DRAFT CONTRACT RELATED TO PRODUCT PURCHASE OF 98 Pieces of Machine and 17 Sets of Machines

DRAFT CONTRACT REGARDING PURCHASE OF GOODS

TRN(Tender Registration Number): 2014/150833

Article 1 – Contracting parties

1.1. This contract is concluded between GENERAL DIRECTORATE OF MEAT AND MILK AUTHORITY (hereinafter shall be referred to as Administration) and ..... (hereinafter shall be referred to as Contractor) of the other Party as follows:

Article 2 – Information regarding parties

2.1. Of the administration

a) Name: **General Directorate of Meat and Milk Authority (MMA)**

b) Address : **Oğuzlar Mah.Ceyhun Atıf Kansu Cad. 1370 Sokak, Çankaya-ANKARA**

c) Tel: 0312 2843670

ç) Fax: 0 312 286 3702

d) E-mail address (if available):- ihale@esk.gov.tr

2.2. Of the contractor

a) Name and surname/Trade name: ……

b) T.R.Identification Number: ……

c) Tax Identification Number ……

ç) Correspondence address of contractor: ……

d) Telephone number:……

e) Fax number for notification:……

f) E-mail address for notification *(if available)* :……

2.3. Both parties have accepted their addresses specified in articles 2.1 and 2.2. as their correspondence addresses. Unless changes of address is notified to other party, the notification to be made to final notified address shall be considered to be made to related party.

2.4. Provided that the parties make written notice later, they may make notices by other ways such as courier, fax or e-mail.

Article 3 – Language of Contract

3.1. Contract has been prepared in Turkish.

Article 4 – Definitions

4.1. In implementation of this contract, definitions appeared in tender document and Directive about Public Tender Contracts Law numbered 4734, Public Tender Act numbered 4735, Application Directive for Product Purchase Tenders, Supervision Inspection and Acceptance Processes of Product Purchases shall be valid.

Article 5 –Definition of the job/purchase subject to Contract

5.1. The purchase of machinery and equipment necessary for Erzincan Chicken Combine(Poultry Meat Process Plant) of which the technical properties and amount given below in the technical provisions and the procurement of them by the contractor under conditions stated in the contract and delivery them to Administration is the subject of this contract.

5.1.1. Quantity of goods to be purchased within the scope of contract:

5.1.1.1

Item No	Explanation	Amount	Item No
FIRST PART MACHINES AND EQUIPMENTS			
1	Suspension Telescopic Conveyor	Set	1
2	Case Carrier Conveyor	Set	1
3	Case Washing Unit	Piece	2
4	Slaughtering Line Conveyor	Set	1
5	Shocking Cabinet	Piece	1
6	Blood Infiltration Pond	Piece	1
7	Blood Pump	Piece	1
8	Automatic Counter	Piece	2
9	Conveyor Suspension Cleaning Machine	Piece	5
10	Feather Softener Boiler	Piece	3
11	Coarse Defeathering machine	Piece	2
12	Medium Defeathering Machine	Piece	2
13	Fine Defeathering	Piece	1

14	External Washing Machine	Piece	1
15	Automated Head Breaking Off Machine	Piece	1
16	Feet Dropping and Feet Vacuum	Set	1
17	Waste Water Pump	Piece	2
18	Waste Separator	Piece	1
19	Automated Transfer Robots	Piece	4
20	Giblet Removal Line Conveyor	Set	1
21	Cloaca Opening and Abdomen Splitting Robot	Piece	1
22	Giblet Removing Robot	Piece	1
23	Crop Removing Robot	Piece	1
24	Vacuum Robot	Piece	1
25	Neck Robot	Piece	1
26	Internal External Washing robot	Piece	1
27	Giblet Separation And Transfer Robot	Set	1
28	Giblet Inspection and Transportation Conveyor	Set	1
29	Neck Washing And Transfer Screw Conveyor	Piece	1
30	Gizzard Transfer Screw Conveyor	Piece	1
31	Gizzard Machine	Piece	1
32	Gizzard Washing Machine	Piece	1
33	Dry Cooling Conveyor	Set	1
34	Sorting Line Conveyor	Set	1
35	Sorting Pans	Set	1
36	Quality Control Station	Piece	1
37	Cut Up Line	Set	1
38	Band Conveyors Belonging to Cut Up Line	Set	1
39	Automated Fillet Line	Set	1
40	Empty Box Transportation Conveyor	Set	1
41	Bagging Machine	Piece	10
42	Bag Closing Machine	Piece	15
43	Product wit h dish packaging machine	Piece	7
44	Product with dish weighing and labeling machine	Piece	7
45	Bagged product weighing and Labeling Machine	Piece	10
46	Dish Boxing and Box packaging machine	Piece	7
47	Box shrinking machine	Piece	2
2. PART MACHINES AND EQUIPMENTS			
1	Frozen Storage Shelf System	Set	1
3. PART MACHINES AND EQUIPMENTS			
1	Sanitation and Hygiene Equipments	Set	1
4. PART(MACINES AND EQUIPMENTS			
1	RENDERİNG UNIT	Set	1

5.1.1.2. Good/Goods to be procured with this contract shall be delivered in accordance with regulations appeared in the contract and in its annexes.

Article 6 – Type and Price of Contract

6.1. This contract is a unit price contract, total amount …… (in figures or in words) shall be concluded over price, the total amount is calculated as a result of multiplying of the amount of each work item which is appeared in schedule prepared by administration, shall be a separate contract subject and of unit prices which are bidded by contractor for these work items.

