



Organization for Security and Co-operation in Europe

Office in Baku

BIDDING DOCUMENTS

FOR THE

**REFURBISHMENT OF THE NEW PREMISES OF THE
OSCE OFFICE IN BAKU**

ITB No. 01/07

OSCE OFFICE IN BAKU

4 MAGOMAYEV LANE

ICHERI SHEHER

BAKU 2007

Baku, 7 August 2007

Invitation to Bid

No. 01/07

for the

**PROVISION OF REFURBISHMENT SERVICES FOR NEW PREMISES OF THE OSCE OFFICE IN
BAKU**

Dear Madam/Sirs,

The Organization for Security and Co-operation in Europe (OSCE) is a multi-lateral international organization of fifty-six (56) participating States and is operation in field operations in 20 countries in Eastern Europe and Central Asia. The OSCE is a regional security arrangement in the sense of Article VIII of the United Nations Charter. More information about the OSCE can be obtained from the organization's web-site: <http://www.osce.org>.

The OSCE Office in Baku (hereinafter referred to as "the OSCE") invites sealed proposals from eligible and qualified companies (hereinafter referred to as "the Bidders") for the provision of the following services (hereinafter referred to as "the Services"):

- 1) Advise on the existing layout possibilities (hereinafter referred to as "the Layout"), attached hereto;
- 2) Scope of work for refurbishment of the new premises, according to the requirements, as defined in the Invitation to Bid documents (hereinafter referred to as "the ItB Documents"), attached hereto;
- 3) Construction work on the new premises, in accordance with the requirements and proposed Scope of work, including all required finishing/final works.

The ItB Documents include:

- | | | |
|-----|--------------------|-------------------------------|
| (a) | Section I | Instruction to Bidders |
| (b) | Section II | Bid Submission Form |
| (c) | Section III | Form of Contract |

You are hereby invited to submit your bid in response to this Invitation to Bid (ITB) No. 01/07. The OSCE Office in Baku, wishes to obtain the competitive bids for refurbishment of the new premises, related to the following services:

1. Advise on the existing layout possibilities;
2. Scope of work for refurbishment of the new premises;
3. Construction work on the new premises, including all required finishing/final works.

The Office is to accommodate approximately 35 employees for the 1st year of occupancy with possibility of expansion.

Note: AutoCad version of the premises available, Site visit available.

Bids are requested to be submitted and delivered to the OSCE in a sealed envelope marked with “**Bid for Refurbishment of the new premises - ITB No. 01/07 - Do Not Open Before August 17, 2007**” and in accordance with the Instructions to Bidders to the address given below on or before **12:00 hours (CET) on August 17, 2007** to the following address:

OSCE Office in Baku

Procurement Office

Icheri Sheher

4 Magomayev lane

Bids sent by e-mail and fax will not be accepted. The bid prices shall be quoted in AZN.

Only bids submitted to the OSCE before the deadline will be considered.

The OSCE reserves the right to accept or reject any bid, and to annul, in whole or in part, or to suspend the bidding process and reject all bids at any time prior to contract award, without thereby incurring any liability to the affected firm or firms or any obligation to inform the affected firm or firms of the reasons for the OSCE's action.

Please note that the OSCE General Conditions of Contract (Services) shall apply for the contract under consideration.

Please submit your queries or questions in writing to the address as specified below and kindly refrain from any telephone calls or personal visits.

Ms. Sandra Milosavljevic

Chief of Fund and Administration

OSCE Office in Baku

Icheri Sheher

4 Magomayev lane

Email: Sandra.milosavljevic@osce.org

We thank you for your interest to participate in this tender.

