Most of the time shall be centred round the manufacturer's goods which the Contractor proposes to use in the work.

7.3.2.3 The inspection at the specific manufacturer shall include;

- A general introduction to the manufacturer's country, area, town & source of materials.
- introduction to design standards and procedures adopted.
- introduction to relevant procedures and quality control standards.
- manufacturing process, and Quality Assurance procedure.
- testing procedures, mill certificates, product conformity certificate, Quality Management System Certificate and any other relevant certificates, etc. regarding the products.
- packing & dispatching procedure
- Site visits to inspect installed similar products.

7.3.2.4 The officers shall be guided by experienced engineers and quality controllers who are also competent in English language.

7.3.2.5 All visas, Business Class air fares, permits, taxes, travelling expenses, transfer fees, accommodation on full board basis, travelling within the country and all other legitimate expenses to suit standards of senior government officials groups shall be arranged and paid for by the Contractor.

7.3.2.6 The payment shall be made by the contractor in accordance to the circular MOFP 01/2010/01 dated of 2010/10/11 of ministry of finance and planning

7.3.2.7 The officers shall be provided with printed catalogues, manuals, illustrative videos etc., relevant to the manufacturing process and also obtain extra information requested by them, and shall arrange to dispatch these to NWSDB Engineers, by the Contractor at his own cost.

7.3.2.8 Contractor shall provide a detailed programme showing Inspection, travelling, and all other arrangement etc. for the pre-shipment Inspection and submit to the Inspection team prior to departure. The inspection Programme shall be agreed with the Pre-shipment Inspection team.

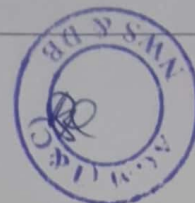
7.3.2.9 NWSDB Engineers shall inspect and test DI pipes, fittings, specials, accessories and valves, pumps and motors etc. the as per the attached check list for pre shipment as given in Appendix 12. Manufacturers should perform any other tests which may be required by the NWSDB Engineers.



	<p>7.3.3 Nominated inspection agency should be present during pre-shipment inspection by the NWSDB Engineers and should assist the NWSDB Engineers for the testing and inspection.</p> <p>7.3.4 Any inspections carried out by Inspection Agencies or NWSDB shall not relieve the Contractor of his obligations under the Contract.</p> <p>7.3.5 Contractor/Manufacturer shall not deliver / dispatch materials from the Factory or Stores without written approval of the Engineer.</p>
<p><b>Sub-Clause 7.4</b> <b>Testing</b> <b>Sub-Clause</b> <b>7.4.1</b></p>	<p>Add following paragraph at the end.</p> <p>The Employer's right to inspect, test and, where necessary, reject the Goods after the Goods' arrival in the Employer's country shall in no way be limited or waived by reason of the Goods having previously been inspected, tested and passed by the Engineer prior to the Goods' shipment from the country of origin.</p> <p>In the case of imported equipment/material, the tests should be carried out by an inspection agency approved by the Employer and the copy of the certificate issued by the inspection agency with respect to quantity, quality and loading including all items given in the TOR for the pre-shipment inspection for the Nominated Inspection Agency should be forwarded to the Employer. The cost of inspection will be borne by the Contractor.</p>
<p><b>Sub-Clause</b> <b>7.4.2</b></p>	<p>Nothing in Clause 7 shall in any way release the Contractor from any warranty or other obligations under this Contract.</p>
<p><b>Sub-Clause 8.1</b> <b>Commenceme</b> <b>nt of Works</b></p>	<p>The commencement date of work is 14 days from the date of Letter of Acceptance.</p> <p>Insert the word "detail Investigation" after the word "commence" in line 1 of 2<sup>nd</sup> paragraph of sub clause 8.1</p>
<p><b>Sub-Clause 8.5</b> <b>Delays caused</b> <b>by Authorities</b></p>	<p>Add to the Clause.</p> <p>Contractor should carefully study the procedures followed by granting approval for Road damages by Road Development Authority or Provincial Road Development Authority, any Local Government Authorities obtaining Electricity Supply and Telecommunication facilities from Ceylon Electricity Board and Telecommunication Authorities respectively. Water Supply Connections from the National Water Supply &amp; Drainage Board or any Local Authority, therefore, sufficient allowance should be kept in work programmes for works connected with them and costing of these works.</p>
<p><b>Sub-Clause 9.1</b> <b>Contractor's</b> <b>Obligation</b></p>	<p>All materials, labour, electricity, water, chemicals, fuel, Testing equipment and any other required materials, skilled and other labourer and etc. for the proper completion of tests shall be provided by the contractor at Contractor's cost and shall be included in the lump sum contract price.</p>