For the payment of prices of purchased goods and turnovers, unit prices shall be based which are bidded in unit price bidding schedule by contractor and used for determination of contract prices.

Article 7 - Expenses included in contract price

7.1. Tax, duties and fees included in contract price

7.1.1. Taxes (Administration has investment incentive certificate), duties, fees, transportation, shipmen, all kind of insurance (ware house to ware house-= transportation insurance of product from

manufacturer company to directorate of Erzincan Chicken Combined Plant), installation, training, confirmation expenses in case of confirmation addition, correspondence bank expenses which will be paid according to relevant regulation of executing commitment and all kind of taxes which will paid within scope of effective regulations and Customs and Customs Consultancy Expenses will be on Contractor's account.

7.1.2. Value Added Tax to be calculated in accordance with related legislation shall not be included in contract price and shall be paid by Administration to Contractor.

7.2. Other expenses included in contract price

7.2.1. All types of taxes (VAT and custom taxes excluded), duties and fees such as Stamp duty, Decision stamp, Public Tender Institution Share, Inspection charge transportation/shipment and all insurance expenses regarding the fulfillment of the undertaking are included in contract price.

Article 8 – Contract annexes

8.1. Tender document is an annex and integral part of this contract and bind Administration and Contractor together. However, if there are contradictions and differences between contract provisions and provisions in documents creating tender document, provisions in tender document shall be essential.

8.2. Order of priority among documents creating tender document shall be as follows:

1) Administrative specification
2) Technical specification
3) Contract draft
4) Written statements

Sample Covenant

8.3. Addendums of above documents shall have order of priority of document that they belong to.

Article 9 – Contract period

9.1. Contract period shall be 300 calendar days as from the starting date of the job.

Article 10 – Acceptance form and conditions of goods/job and delivery schedule

10.1. Point or points of the place of delivery/realization of the work

10.1.1.

Customs consultancy services will be met by contractor. Since nationalization of imported goods will be performed by administration, Customs Consultancy company which will be informed by contractor will be authorized by administration. Nationalization will be concluded after provisional acceptance of mentioned machines.

By the contractor company;

1- Loading, shipment, insurance, transportation and customs operations,

2- Installation of goods to location in Directorate of Erzincan Chicken Combined Plant where will be indicated by Administration ,

3- Payments ; will be performed following 10(ten) days after two weeks of trial production and training staff and Inspection and Acceptance operations.

Complete Presentation of documents (acceptance certificate, certificate of origin) for goods which are subject to delivery) to bank of letter of credit will be requested in payments.

10.2 Start date of work

10.2.1. Start date for work shall be the date of signing of Contract

10.3. Delivery schedule and delivery date

10.3.1.

Foreign contractors and domestic contractors who offer foreign goods will delivered the tender subject goods to Directorate of Erzincan Chicken Combined Plant Via DDU (Delivered Duty Unpaid) method. Organization is exempted from Value Added Tax since it has investment incentive certificate. In this case all kind of risk and expenses related to transportation of goods to Directorate of Erzincan Chicken Combined Plant, installation and customs operation will belong to contractor.

Domestic contractors who offer domestic goods will deliver the products by bringing and installing the goods in Directorate of Erzincan Chicken Combined Plant. In this case all kind of risk and expenses related to transportation of goods to Directorate of Erzincan Chicken Combined Plant, installation will belong to contractor

Delivery operation will be performed after the end of installation of machines and being ready for production.

Two week trial production will be made after delivery operation and staff who will be assigned by administration will be trained for minimum 80 hours by contractor company technical personnel.

Goods which are subject of contract will be delivered in operating status within maximum 300 (three hundred) days with all elements (including trial period) after the date of contract. Partial acceptance

can be realized for the parts which are suitable for separate usage and which are considered as proper by Administration provided that there is no time out.

Inspection and acceptance operations will be performed after delivery of goods and trial goods and staff training according Product Purchase Inspection and Acceptance Regulation.

10.4. Change in delivery schedule

10.4.1. Contractor shall comply with delivery schedule approved by Administration. However, in compulsory situations, change in delivery schedule may be made with consent of administration. If there is time extension approved by administration, contractor shall arrange a delivery schedule in five days under new circumstance starting from date of notification of this issue.

Article 11 – Provisions regarding the guarantee

11.1. Amount and term of performance guarantee**:**

11.1.1. Contractor.....*[Amount of guarantee shall be written in figures or in words.]* has given as a guarantee**.**

11.1.2. Term of performance guarantee letter shall be until ../../…. . In the case of time extension provided for contractor in the framework of this contract, term of performance guarantee letter shall be renewed including the extended period of time.

11.2. Additional performance guarantee:

11.2.1. If payment of price difference is provided, additional performance guarantee at the rate of 6 % of accrual shall be received in case of work increase. Amount of additional performance guarantee, which is calculated on amount to be paid as price difference, shall also be provided by way of deducting the progress payments.

11.2.2. Term of additional performance guarantee letter shall not be less than term of performance guarantee letter in case the additional guarantee is a performance bond.

11.2.3. Performance or additional performance guarantee given by contractor may be changed with values specified in article 34 of Law numbered 4734.

11.3. Repayment of performance guarantee and additional guarantee:

11.3.1. In the event that the commitment is fulfilled as per the provisions of the contract and tender document, and it is determined that the Contractor does not have any debts to the Contracting Entity because of this work and a no-lien affidavit is submitted received from the Social Security Institution; if it is a product purchase with suggested guarantee period, half of it returned to the Contractor, the remaining of it is returned after the guarantee period is over, and all of it is returned if it is a product purchase whose guarantee period is not suggested.