CONTENTS

Invitation to Bid	2
SECTION I - INSTRUCTIONS TO BIDDERS.....	8
1.1. GENERAL BIDDING TERMS.....	8
I - 1.1. Cost of Bid Preparation	8
I - 1.2. Bid Submission	8
I - 1.3. Validity of Bid	8
I - 1.4. Language of Bid	8
I - 1.5. Clarification of Bidding Documents	8
1.2. FORMAL BIDDING TERMS	9
I - 2.1. Price Offer	9
I - 2.2. Currency	9
I - 2.3. Supporting Documentation	9
I - 2.4. Format and Signing of Bids	9
I - 2.5. Envelopes	9
1.3. BIDDING PROCEDURES.....	10
I - 3.1. Modification and Withdrawal of Bids	10
I - 3.2. Restrictions to Withdrawal and Modification of Bids	10
I - 3.3. Clarification of Bids	10
I - 3.4. Confidentiality	11
I - 3.5. Evaluation Criteria	11
I - 3.6. Awarding of a Contract	11
I - 3.7. Acceptance of Bids	11
I - 3.8. Notification of Award	11
I - 3.9. OSCE General Conditions	12
Section II. FORMS OF BID	13
1.4. SECTION II - A: BID SUBMISSION FORM.....	13
1.5. SECTION II- B: QUALIFICATIONS AND EXPERIENCE.....	15
1.6. SECTION II- C: TECHNICAL SPECIFICATIONS AND SCHEDULE OF REQUIREMENTS	17
Section III. GENERAL PROVISIONS.....	21
1.1. DEFINITIONS	21
1.2. COMPLIANCE TO CONTRACT AND ANNEXES	21
(B) ANNEX A: CONTRACTOR'S OFFER DATED	22
(C) ANNEX B: CONTRACTOR'S PRICE TABLE.....	22

1.3.	EFFECTIVENESS.....	22
	2.ENTRY INTO EFFECT, DURATION AND TERMINATION.....	22
2. 1	ENTRY INTO EFFECT OF THE CONTRACT	22
2. 2	DURATION OF THE CONTRACT	22
2. 3	EXTENSION OF THE CONTRACT	22
2.4	TERMINATION FOR CONVENIENCE	22
2. 5	TERMINATION FOR DEFAULT	22
2. 6	TERMINATION FOR INSOLVENCY	23
	3.CONDITIONS PRECEDENT	23
	4.STANDARDS OF SERVICES.....	23
	5.SCOPE OF SERVICES.....	24
5. 1	ENTERANCES AND EXITS	24
5. 2	OFFICE PARTITIONS	24
5. 3	ELECTRICITY	24
5. 4	FACILITIES.....	24
5.5	ENVIRONMENTAL PROTECTION.....	24
	6.WARRANTY	25
6. 1	CONTRACTOR’S WARRANTY.....	25
	7.DEFAULTS AND SUSPENSION OF WORK.....	25
7. 1	DEFAULT BY THE CONTRACTOR.....	25
7. 2	SUBSTITUTION IN CASE OF DEFAULT.....	25
7. 3	DEFAULT AND ARBITRATION	25
7. 4	TEMPORARY SUSPENSION OF WORK.....	25
	8.PROTECTION OF PERSONS AND PROPERTY	26
8. 1	REMEDY OF DAMAGES	26
	9.PERMITS AND LICENCES	26
	10.INSURANCE.....	26
10. 1	LIABILITY INSURANCE	26
10. 2	RESPONSIBILITY FOR AMOUNTS NOT RECOVERED	27
	11.REMEDIES AGAINST CONTRACTOR’S FAILURE TO INSURE	27
	12.PRICE.....	27
12. 1	CONTRACT PRICE.....	27
	12. 2 <i>Exclusion of Escalation</i>	27
12.3	<i>Currency of Payment</i>	27

13.PAYMENT	27
13.1 SUBMISSIONS OF INVOICES	27
13.2 SEQUENCE OF PAYMENTS	28
13.3 MODE OF PAYMENT	28
14. WITHHOLDING OF PAYMENTS	28
14.1 <i>Reasons for Withholding Payments</i>	28
15. WITHHOLDING OF SERVICES	28
16. TAX EXEMPTION	29
17. FORCE MAJEURE.....	29
18. INDEMNITY	29
19. ASSIGNMENT.....	30
20. WAIVER.....	30
21. ADVERTISING	30
22. DISCRETION	30
23. NOTICE.....	31
24. STAFF MEMBERS NOT TO BENEFIT	31
25. SETTLEMENT OF DISPUTES	31
26. PRIVILEGES AND IMMUNITIES.....	31
27.AMENDMENTS	31
28.VALIDITY	32
29. Due Authorisation.....	32
30. SIGNATURES AND DATES.....	33

SECTION I - INSTRUCTIONS TO BIDDERS

1.1. GENERAL BIDDING TERMS

Cost of Bid Preparation

The Bidder shall bear all costs associated with the preparation and submission of the bid. The OSCE shall not be responsible or liable for any of such costs regardless of the conduct or the outcome of the tender.