<b>Sub-Clause 12</b> <b>Tests after Completion</b>	Add the following paragraph at the end
<b>Sub-Clause 12.1</b> <i>Procedure for Tests after Completion</i>	<p>Test after completion shall be carried out by the Contractor in accordance with the specifications or methods specified in the Employer's Requirement or otherwise the Manuals supplied by the contractor and approved by the Engineer.</p> <p>All cost of labour, material, electricity, fuel, water, chemicals, Testing equipment etc. required to carry out testing after completion shall be borne by the contractor and shall be included in the lump sum contract price</p>
<b>Sub-Clause 14</b> <b>Contract Price and Payment</b>	
<b>Sub-Clause 14.1</b> <b>The Contract Price</b>	<p>Replace the text of paragraph (b) with the following: Payment of taxes and duties shall be as given in the clause 14.7 of Conditions of Particular Application</p>
<b>Sub-Clause 14.2</b> <b>Advance Payment</b>	Insert the word "detailed investigation" before the word "design" in line 2 of Para 1.
<b>Sub-Clause 14.4</b> <b>Schedule of Payments</b>	<p><b>Terms and Procedures of Payment</b></p> <p>In accordance with the provisions of GC Clause 12 (Terms of Payment), the Employer shall pay the Contractor in the following manner and at the following times, on the basis of the Price Breakdown given in the section on Price Schedules. Payments will be made in the currencies quoted by the Bidder unless otherwise agreed between the parties. Applications for payment in respect of part deliveries may be made by the Contractor as work proceeds.</p> <p><b>TERMS OF PAYMENTS</b></p> <p><b>Schedule -1- Plant, Equipment, Material<sup>1</sup> and Mandatory Spare Parts Plant Supplied from Abroad</b></p> <p>In respect of plant and equipment supplied from abroad, the following payments shall be made: Twenty percent (20%) of the total CIP amount (Excluding provisional sums) as an advance payment against receipt of invoice and an irrevocable advance payment security for the equivalent amount made out in favor of the Employer. Up to 65% of the total or pro rata CIP amount upon delivery at site.</p>



Up to 80% of the total or pro rata CIP amount upon delivery at site and inspection and satisfied by the Employer.

Up to 90% of the total or pro rata at the Testing and Commissioning i.e. upon the issuance of completion certificate.

Up to 95% of the total or pro rata upon 3 months of successful operations after commissioning or issue of Operational Acceptance certificate.

Up to 100% after completion of defect liability period.

**Schedule No. 2: Plant, Equipment and Material<sup>1</sup> Supplied from within the Employer's Country**

In respect of plant and equipment supplied from within the Employer's country, the following payments shall be made:

Twenty percent (20%) of the total CIP amount (excluding provisional sums) as an advance payment against receipt of invoice and an irrevocable advance payment security for the equivalent amount made out in favor of the Employer.

Up to 65% of the total or pro rata CIP amount upon delivery at site.

Up to 80% of the total or pro rata CIP amount upon delivery at site and inspection and satisfied by the Employer.

Up to 90% of the total or pro rata at the Testing and Commissioning i.e. upon the issuance of completion certificate.