11.3.2. In case debts and legal tax deductions of Contractor to Administration and Social Security Institution subject to contracted works are not paid until final acceptance date, performance guarantees shall be liquidated and deposited in an account without the need of any protest and making a judgment and if any, the rest amount shall be refunded to contractor.

11.3.3. In the cases that making set-off transaction is not required according to following provisions; unrequited performance guarantee letters because of not being demanded shall be abated and refunded to bank within two years as from acceptance date of goods or expiration date of guarantee in spite of written warning of Administration. Guarantees outside guarantee letter shall be reregistered to Treasury following the expiration date.

11.3.4. Under no circumstances, guarantees received by Administration shall not be sequestered and interim injection shall not be imposed upon it.

Article 12 – Place and conditions of payment

12.1. Place of payment

12.1.1. Payments concerning contract by Administration shall be made by the Financial Affairs and Counting house Directorate. Providing that goods to be purchased is delivered in compliance with contract and tender document by Contractor, issues about payments and payment dates shall be arranged as shown below.

12.2. Conditions and date of payment

12.2.1. Monetary unit of payment is …TRY(Turkish Lira) EUR(Euro) USD(American Dollar)…….. .

12.2.2. 12.1.1. Payment Place In the event that Contractor is foreign: All kind of payment in return for Contract Price (Including Prices related to increases which may be caused by additional works) will be made based on written request of contractor within 10 (ten) days to contractor, or to its proxy or by bank of letter of credit if letter of credit is opened.

12.1.2. Payment place in the event that contractor is domestic : All kind of payment in return for Contract Price (Including Prices related to increases which may be caused by additional works) will be made based on written request of contractor within 10 (ten) days to contractor, or to its proxy or by bank of letter of credit if letter of credit is opened.

12.2.3. This article is blank.
12.3. Documentary credit
12.3.1.
a) Loading, shipment, transportation and customs operations
b) Installation of goods to location in Directorate of Erzincan Chicken Combined Plant where will be indicated by Administration ,
c) In the event that purchase subject machines and equipments are brought to site(workplace) or location which is determined by administration and their physical properties are proper with specifications; an acquisition payment with 50 % amount of unit prices of machines and equipments which are mentioned in tender letter will be made based o upon report which will be issued by administration. Remaining payments will be realized after nationalization and inspection an acceptance works which will be performed after two weeks trial production, staff training and those payments will be realized within 10 (ten) days after those operations.
12.3.1.
Payments will be made by General Directorate of Meat and Milk Board by means of letter of credit which is 100 %irrevocable, unconfirmed (in the event that letter of credit is requested to be opened with confirmed manner, all kind of expenses which will arose from confirmation operation will be et by contractor company), divisible, and /or transferrable or which allows partial shipment.
Complete Presentation of documents (acceptance certificate, certificate of origin) for goods which are subject to delivery) to bank of letter of credit will be requested in payments.
Article 13 – Advance payment conditions and amount
13.1. Advance payment shall not be made to Contractor during the commitment.
Article 14 – Price difference
14.1. Price difference shall not be calculated in this tender. But if expiration date is postponed by giving time of extension because of coercive reasons or reasons which stem from administration, the price difference will be calculated according to effective values.
14.1.1. Any change shall not be made in principles and procedures regarding price difference in contract after contract is signed.
Article 15 – Information's and responsibilities regarding subcontractors
15.1. A subcontractor shall not be employed in this work and whole work shall be done by Contractor himself.
Article 16 – Responsibilities of contractor
16.1. General responsibilities of contractor
16.1.1. Contractor shall accept and guarantee to show due diligence to works, to perform contracted work/goods within specified time, amount and price according to contract and tender documents and to correct mistakes in compliance with contract provisions. Contractor shall provide all types of machine, vehicles, auxiliary plants, materials and personnel in compliance with this work and schedule about this work. Because administration does not comply with warnings and instructions and violate responsibilities specified in contract, in the case that Administration and/or third parties are damaged, contractor shall compensate all kinds of damage.
16.1.2. Contractor shall be obliged to comply with provisions of 4735 numbered Law and other provisions of current law, legislation, regulation and relative legislations. Contractor shall be responsible for damages to third parties, environment and administrative personnel arising from violation of this responsibility by contractor. If such damage is compensated by administration, compensation shall be collected by way of deducting from receivables of Contractor. In case the receivables of Administration may not be met by the deductions made from Contractor, balance amount shall be refunded by liquidation of the performance bond and additional guarantees of the Contractor, if any. In case administration may not receive its receivables by these ways then the uncollected amount shall be subject to collection according to general terms.
16.1.3. Contractor shall be responsible for protecting contracted goods until their delivery to Administration. Contractor shall replace the goods with its new one in the cases that goods are damaged partly or wholly including damages arising from earthquake, flooding, land slide, storm, fire, theft and damages by third parties.
16.1.4. Contractor shall deliver goods in compliance with arrangements about supply of goods and product safety.
16.2. Liabilities of the contractor regarding the installation
16.2.1. The Contracting Entity evaluates whether the preparations of the Contractor and taken measurements are sufficient for assembly. In case it is determined that the preparations and

measurements are not sufficient, it is requested from the Contractor that additional preparations are made or measurements are taken.

16.2.2. Contractor is liable for indemnifying possible losses that could arise during the usage of all electric, water, gas assembly and connections that are required for assembly and other works.

16.2.3. Contractor is obligated to work in harmony with the Contracting Entity personnel and/or other contractors' personnel who work in the same location during assembly.