Bid Submission

The Bidder shall complete and submit the Bid Submission Form (Section II), Section II– B: Qualifications and Experience and Section II – C: technical specifications and schedule of requirements as an integral part of its bid.

Validity of Bid

Bids shall remain valid for the period of 60 days following the date of the deadline of bid submission. Any bid which has been validated for a shorter period of time shall be rejected by the OSCE.

Language of Bid

The Bid prepared by the Bidder as well as all correspondence and documents relating to the bid exchanged by the Bidder and the OSCE should preferably be submitted in English.

Clarification of Bidding Documents

Any Bidder requesting clarification on any content of the bidding documents may contact the OSCE by mail, facsimile or by e-mail to the address indicated herein no later than three days prior to the deadline for submission of bids.

The OSCE is not obliged to respond to such requests for clarification. However, any response to such request for clarification which the OSCE provides will be sent by the OSCE in copy also to all other prospective bidders to this tender.

1.2. FORMAL BIDDING TERMS

Price Offer

The bidder shall state its bid prices and conditions by duly completing Section II – C: technical specifications and schedule of requirements

Currency

All Prices shall be quoted in AZN. VAT shall be excluded.

Supporting Documentation

The bidder may add a description of its on-line ordering system and any other relevant information of the offered services and spare parts in the form of literature, catalogues and data.

Format and Signing of Bids

The Bidder shall prepare one original Bid.

The original bid shall be typed or written in indelible ink and should be signed by the Bidder or the person(s) duly authorised to bind the Bidder to the contract.

The bid should contain no interlineations, erasures, or overwriting except, as necessary to correct errors made by the Bidders, in which case such corrections should be initialled by the person(s) signing the bid. The technical delivery requirements form must be duly filled out.

Envelopes

The Bidder shall seal the original Bid in an envelope, which shall be addressed to the address indicated in the cover note to this Invitation to Bid.

The envelope shall also bear the Invitation to Bid Number, and a statement: **“DO NOT OPEN BEFORE 17 AUGUST 2007”**.

If the outer envelope should not be sealed and marked as required, the OSCE will assume no responsibility for the bid's misplacement or premature opening. The envelope shall also indicate the name and address of the Bidder to enable the Bid to be returned unopened in case it is declared "late" or the Bid is validly withdrawn by the Bidder.

Bids must be received by the OSCE at the bid submission address and no later than the time and date specified in the Invitation to Bid.

Bids received after the deadline for submission, or not complying with any of the conditions for submission, will be rejected and returned unopened to the Bidder. The Bidder is responsible for ensuring that the bid is received before the deadline for bid submission.

1.3. BIDDING PROCEDURES

Modification and Withdrawal of Bids

The Bidder may modify or withdraw its Bid after the Bid's submission, provided that written notice of the modification, including substitution or withdrawal of the Bid, is received by the OSCE prior to the deadline prescribed for submission of bids.

The Bidder's modification or withdrawal notice shall be prepared and marked "MODIFICATION" or "WITHDRAWAL," as appropriate, and send by fax, but shall be followed by a signed mailed confirmation. In cases of discrepancies the mailed copy shall prevail.

Restrictions to Withdrawal and Modification of Bids

No bid may be modified or withdrawn in the interval of time between the deadline for submission of bids and expiration of the bid validity specified by the Bidder.

Clarification of Bids

During evaluation of the Bids, the OSCE may, at its discretion, ask any Bidder for a clarification of its Bid. The request for clarification and the response shall be in writing, and no change in the prices or substance of the Bid shall be sought, offered, or permitted. Failure by any Bidder to timely and duly respond to a request for clarification may result in the rejection of its Bid.

Confidentiality

From the time of bid opening to the time of contract award, if any Bidder wishes to contact the OSCE on any matter related to the Bid, it should do so in writing. Information relating to the examination, clarification, evaluation and comparison of Bids, and recommendation for Contract Award, shall not be disclosed until the date of Contract Award.

Any effort by a Bidder to influence the OSCE in its decisions on bid evaluation, bid comparison, or Contract Award may result in the rejection of the Bidder's Bid.

Evaluation Criteria

Evaluation will be concluded on the basis of analysing all quoted costs Section II – C: technical specifications and schedule of requirements.

Awarding of a Contract

The OSCE may award a Contract to the successful Bidder whose Bid has been determined to be substantially responsive and has been determined to be the most economical offer to the OSCE according to the principle “best value for money”.