Up to 95% of the total or pro rata upon 3 months of successful operations after commissioning or issue of Operational Acceptance certificate.

Up to 100% after completion of defect liability period.

Note :1: Material excluding the Materials other than materials used for civil, building and other construction works.

**Schedule No. 3: Design Services**

In respect of design services for both the foreign currency and the local currency portions, the following payments shall be made:

20% of the total design services amount (Excluding provisional sums) as an advance payment against receipt of invoice and an irrevocable advance payment security for the equivalent amount made out in favor of the Employer.

Up to 80% of the total or pro rata design services amount upon acceptance of design in accordance with GC clause 20 by the Project Manager.

Up to 90% of the total or pro rata design services amount after the Testing and Commissioning i.e. upon the issuance of completion certificate.



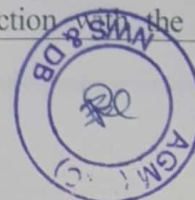
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	<p>Up to 95% of the total or pro rata design services amount upon 3 months of successful operations after commissioning or issue of Operational Acceptance certificate.</p> <p>Up to 100% after completion of defect liability period.</p> <p><b>Schedule No. 4: Installation Services</b></p> <p>In respect of installation services for both the foreign currency and the local currency portions, the following payments shall be made:</p> <p>20% of the total installation services amount (Excluding provisional sums and contingencies) as an advance payment against receipt of invoice and an irrevocable advance payment security for the equivalent amount made out in favor of the Employer.</p> <p>Up to 80% of the measured value of work performed by the contractor, as identified in the said program of performance, during the preceding month, as evidenced by the Employer's authorization of the Contractor's application.</p> <p>Up to 90% at the Testing and Commissioning i.e. upon the issuance of completion certificate.</p> <p>Up to 95% of the total upon 3 months of successful operations after commissioning or issue of Operational Acceptance certificate.</p> <p>Up to 100% after completion of defect liability period.</p> <p>In the event that the Employer fails to make any payment on its respective due date, the Employer shall pay to the Contractor interest on the amount of such delayed payment at the rate of the commercial lending rate published by the Central Bank of the Sri Lanka for the respective currency in which the contract price is payable, for the period of delay until the payments has been made in full.</p> <p>Recovery of advance payment will be starting from 1<sup>st</sup> payment and to be completed within 20 months from the date of award of contract in equal installments.</p>
<p><b>Sub-Clause</b> <b>14.5 Plant and materials Intended for the works</b></p>	<p>Delete this clause.</p>
<p><b>Sub-Clause</b> <b>14.7 Payment</b></p>	<p>Add after "Letter of Acceptance" in 2<sup>nd</sup> Line of (a) "and receiving the performance security"</p> <p><b>Taxes and Duties</b> <b>(Add the following paragraph end of the Clause 14.7)</b></p>
<p><b>Sub-Clause</b> <b>14.7.1 Foreign Taxation</b></p>	<p>The Contractor's rates and prices shall include all taxes, duties and other charges imposed outside Sri Lanka on the production, manufacture, sale and transport of all the goods, materials and services.</p>
<p><b>Sub-Clause</b> <b>14.7.2 Local Taxation</b></p>	<p>The prices quoted by the Contractor shall include business taxes income and all other taxes excluding custom duties and VAT that may be levied according to the laws and regulations in being as of the base date in the</p>