16.3. Working schedule

16.3.1. Staff of contractor shall realize the delivery and installation procedures in accordance with the designation made in delivery program. However, in case of changes to be made in the delivery program covering the instillation, production in place subject to Administration's purchase, Contractor also shall amend its working hours in accordance with the demand of the administration appropriate to this new program. However, the change made by Administration should not cause time extension for work program.

16.3.2. Contractor shall prepare 3 copies of activity report following the end of each month for the works over a period of a month and requiring installation. Reporting by Contractor shall continue until date of acceptance. Each report shall consist:

a) Amount of goods delivered, staff of the work and stages of the works performed by subcontractors,

b) Information about the issues such as installation, storage, commissioning, training

c) Information regarding the security including incidents creating danger, environmental events,

d) Registries regarding the staff of Contractor,

e) Certificates related to quality documents, test results and materials, if any,

and additional documents and information to be requested by Administration.

16.4. Security measures

16.4.1. Contractor shall be obliged to;

a) Comply with all security rules about work,

b) Provide security of all personnel who has right to be in workplace,

c) Take measures for providing security of workplace, equipments, instruments, information and documents,

ç) Take all kinds of measures following related legislation for providing security of life and property of third parties in order to meet delivery of goods and other responsibilities.

16.4.2. In the case Administration and/or third parties are harmed because contractor has not complied these obligations, Contractor shall compensate all kinds of damages.

16.5. Responsibilities of contractor regarding its personnel

16.5.1. Contractor shall be obliged to take all security measures during the work about occupational health in compliance with standards specified by law, directive and legislations.

16.5.2. In cases of accidents in spite of taking required measures by contractor according to related legislation, treatment expenses and compensation shall belong to Contractor. Additionally, funeral expenses of personnel died at work and compensation to be paid to their families shall belong to Contractor.

16.5.3. If any impeding condition is detected against being at work created by technical and administrative personnel and subcontractor of Contractor by any means, they shall be suspended by Contractor upon notification of Administration.

16.5.4. If employment of worker by Contractor is provided in tender document, Contractor shall give related documents about this personnel to Administration.

16.6. Shipment of the goods

16.6.1. Contractor shall be responsible for installation, packaging, shipment, loading, delivery of loads, unloading, storage and protection of all goods and materials required for work. Contractor shall be liable for all damages occurred during the shipment of the materials.

16.6.2. Contractor shall provide necessary efforts not to damage the roads, bridges by its own staff during the shipment of the goods. Usage of appropriate vehicles and roads is essential for this purpose. If permission from competent authorities is needed for utilization of the roads, necessary permissions shall be provided by Contractor before the initiation of the shipment procedure. Any demands received from related institution and enterprises regarding utilization of access to roads shall be met by Contractor.

16.7. Guarantee and maintenance, repair

16.7.1. Guarantee: There will be minimum 2 year guarantee after acceptance of goods which will be delivered by Contractor. Contractor is liable to issue those guarantee certificates for behalf of administration and deliver the original copies to administration. In the event that issuing guarantee certificates for behalf of administration is not possible, contractor is liable to present a document

which includes commitments related to guarantee to Administration. Elimination of Fault, deficiency, and failures which will be found in product within guarantee period will be undertaken by person who maintains guarantee or by Contractor. In the case that those liability is not executed by Contractor , administration will charge all expenses for maintaining guarantee from Contractor's receivables or collects security into money.

16.7.1.1. In the event that product has failure within guarantee period with respect to material workmanship or installation failures contractor is liable to repair or providing repair of the product without claiming any prices under the name of workmanship costs, replaced part prices or any other name.

16.7.1.2. Contractor will realized the maintained of product with periods which are mentioned in product user manual and in other documentetation provided that all kind of consumables will be on Contractor's account.

16.7.1.3. In the event that product has failure, failure time is added to guarantee period.

16.7.2. Said Aftersales maintenance, repair and spare parts supply.

16.7.2.1. Maximum repair time for the product is 5 business days. This period starts with the notification date of product to contractor or authorized service. In the event that failure of product could not be eliminated within 5 days, contractor allocates a goods having similar property to administration until the end of repair time.

16.7.2.2. Beginning from the date of delivery of product to Administration Provided that to be included within guarantee period, in the event that same failure repeats twice or more in one year, or different failures occur more than four times and there are failures more than 6 times within defined guarantee period and those result with not being able to utilize from product, contractor is liable to replace the product. However in the event that product is composed of more than one units, contractor is only liable to replace the failure part.

16.7.3. Contractor will be liable for damages and losses which may occur In the event that contractor avoids maintenance and repair although it is concluded with contract or performs it with delayed manner. If product's repair is not possible because of Contractor's not executing maintenance and repair liability completely and in time; and if this case is out of guarantee; contractor will be liable to procure same product free of charge.

Article 17 - Training

17.1. Contractor or Organization or organizations which are assigned by Contractor will instruct training to Administration's staff. Details of training is issued below.

- 2 week trial production and 80 hours staff training will be instructed after installation of goods to locations in Erzincan Chicken Combined Plant which will be indicated by Administration Article 18 – Documentation on the purchase-matter product

18.1. Contractor is obligated to submit two certified Turkish copies in addition to technical manual for the purchase-matter product and user manual in the original language.

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Article 19 - New model

19.1. In the event that it is possible to convert the contract-matter product to newly designed or produced model owing to the characteristic of the product; in case it is appropriate to the current technical specification, and if no price difference or additional cost is demanded because of this modification and the Contracting Entity and Contractor are in agreement, the product which is the purchase matter may be changed with the newly designed or produced model.

Article 20 - Packaging

20.1. The contract-matter product shall be delivered in its original packaging, unless it is decided otherwise in its technical specification.