Acceptance of Bids

The OSCE reserves the right to accept or reject any Bid, and to annul, in whole or in part, or to suspend the tender process and reject all Bids at any time prior to the contract award, without thereby incurring any liability to the affected Bidder(s) or any obligation to inform the affected Bidder or Bidders of the reasons of awarding or non-awarding of a contract.

Notification of Award

Prior to the expiry of the bid validity, the OSCE will notify the successful Bidder in writing, by e-mail, fax or registered letter of its intention to award a contract.

OSCE General Conditions

The OSCE General Conditions of Contract (Services) shall apply.

Section II. FORMS OF BID

Notes on Forms of Bid

It is mandatory that the Bidder duly completes and signs the Forms of Bid.

1.4. SECTION II - A: BID SUBMISSION FORM

Date _____

ITB No. 01/07 Bid for Repair of new premises of OSCE Office in Baku

To: The OSCE Office in Baku
 Icheri Sheher
 4 Magomayev lane

Having examined the Bidding Documents ITB No. 01/07 and any addenda thereof, the receipt of which is hereby duly acknowledged, we, the undersigned, offer to supply the goods and provide the services, in conformity with the said Bidding Documents for the sum of total Bid amount in words and figures in accordance with the Price and Delivery Schedule attached herewith and made part of this Bid.

We agree to abide by this Bid for the Bid Validity Period specified in the Bidding Documents, and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

We understand that you are not bound to accept the lowest or any bid you may receive.

We certify and confirm that we comply with the eligibility requirements stated in ITB clause 1 of the Bidding Documents.

We accept the OSCE General Conditions of Contract.

[Bidder to sign]

[Bidder to insert Bidder's capacity of]

Duly authorised to sign Bid for and on behalf of

[Bidder to insert Corporate Name of Bidder]

1.5. SECTION II– B: QUALIFICATIONS AND EXPERIENCE

Company Details and General Information

Name of Firm:			
Street Address:	Postal Code:	City:	Country:
P.O. Box and Mailing Address:			
Telephone Number:			
Fax Number:			
E-mail Address:			
www Address:			
Contact Name:			
Contact Title:			
Year Established:			
Type of Business:			
Nationality of the Firm:			
Number of Staff Employed:			

Experience

Experience on provision of requested Services:			
Customer	Year	Services Provided	Country

Manufacturer's Authorisation

Please provide the documentary evidence establishing that, in the case of a Bidder offering to supply the goods and provide the services which your company did not manufacture or otherwise produce, your company has been duly authorized by the Manufacturer or producer to provide the Maintenance and Repair Services including of the manufacturer's delegation to execute warranty claims, if any, in line with the manufacturer's warranty conditions for all make-specific vehicles.

Failure to provide the above evidence will result in rejection of the bid as non-responsive to the requirements.

Signature of Bidder: _____

1.6. SECTION II– C: TECHNICAL SPECIFICATIONS AND SCHEDULE OF REQUIREMENTS

Refurbishment Works		
	Complete Refurbishment Work to be completed one month after OSCE finalizing bidding process and awarding the contract but no later than 20 September 2007.	TOTAL AZN
	1. Advise on the existing layout possibilities, attached hereto; deadline 27 August 2007.	
	2. Scope of work for refurbishment of the new premises, deadline 27 August 2007: <ul style="list-style-type: none"> - Entrance doors including security aspect, materials and positioning. - Division of all available space into offices and rooms, including proposals for partition material, glass walls, doors material and positioning. - Electricity including cabling, sockets, bulbs positioning and quantity. 	
	3. Construction work on the new premises, in accordance with the requirements and proposed Scope of work, including all required final works. Deadline 20 September 2007.	
		TOTAL AZN

Signature of Bidder: _____

FORM of CONTRACT

No.....

between the

ORGANIZATION FOR SECURITY AND CO-OPERATION IN EUROPE
(OSCE)

and

for the

PROVISION OF SERVICES, EQUIPMENT AND SUPPLIES

related to the

Repair/Refurbishment of the New premises of the
OSCE Office in Baku

This contract comprises this cover page, a table of contents (1) page) and (16) pages of text and (3) Annexes (A through C). The Annexes form an integral part of the Contract.