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	Employer's country on the goods materials and services supplied under the Contract. Nothing in the Contract shall relieve the Contractor from his responsibility to pay any tax that may be levied in the Employer's country on profits made by him in respect of the Contract
<b>Sub-Clause</b> <b>14.7.3</b> <b>Income Taxes</b> <b>on Staff</b>	The Contractor's Staff, personnel and labour will be liable to pay personnel income taxes in the Employer's Country in respect of such of their salaries and wages as are chargeable under the laws and regulations for the time being in force, by the Democratic Socialist Republic of Sri Lanka and the Contractor shall perform such duties imposed on him by such laws and regulations.
<b>Sub-Clause</b> <b>14.7.4</b> <b>Custom Duties,</b> <b>Cess &amp; VAT.</b>	<p>Custom dues and Port charges, levied on the goods which are incorporated into permanent works supplied under the Contract shall be paid by the Employer directly to the Department of Customs on production of Certified Custom Entries by the Contractor. Any VAT payable shall be charged to the Employer as a separate item and should be supported with VAT Registration Number.</p> <p>All incidental costs and any demurrages shall be borne by the contractor. Any additional taxes due to change of government tax policy which directly affects the contract after coming into force of the contract will be handled according to the clause 13.7 " Adjustment for change in legislation".</p>
<b>Sub-Clause</b> <b>14.15</b> <b>Currencies of</b> <b>Payment</b>	The payment shall be made in Korean Won( <i>KRW</i> )
<b>Sub-Clause</b> <b>18.5</b> <b>Insurance for</b> <b>Design</b>	<p>Add a new sub clause 18.5</p> <p>The Contractor shall affect a Professional Indemnity Insurance, which shall insure the Contractor's liability by reason of professional negligence in the design of the Works. Such insurance shall be for a limit of not less than the amount and the period specified in the Appendix to the Technical Proposal</p> <p>The Contractor shall maintain such professional indemnity insurance in full force and effect throughout the periods of his liability, under the Contract as specified under the Appendices to the Bid and under the law of the Country. The Contractor undertakes to give the Employer reasonable notice in the event of difficulty (if any) in extending, renewing or reinstating such insurance.</p>
<b>Sub-Clause</b> <b>20.6</b> <b>Arbitration</b>	<p>Delete the text of the clause and substitute the following.</p> <p>(i) The Employer and the contractor shall make every effort to resolve amicably by direct, informal, negotiation, any disagreement or dispute arising between them under or in connection with the</p>



contract. If amicable settlement cannot be reached then all disputed issues shall be settled by Arbitration as per the Arbitration Act No. 11 of 1995.

Arbitration shall be proceed with the UNCITRAL rules.

The arbitration shall be conducted in accordance with the local Arbitration Procedures and shall be held at such place and time in Sri Lanka as the arbitrators may determine. The decision of the majority of arbitrators shall be final and binding upon the parties hereto and the expenses of the arbitration shall be paid as may be determined by the arbitrators.

- (ii) Pending the award in any arbitration proceedings hereunder,
  - a) this Contract and the rights and obligations of the Parties shall remain in full force and effect and
  - b) each of the Parties shall continue to perform their respective obligations under this Contract. The termination of this Contract shall not result in the termination of any arbitration proceedings pending at the time of such termination nor otherwise affect the rights and obligations of the Parties under or with respect to such pending arbitration.
- (iii) Any award rendered by the arbitral tribunal shall determine the extent to which the cost of arbitration is to be borne by each Party. The arbitration centre charges and the compensation to the arbitrators shall be equally shared by the Parties initially.

**Composition of the Arbitral Tribunal :**

The arbitral tribunal shall consist of three arbitrator who shall be appointed in the manner provided in the Selection Procedure as given below.

**Selection Procedure :**

Either Party shall nominate one arbitrator. These two arbitrators jointly select the third arbitrator who shall act as the Chairman.

**Venue & Language :**

The venue of arbitration shall be in Sri Lanka.

Unless otherwise agreed to by the Parties the proceedings shall be conducted and the award shall be rendered in the English language.



Conditions of Contract Part – I  
General Conditions of Contract (Fidic 1999)

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Conditions of Contract Part – I  
General Conditions of Contract (Fidic 1999)

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## Section –VII

### Conditions of Contract Part I – General Conditions of Contract

**FIDIC Conditions of Contract for Plant and Design-Build-  
first Edition, 1999**

**For Electrical and Mechanical Plant and for Building and  
Engineering Works, Designed by the Contractor  
is applicable for this Contract**