20.2. Damages, losses and imperfections that could arise due to improper packaging of the goods and not met by the insurance belong to the Contractor.

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Article 21 – Advertising ban

21.1. Contractor, unless it is permitted by the Contracting Entity in writing, may not use the name of the Contracting Entity about the procured product in brochures or any introduction means and may not publicize.

Article 22 – Intellectual and industrial property rights

22.1. Contractor shall pay for the cost of the product and assembly systems to be procured pursuant to the Contract provisions, and pay for the trademark, patent, industrial design and beneficial model right costs belonging to any part of these.
22.2. In the event that the intellectual and/or industrial property right and/or interest is violated which is under protection in accord with the pertaining legislation provisions during fulfilling the undertaken liabilities or because of fulfilling them, Contractor is liable for any type of administrative, legal, punitive and financial liabilities that arise because of it. Contractor may not claim any right from the Contracting Entity on this matter. Despite of this fact, Contracting Entity recedes to Contractor in case they face with any legal sanction with the condition that their other rights are reserved. With the claim of the Contracting Entity, Contractor is obligated to inform and document the rights and liabilities belonging to them and third parties pertaining the matter in this context about whether the service they are going to undertake is a matter of intellectual and industrial property.
22.3. Contractor shall provide to the Contracting Entity the licenses of the rights or work which is the matter of intellectual and/or industrial property.
22.4. In the event that the contract-matter product is in the scope of a new patent, design, invention, beneficial model and similar developed by the Contracting Entity, Contractor accepts and undertakes that they shall not infringe these intellectual and industrial rights, and shall not claim any industrial property based on the project or technical documents submitted to them.
22.5. It is in the technical specification.
Article 23 – Making change in contract
23.1. Provided that contract price is not exceeded and Administration and contractor are agreed mutually after contract is signed, changes may be made in provisions of contract in the following points:
a) Installation or delivery point of goods.
b) Time of work and payment conditions in compliance with this time providing that goods is delivered before its time.
23.2. Changes shall not be made in contract provisions other than these conditions and additional contract shall not be made.
Article 24 – Additional works, decrease in work and liquidation of work to be made within the scope of contract
24.1. In case of compulsory work increase caused by unexpected conditions; additional work may be performed by same Contractor in framework of the provisions of the contract and tender document except the period under the conditions as;
a) being in the purchase subject to Contract,
b) technically or economically unavailability being separated from main work without putting Administration into inconvenience
by providing unit price bids up to 20% of the contract price related to tenders for purchase of goods.
24.2. If it is considered that work may not be completed under these circumstances, account of work shall be liquidated according to general provisions without incrimination. In this case, Contractor shall be obliged to perform work in compliance with tender document and provisions of contract.
24.3. Decrease in work shall be made in the framework of article 24 of Public Procurement Contracts Law numbered 4735. In case it is understood that the work subject to tender shall be completed with lower price than 80% of contract price, the difference of 80% of the contract price and 5% price difference of the work performed within contract prices shall be paid to Contractor against its real expenses and contractor's profit.
Article 25 – Situations and conditions subject to time extension
25.1. Situations subject to time extension upon force majeure conditions shall be as follows.
25.1.1. Force Majeure:
a) Natural disasters.
b) Lawful strike.
c) Epidemic.
d) Partial or general declaration of mobilization. e) Other similar situations to be determined by Public Procurement Authority if required.
25.1.2. In order to consider above mentioned situations as force majeure and to give time extension to contractor, the situation to be accepted as a force majeure shall be obliged

a) to be resulted not from contractor's mistake,
b) to such as to be an obstacle for meeting the commitment,
c) Contractor is not able to cope with removing an obstacle,

ç) to notify in written by contractor to Administration within 20 days following occurrence date of force majeure,

d) to be documented by competent authorities.

25.2. Conditions subject to time extension due to administrative reasons

25.2.1. If administration does not fulfill its responsibilities within anticipated time without any mistake of contractor, this situation is such as to be an obstacle for fulfillment of commitment and if contractor is not able to remove this obstacle, time of partial or whole work shall be extended at least as delays according to qualification of work to be made.

25.2.2. If time extension is provided for the contractor, Contractor shall notify new delivery dates and notify delivery schedule within five work days at the latest to Administration.

25.3. If increase in work is made, working time shall be extended for related part of or whole work in proportion to this increase.

Article 26 - Insurance

26.1. Insurance of goods is under liability of contractor

26.2. Contractor is obligated to submit insurance policies according to the delivery program to the Contracting Entity. Otherwise, no payment is made to the Contractor. In the event of abrogation or dissolution of the contract, these insurances are continued until the work is contracted out to new Contractor and insurance expenses related to this period are covered by the former Contractor. However, this period shall not exceed ninety days starting from the abrogation or dissolution date.

Article 27 – Liabilities of the administration

27.1. Handing over of the work place to Contractor for works requiring assembly

27.1.1. The Contracting Entity prepares the location of the product assembly following the signing of the contract with a work start letter for the usage of Contractor. During the handing over of the work place, a minute is issued showing the current status of the work place by the parties.

27.1.2. The Contracting Entity may change any time the location for the product assembly with the condition that it does not cause additional financial burden to the Contractor. It is mandatory that the claim of the Contractor about the change of the assembly location is found appropriate by the Contracting Entity.

27.1.3. In case it is figured that the work will not be completed in time due to reasons such as work place changes and late delivery of the location where product delivery or assembly is to be made, the period for a part of the work or its entirety is extended sufficiently.