TABLE OF CONTENTS

List of Annexes:

Annex A: Contractor's Offer dated _____

Annex B: Contractor's Price Table

THIS CONTRACT is made between the ORGANIZATION FOR SECURITY AND CO-OPERATION IN EUROPE, Office in Baku having its Office located at Icheri Sheher, 4 Magomayev lane, Baku (hereinafter referred to as “the OSCE”) of the first part

and

_____having its principal office located at _____(hereinafter referred to as “the Contractor”) of the second part;

hereafter jointly referred to as: “the Parties”.

WHEREAS

the OSCE has sought to engage a Contractor to provide Services related to the repair of OSCE’s new premises, hereinafter referred to as “the Service”;

- the Contractor confirms to possess and avail the required facilities, skills, qualified personnel knowledge, licenses, in particular the full manufacturer's delegated authority as ' Authorized Servicers' entitled to execute any manufacturer's warranty claims, to repair OSCE's new premises, being ready, willing and able to execute the Service and to provide space, technical services and supplies under the terms and condition as specified in this Contract;

the OSCE has issued a Invitation to Bid ("ItB") 01/07 soliciting from potential contractors offers for the provision of such Services;

the Contractor has submitted an offer, dated _____in response to the ItB.

NOW, THEREFORE, the Parties hereto mutually agree as follows:

Section III. GENERAL PROVISIONS

1.1 DEFINITIONS

In the Contract, as defined below, the words and expressions shall have the following meanings assigned to them, except where the context requires otherwise:

“Business Day(s)” means any Monday to Friday from 09:00h to 17:00h except of OSCE holidays which are published on the official OSCE web-site www.osce.org ;

“Contract” means this Contract and all other documents listed as Annexes. The Annexes shall be considered an integral part of this Contract;

"Contract Price" means the price payable to the under the Contract for the full and proper performance of the Contractor's contractual obligations and pertaining to any specific Purchase Order/Release issued hereunder;

“Day” means any calendar day;

“*Force Majeure*” means an exceptional event or circumstance, which is beyond a Party’s control; which such Party could not have reasonably provided against before entering into this Contract; which, having arisen, such Party could not reasonably have avoided or overcome; such as acts of God, of a public enemy, explosions and any other similar cause of equivalent force;

“OSCE” means the OSCE Office in Baku including of its presence, field offices and entities within the Republic of Azerbaijan;

“OSCE Program Manager” means the person requisitioning any equipment and/or Services by means of a Purchase Order / Release hereunder;

“Purchase Order / Release” means a formal order document, issued by the OSCE and submitted to the Contractor by fax or e-mail, constituting an order for the production supply and delivery by the Contractor of Print Materials under terms and conditions of this Contract as specified in such Purchase Order / Release;

"Quarter" means a calendar quarter;

" Services" means any service(s) to be provided by the Contractor ancillary to repair of OSCE's new premises under terms and conditions of this Contract;

“Work Site” means the locations and premises of the Contractor in which the Work is performed.

1.2 COMPLIANCE TO CONTRACT AND ANNEXES

The Contractor has studied and is familiar with the Contract and its Annexes, which form an integral part of this Contract. If there should be any discrepancy, ambiguity or conflict between or among the Contract and its Annexes, then the document to prevail shall be given precedence in the following order:

This Contract

B ANNEX A: CONTRACTOR'S OFFER DATED _____

C ANNEX B: CONTRACTOR'S PRICE TABLE

1.3 EFFECTIVENESS

This Contract supersedes and cancels any and all contracts executed between the Parties and between the OSCE and the Contractor in respect to the production and supply of any printed materials and/or or provision of Service(s) hereunder.

2. ENTRY INTO EFFECT, DURATION AND TERMINATION

2.1 ENTRY INTO EFFECT OF THE CONTRACT

This Contract shall become effective upon signing hereof by the Parties. The terms and conditions of this Contract shall apply for all purchases, for which the Contractor has received Purchase Order / Releases.

2.2 DURATION OF THE CONTRACT

Unless terminated earlier, pursuant to clauses herein after, this Contract shall terminate on 20 September 2007.

2.3 EXTENSION OF THE CONTRACT

N/A

2.4 TERMINATION FOR CONVENIENCE

N/A

2.5 TERMINATION FOR DEFAULT

The OSCE may terminate this Contract in whole or in part, without prejudice to any other remedy for breach of contract, by giving fourteen (14) Days written 'Notice of Default' to the Contractor in following cases:

(a) If the Contractor repeatedly fails to provide the refurbishment at the agreed quality standards and/or within the agreed timeframe without giving reasonable justification or;

(b) If the Contractor should fail to perform any main obligation(s) under this Contract.

2.6 TERMINATION FOR INSOLVENCY

The OSCE may at any time terminate the Contract without compensation to the Contractor, by giving written Notice, in the case the Contractor should become bankrupt or otherwise insolvent, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the OSCE.

3. CONDITIONS PRECEDENT

Notwithstanding of Articles 2.1, 2.2, 2.3 and 2.4 herein, this Contract shall only remain effective upon the duly issuance of a provisional, or regular budget allotment, as the case may be, by the Secretary General of the OSCE pertaining to the scope of this Contract and to a time period consistent with the effective period of this Contract.

4. STANDARDS OF SERVICES

The Contractor accepts the relationship of trust and confidence established between the Contractor and the OSCE by this Contract. The Contractor shall furnish efficient works and services considering in particular the safety of the Office. The Contractor shall furnish the highest skill and judgement and co-operate with the OSCE and its agents in best furthering the interests of the OSCE in accordance with high standards of workmanship in this business.. The Contractor shall perform the work in the best way and in the most expeditious and economical manner consistent with the interests of the OSCE.

5. SCOPE OF SERVICES

5.1 ENTRANCES AND EXITS

The Contractor shall be responsible for the proper execution and completion of the entrance doors as per bidding proposal for scope and description of work, for the purpose of this contract.

5.2 OFFICE PARTITIONS

The Contractor shall be responsible for the proper execution and completion of the office partitions as per bidding proposal for scope and description of work, for the purpose of this contract.

5.4 ELECTRICITY

The Contractor shall be responsible for the proper execution and completion of the Electricity including cabling, sockets, bulbs positioning as per bidding proposal for scope and description of work, for the purpose of this contract.

5.5 FACILITIES

Unless stipulated otherwise in this Contract, the Contractor shall provide all necessary facilities, installations tools and equipment reasonably required to perform the Services under terms and conditions of this Contract. Any costs or expenses incurred in connection with the provision or operation of such facilities, installations, tools and equipment shall be borne solely by the Contractor.

5.6 ENVIRONMENTAL PROTECTION

The Contractor shall dispose of all hazardous waste at the Work Site in thin an environmentally safe manner and in accordance with the laws and arrangements in force and applicable in Azerbaijan.

6. WARRANTY

6.1 CONTRACTOR'S WARRANTY

The Contractor shall provide warranty on Works for one (1) year minimum

7. DEFAULTS AND SUSPENSION OF WORK

7.1 DEFAULT BY THE CONTRACTOR

In case the Contractor fails to fulfil the obligations and responsibilities under this Contract, the OSCE shall give written notification of the nature of the failure(s). Upon receipt of such notification the Contractor shall take immediate action to remedy the failure(s) within seven (7) days. In the event the Contractor has not remedied the failures within the given time frame specified herein, the OSCE may hold the Contractor in default. In the case the OSCE has put the Contractor in default, the OSCE may terminate the Contract in accordance with clause 1.13 of this Contract.

7.2 SUBSTITUTION IN CASE OF DEFAULT

In the case the OSCE has set the Contractor in default and the Contractor has failed to remedy Works within the period stipulated in clause 8.1. the OSCE shall have the right to remedy the default by own means or by means of another workshop of OSCE's choice of Works or parts of the Contract which have constituted the default at the Contractor's expense. In that case the Contractor shall be hold liable for any reasonable costs of completion of such Works.

7.3 DEFAULT AND ARBITRATION

The OSCE shall not put the Contractor in default in the case when the parties have submitted to Arbitration, in case of which the Work shall be deemed to have been suspended pending award of the Arbitration.

7.4 TEMPORARY SUSPENSION OF WORK

The OSCE may, at any time and at its discretion request the Contractor to temporarily suspend the Work being performed by the Contractor under this Contract by giving written notice. Such request shall not be raised unduly. The Contractor shall resume Work suspended upon request of the OSCE upon mutual agreement of a revised time schedule and on terms and conditions of the Parties.

8. PROTECTION OF PERSONS AND PROPERTY

Precautions

The Contractor shall be responsible for initiating, maintaining and supervising all safety precautions in connection with the Works carried out under terms and conditions of this Contract and shall provide all reasonable protection to prevent damage, injury or loss of persons and/or property.