27.1.4. No wages is received from the Contractor for the location for placing materials and tools to be used in assembly and for places where the contractor personnel are going to work.

27.2. Delivery of plan and projects to contractor regarding the installation works.

27.2.1. Administration delivers plans and projects be required during installation as a requirement of the type and qualification of the good to Contractor with a minute. Contractor has the right to demand more than one copy of said documents provided that meeting the Contractor's expenses.

27.2.2. In case Contractor asserts that the installation project and/or technical documents and place for installation or delivery is in a form constituting impediments or technically insufficient, Contractor should inform the Administration in written about the observations in five working days following the delivery of the instructions or documents.

27.3. Permissions and licenses

27.3.1. Administration shall be responsible for receiving required permission, license and approval in administration's responsibility for delivery of contracted goods and/or responsible for giving required aid to Contractor in this subject.

27.4. Personnel of administration

27.4.1. With the condition not to be limited with the contract matter and indicated in the tender document; in case it is required to receive assistance from the Contracting Entity's personnel by the Contractor or is required to work together for the product delivery, assembly, taking into operation and for providing training on these goods; the Contracting Entity provides required assistance to the personnel of the Contractor and/or inform the Contractor in writing about the names, last names of the personnel who are to work with them, their work units, and the scope of the assistance or work.

Article 28 – Notifications, confirmations, approvals, documents and determinations

28.1. All kinds of processes regarding implementation of contract between Administration and Contractor shall be made in written. In case requirement of a permission, approval, document, provision of confirmation or determination, notification, call or invitation regarding the application of the Contract between Administration and Contractor shall be conducted in written form.

28.2. If it is required to make observation about delivery of goods and/or fulfillment of contract, Administration or Contractor shall make this determination in written or issue an official report.

Article 29 – Substitute of contractor

29.1. Contractor shall appoint a responsible substitute by consent of Administration while fulfilling responsibilities arising from this contract. In this case, Contractor shall be responsible for notifying authorization certificate issued by notary and name, surname, address and telephone of authorized representative (substitute contractor) within notification dates and conditions approved by Administration after signing the contract.

29.2. Substitute of contractor shall work together with competent body or commissions of Administration during inspection and acceptance process.

Article 30 – Audit, inspection and acceptance processes

30.1.

a) Audits and inspections with certain stages and periods will be realized by administration for determining whether goods are manufactured according to quality and properties which are mentioned in tender document.

b) Whether machines are delivered according to technical specifications and other tender documents, and have specified technical properties will be controlled both visually and with documents also machines will be tested during trial production. Goods which are not proper will not be accepted. Inspection and controls will be completed during trial production period.

c) Machines and equipments which are considered as improper after inspections will be taken out from their locations within maximum 15 days by contractor.

30.2. About the inspection and acceptance issues not specified in this contract and its annexes, the terms if any, in Material Purchase Auditing Inspection Directive published by Public Tender Institution shall be essential.

Article 31 – Carrying out the payment documents

31.1. In case the goods to be delivered by Contractor in lump sum, to be received in parties or in parts, in each delivery;

a) the amount of the goods delivered since the beginning of the contract,

b) the compliance of the goods or performed work within the contract and annex of technical specification should be determined with an acceptance report. Following the designation of the report, commission shall specify the quality, its compliance with the features specified in technical specification and the ones with fault or defect, if any. Without any limitation written in here, within their own duty and authorization they shall give place to their additional observations in framework of technical specifications.

31.2. In case the acceptance of the goods/works do not have required qualifications for acceptance without any fault or do not comply with technical specifications set out in the final part of the report, then a refusal report shall be issued and submitted to the Administration.

31.3. Administration shall initiate the payment procedures by issuing a payment document appropriate to the legislation for payment of the goods price by making the document relevant to the acceptance as an annex. However, in payment of letter of credit and advance payments, payments exempted from inspection acceptance procedures.

31.4. This article is blank.

Article 32 – Transfer conditions of contract

32.1. In compulsory situations, contract shall be transferred to another with written consent of tendering official. However, conditions in the first tender shall be compulsory for transferees. Besides, except transfers arising from change of name and status, in three years following transfer date of a contract in tenders made within the scope of 4734 numbered Law, another contract shall not be transferred or taken over by the same contractor. 20,22 and 26. provisions of 4735 numbered Law shall be applied about transferors and assignees by terminating contracts within three years following transfer date of contracts transferred or taken over without permission.

32.2. On the required permission of tendering official, before signing transfer contract, Contractor taken over the contract shall be obliged to pay 6% performance guarantee of contract price to Administration following values in 4734 numbered Law. In this case, Administration shall refund this performance guarantee to itself within the first working day following transfer contract.

Article 33 – Works nonconforming to contract and its annexes

33.1. If it is determined that delivery, installation and packaging conditions of goods do not conform to contract and specifications or it is defective and faulty, Contractor shall obliged to change or correct this goods without payment within the period specified by Administration. If there is a delay because of this, provisions about delay penalty of this contract shall be applied.

33.2. Manufacturing which has better properties and proper with engineering and craft rules and requested specifications may be offered by Contractor for more effective installation and

manufacturing by as being different from arrangement which was realized in technical specification. This offer can be accepted after approval of administration. However Contractor can not claim additional prices in this case.

Article 34 – Termination of contract with penalties and deductions to be applied in case of delay

34.1. If Contractor does not deliver goods timely in compliance with contract except time extensions specified in this contract, Administration shall impose delay penalty by making 20 (twenty) days dated written notification.

34.2. A delay penalty of 0,1% (one in ten thousand) of the contract amount for each delayed calendar day in case the Contractor does not deliver the product according to the contract in time.