8.1 REMEDY OF DAMAGES

The Contractor shall promptly remedy all damage or loss to any person or property, caused in whole or in part by the Contractor, any subcontractor, or anyone directly or indirectly employed by any of them, or by any one for whose acts any of them may be liable, except damage or loss attributable to the acts or omissions of the OSCE or anyone directly or indirectly employed by the OSCE, or by anyone for whose acts the OSCE may be liable, and not attributable to the fault or negligence of the Contractor.

9. PERMITS AND LICENCES

Unless otherwise provided in the Contract, the Contractor shall secure all the permits and governmental fees, licences and inspections necessary for the proper performance of the Works.

The Contractor shall give all notices and comply with all laws, ordinances, rules, regulations and lawful orders in particular but not limited to such regulations referring to safety of vehicles of any competent public authority bearing on the performance of the Service.

If the Contractor observes that the Works required under the Contract is not in accordance with applicable laws, statutes, building codes and regulations, they shall promptly notify the OSCE in writing.

10. INSURANCE

10.1 LIABILITY INSURANCE

The Contractor shall provide and maintain insurance for an appropriate amount against public or third party liabilities for bodily injury or death or property damage arising from any Works or operations carried out by the Contractor in order to comply with his obligations under the Contract. The Contractor shall also provide and maintain insurance for product responsibility for an amount in accordance with international standards.

10.2 RESPONSIBILITY FOR AMOUNTS NOT RECOVERED

Any amount not insured or not recovered from insurers shall be borne by the Contractor.

11. REMEDIES AGAINST CONTRACTOR'S FAILURE TO INSURE

If the Contractor fails to effect and keep in force any of the insurance required under the Contract, the OSCE may, at its option, hold the Contractor in default in accordance with clause 7 herein.

12. PRICE

12.1 Contract Price

The Price shall cover all expenses incurred by the Contractor including, but not limited to the cost of the spares and consumables and labour, as required under this Contract not including any taxes. The Works shall be invoiced in a way that the eight-digit code of Work details, a brief description of the Work, the level of difficulty and the duration of the Work shall be included.

12.2 Exclusion of Escalation

The Contract prices set forth in clause 12.1.1 are fixed and firm and are not subject to escalation for the duration of the contract period.

12.3 Currency of Payment

The prices stipulated in clause 12.1.1 shall be invoiced and paid in AZN.

13. PAYMENT

13.1 SUBMISSIONS OF INVOICES

Invoices from the Contractor shall be submitted to the OSCE upon Work finished and shall include all amounts due to be paid by the OSCE for costs incurred. Invoices shall be submitted in one (1) original and one (1) copy,

The payment shall be made on the basis of an invoice submitted by the Contractor in one (1) original and one (1) copy and reflecting banking instructions, i.e. name and address of the bank, Account Number and Sort Code Number for payment by electronic transfer.

13.2 SEQUENCE OF PAYMENTS

The OSCE shall effect payments within thirty (30) days upon receipt of an invoice by electronic bank transfer. Payments shall be made by the OSCE Office in Baku, Icheri Sheher, 4 Magomayev lane, Baku.

13.3 MODE OF PAYMENT

All payments under this Contract shall be made by the OSCE by electronic bank transfer to one of the following bank accounts of the Contractor, as indicated in the submitted invoice for each payment:

Account of:

Account number:

Bank name:

14. WITHHOLDING OF PAYMENTS

14.1 Reasons for Withholding Payments

OSCE may withhold payments to the Contractor or, on account of subsequently discovered evidence, nullify the whole or part of any payment approval thereto given, to such an extent as may be necessary to protect OSCE from loss under this Contract on account of:

The Contractor's failure to carry out the work or to make adequate progress on the work except for failure arising out of *force majeure*;

The Contractor's failure to remedy defective work and/or unsatisfactory performance by his company or that of a subcontractor, when such failure has been drawn to his attention by OSCE;

The Contractor's failure to pay subcontractor(s) for material, labour and equipment;

Damage claims by the OSCE or reasonable evidence indicating that damage claims may be presented by the OSCE;

Breach by the Contractor of the Contract.

15. WITHHOLDING OF SERVICES

Withholding of any payment by the OSCE shall not affect the Contractor's obligation to continue to perform Services under terms and conditions of this Contract. No interest shall accrue on payments in the case the OSCE has withhold payments in application of the stipulations of this clause. Before any payment shall be withheld or delayed by the OSCE, who shall be obliged to inform the Contractor, both verbally and in written form, as to the reasons of withholding payment. In the case the Contractor withholds Services the Contractor shall be obliged to inform OSCE, both verbally and in written form as to the reasons such withhold.