34.3. Delay penalty shall be deducted from payments to be made to Contractor without the need to protest. If this amount of penalty is not met by payments, performance guarantees and additional performance guarantees, it shall be met by Contractor separately.

34.4. If same situation continues although the time specified in notification is terminated, performance guarantees or if any additional performance guarantee shall be rerecorded without the need to protest, the contract shall be terminated and the purchasing goods shall be liquidated according to general provisions.

34.5. During fulfillment of contract, if it is determined that contractor conducts illegal practices or actions specified in the article 25 of Law numbered 4735, performance guarantee or if any additional performance guarantee shall be rerecorded without the need to protest and his account shall be liquidated according to general provisions by terminating contract.

34.6. For the acceptance and inspection of delivered goods by Administration, estimated times during the inspection of Administration shall not be considered as work time. Possibility of changing of goods delivered before final delivery date and nonconforming to conditions of contract with appropriate goods shall be given to Contractor for once within delivery date. However, if new delivery of goods is not made in given time or goods is not in compliance with contract and its annexes, a notification shall be made in the framework of above designations.

Article 35 – Termination of contract and liquidation of work

35.1. Termination of contract by administration

35.1.1. Administration shall terminate contract in the following cases:

a) In the case that contractor does not fulfill its commitment in compliance with provisions of tender document and contract or does not complete the work in time, delay penalty shall be imposed which is specified in an article about delay penalty of this contract and if the same condition continues in spite of the notification including specified time and expressions of Administration,

b) Determination of illegal practices or actions of Contractor during fulfillment of contract specified in the article 25 of Law numbered 4735..

In following cases, performance guarantee and if any additional performance guarantee shall be rerecorded without the need to protest and his account shall be liquidated according to general provisions by terminating contract.

35.2. Termination of contract by the contractor

35.2.1. If contractor notifies in written to Administration with his reasons, documents and decisions that he can not fulfill his commitment because he is in narrow straits by force majeure, performance guarantee and if any additional performance guarantee shall be rerecorded without the need to protest and his account shall be liquidated according to general provisions by terminating contract.

35.3. Termination subject to illegal practices and actions before the contract

35.3.1. If it is terminated after signing of the contract that contractor acts illegally according to 4734 numbered Law, performance guarantee and if any additional performance guarantee shall be rerecorded without the need to protest and his account shall be liquidated according to general provisions by terminating contract. But, in the case of completion at least 80 % of commitment and of being in the public interest;

a) Not to have sufficient time for retendering of rest of commitment because of its emergency,

b) Impossibility for getting commitment to make to another contractor,

c) Contractor's illegal practices and actions not to be in obstructive condition of completion its undertaking

In these cases, administration shall request from contractor to complete his commitment without terminating contract and in this case contractor shall complete his commitment. However, a legal action shall be taken about contractor according to provisions of article 26 of Law numbered 4735 and penalty shall be collected from contractor as amount of performance guarantee and additional performance guarantee. This penalty may also be collected by the deductions in progress payments.

35.4. Termination of contract subject to force majeure

35.4.1. In the case of terminating the contract because of force majeure, account about contracted works shall be liquidated according to general provisions and if any, additional performance guarantees shall be refunded.

Article 36- Determination of the termination date

36.1 In accordance with 19th article of 4735 numbered Law, the contract is considered terminated in termination that will made according to (b)clause of 1st paragraph of 20th article and 21st article since the proof date of termination reason,(a)clause of 1st paragraph of 20th article, devolution the termination demand of contractor to administration. Termination decision will be taken by the Administration within following seven days. This decision shall be notified to contractor within five days following decision date.

36.2 In the case of contract termination in accordance with 19th,20th and 21st article of 4735 numbered Law, performance guarantee and if any additional performance guarantee shall be updated according to mensal wholesale price index published by Turkish Statistical Institute from date of receiving to registration date as revenue. The differences between updated amount and performance guarantee and if any additional performance guarantee shall be collected from the contractor. In cases where it has been secured in condition with the amount cut back, retained amount shall be registered as revenue, amount of guarantee, drawn to amount of unexecuted business after the contract termination date, shall be updated similarly and collected from the contractor. Guarantees registered as revenue shall not be appropriated for the debt of contractor.

36.3 In the case of contract termination in accordance with 19th,20th and 21st article of Law numbered 4735, legal proceeding be performed for the Contractor according to the precepts specified in 26th article of the stated Law. Further, by reason of contract termination, Administrations' damage and loss are indemnified by the Contractor. After termination process, Administration is free to delegate the work with a person who has a proper condition with the procedures specified in 4734 numbered Law. As remaining work becomes subject to performance of an another contractor, Contractor shall not have any right for any claim.

Article 37-Procedures to be performed in case of termination of the contract

37.1 In the case of contract termination, Contractor stops delivery operations. Contractor carries out instructions, given eligibly to the related legislation and contract, by Administration. Contractor will leave the office if Administration delivers the works about purchase in the office. Upon request of Administration, Contractor hands over the given materials, tools, all papers and documents, designs and drafts made for the work with a written report. Contractor and/or subcontractor immediately performs the regulations about protecting office and the security precautions given by the Administration. If Administration makes work completed by any other contractor cause of the termination, the documents of the Contractor shall be used. In that case, the Contractor shall not have any right for claim.

37.2 Administration notifies contractor about the time of delivery of installation materials and temporary facilities of contractor in the workplace in written. Upon this notification contractor leaves the workplace carrying the risks and expenses on his own. In case contractor is subject to pay any amount to Administration, Administration may sell said materials and temporary facilities in order to meet the said amount and the balance shall be paid to contractor, if any. In these procedures Administration shall take general law provisions as essential basis.

37.3 By the termination date, Administration appraises the good amount made by Contractor and delivered, error recovery expenditures and the costs that have to be pay to Contractor.

37.4 In work with a failures and shortages, Administration have right to stop the payments that will be done for making up a shortage since determination of the payments .

37.5 In case of inappropriate provisions, procedure shall be implemented according to general provisions.

37.6 In the case of contract termination, if the performance guarantee/additional performance guarantee of Contractor:

a) is a currency Turkish money, directly
b) is a bank letter of guarantee, by collecting from bank
c) is a state bond, bond possessing treasure warranty, by liquidating

will be registered as a revenue. Performance guarantee, registered as a revenue, shall not be deducted from Contractor's debt.

Article 38 –In the case of contract termination, evacuation of the goods of contractor

38.1. In case the contract is abrogated, the Contractor may take the material and equipment located in the work place of the Contracting Entity that are necessary for work delivery or assembly and/or are

not appropriate to the tender document and delivered with the permission of the Contracting Entity. The Contracting Entity is obligated to examine and finalize these claims within three work days.

Article 39-Death, bankruptcy, fatal disease, arrest and condemnation of Contractor.

39.1 In case of the death, bankruptcy, fatal disease, arrest or condemnation that limits the freedom of Contractor, process shall be established according to the related articles of Law numbered 4735.

39.2 In commitments performed by joint venture, in the case of death, bankruptcy, fatal disease, arrest or condemnation that limits the freedom of one of the partner, process shall be established according to the related articles of Law numbered 4735.

Article 40- Responsibility of defects and mistakes after acceptance

40.1 In case of using materials in delivered good/work or production of the good inconvenient with the technical requirements or to have hidden defects in good/work, Administration shall request to change the good with other good that is convenient with the technical specification or to update the good according to technical specification from Contractor. Acceptance of the good/work by Administration or being controlled of the work by the time of producing or before delivery by the time of fabrication or acceptance of the work shall not remove the responsibility of the contractor about delivery of the good in compliance with the contract or transact business.

40.2 In case of being under a ban, recalling from the market or determining the impossibility of making goods secure of Purchasing good or goods by foundations authorized on the subject of market surveillance, Contractor is supposed to retake good/goods and pay back the sale price. Additionally, is responsible to indemnify the damages arising from the usage of this good or goods. In case of the demand on changing the goods retaken by the Contractor with the new models supplied to the market and being approved of this demand by the Administration, new model shall be accepted. There shall not be an additional payment for the new model.

Article 41- Penal responsibility of the Contractor

41.1 Even if it is determined after the completion and acceptance of the work, denunciation will be make to authorized Public Prosecution Authority for penal prosecution about Contractor or partner or attorney that act as constitute a crime according to 26/09/2004 dated and 5237 numbered Turkish Criminal Law, among the behaviors and acts specified in 25th article of 4735 numbered Law. In case of the rule to the penalty for this person, there shall be an implementation of a policy by 27th article of 4735 numbered Law.

Article 42-Settlement of the disputes

42.1. Republic of Turkey Ankara Courts and execution offices are authorized on settlement of all kinds of dispute arising from the contract and application of its annexes .

Article 43- Subjects not included in the specification

43.1. In case where there are no provisions in contract and annexes to be signed, the provisions stipulated in the Laws numbered 4734 and 4735 shall apply, if no provision is defined therein, the provisions of code of Obligations shall apply.

VI- OTHER ISSUES

Article 44- Other Issues

44.1.

44.1. Machines and equipments which are subject of purchase will be proper with work integrity and they will be synchronized.

44.2. Manufacturing, maturity date, and trial period of machines and equipments which are purchase subject are total 300 calendar days.

44.3. Purchase subject machines and equipments will have been manufactured in 2013 or later, will be new and unused before. This case will be certified with certificate of origin.

44.4. In the event that it is considered as appropriate by Administration, provided that main function is not changed; bidders may offer alternatives which may be more economical and effective related to operation of machines and equipments.

44.5. 20 hours theoretical and 60 hours applied training will be instructed to organization's staff after installation and startup of purchase subject machines and equipments in combined plant. Documents for mentioned trainings will be prepared with specified amounts and will be delivered to staff before trainings.

44.6. Taking necessary precautions which are determined according occupational health and safety and relevant regulation will be under contractor's liability until installation, startup and inspection acceptance of mentioned purchase subject goods are realized.

44.7. Installation of machines and equipments will be performed proper with sample layout plan outlines. Machinery, electricity, and machine installation projects will be designed over given architectural project by company who won tender within maximum 45 days and will be submitted to

Administration.

44.8. There should 2 (years) or 3520 (three thousand five hundred and twenty) hours parts guarantee including consumables free of charge and 10 (ten) years spare part guarantee.

Article 45- Validity

45.1 This contract shall be in force by the time it is signed by the parties.

Article 46- Signing of the contract

46.1 This contract consists of …… article, after being read and understood completely by the Administration and Contractor, signed on the date of …./…../……. 1 (One) copy. Besides in case of the contractors demand the administration will prepare , the contract() which is in accordance with the original text and is a certified copy() for the contractor. and will give it to the contractor.

ADMINISTRATION CONTRACTOR

OUR ADMINISTRATION SHALL NOT BE RESPONSIBLE FOR THE MISTAKES ARISING FROM ENGLISH TRANSLATION. TURKISH TEXT SHALL BE ESSENTIAL IN SUCH CASES.