16. TAX EXEMPTION

The Contractor's price shall reflect any tax exemption to which the OSCE is entitled by reason of the privileges that it enjoys. If it is subsequently determined that any taxes that have been included in the price are not required to be paid or if, having been paid, any such taxes are subject to refunding, the OSCE shall deduct the amount from the price specified in the Purchase Order/Contract. Payment of such corrected amount shall constitute full payment by the OSCE. In the event that any taxing authority refuses to recognize exemption from such taxes, the Contractor shall immediately consult with the OSCE to determine a mutually acceptable procedure for settling the amount involved.

17. FORCE MAJEURE

As soon as possible after the occurrence of the *force majeure*, and within not more than three (3) days, the Contractor shall give notice and full particulars in writing to the OSCE of such *force Majeure*. If the Contractor is thereby rendered unable, wholly or in part, to meet his obligations under this Services Agreement, the OSCE shall have, and may exercise, the right to terminate this Services Agreement by giving fifteen (15) days notice in writing to the Contractor or such shorter period of notice as may be appropriate in view of the nature of the Work to be performed.

18. INDEMNITY

The Contractor shall indemnify, hold and save harmless and defend at his own expense the OSCE, its officials, agents, servants and employees from and against all suits, claims, demands and liability of any nature or kind, including costs and expenses, arising out of acts or omissions of the Contractor or his employees, agents or subcontractors in the performance of this Contract.

This condition shall extend to claims or liabilities in the nature of workmen's compensation and to claims and liabilities arising out of the use of patented inventions or devices.

19. ASSIGNMENT

The Contractor shall not assign, transfer, pledge or make other disposition of this Services Agreement or any part thereof or of any of the Contractor's rights, claims or obligations under this Contract, except with the prior written consent of the OSCE. In the event that the Contractor requires the services of subcontractors, the Contractor shall obtain the prior written approval of the OSCE for all subcontractors.

The approval of the OSCE of a subcontractor shall not relieve the Contractor of any of its obligations under this Contract. The terms of any subcontract shall be subject to and in conformity with the provisions of this Contract.

20. WAIVER

No waiver of any breach of this Contract shall be held to be a waiver of any other or subsequent breach. All remedies afforded in this Contract shall be taken and construed as cumulative, i.e. in addition to every other remedy provided herein or by law.

21. ADVERTISING

Unless authorized in writing by the OSCE, the Contractor shall not advertise or otherwise make public the fact that he is performing Work or has performed Work for the OSCE. The Contractor shall not use the name, emblem or official seal of the OSCE or any abbreviation of the names of the OSCE for advertising or for any other promotional purpose.

22. DISCRETION

The Contractor is required to exercise utmost discretion in all matters relating to this Contract. Unless required in connection with the performance of this Contract or specifically authorized by the OSCE, the Contractor shall not communicate at any time to any person, Government or authority external to the OSCE any information, which has not been made public and which is known to him by reason of his association with the OSCE. The Contractor shall not, at any time, use such information to private advantage. These obligations do not lapse upon completion of performance under this Contract or termination of this Contract by the OSCE.

23. NOTICE

Any notice given in connection with this Contract shall be given in writing and shall be deemed to be validly given if sent by registered mail, by fax or by cable to the other Party at the following address or fax number:

For the OSCE: Baku, Icheri Sheher, 4 Magomayev lane

For the Contractor: .

The language to be used for all notices is English.

24. STAFF MEMBERS NOT TO BENEFIT

The Contractor shall not admit any staff member of the OSCE to any direct or indirect benefit arising from this Services Agreement or the award thereof. The Contractor agrees that breach of this provision shall constitute a fundamental breach of this Contract.

25. SETTLEMENT OF DISPUTES

Any dispute, controversy or claim arising out of or in relation to this Services Agreement, or the breach, termination or invalidity thereof, shall be settled by arbitration in accordance with the United Nations Commission on International Trade Law (UNCITRAL) Arbitration Rules as at present in force. The appointing authority shall be the International Chamber of Commerce. The number of arbitrators shall be one (1). The place of arbitration shall be Vienna. The language to be used in the arbitration proceedings shall be English. The decision of the Arbitrator shall be final and binding to the Parties.

26. PRIVILEGES AND IMMUNITIES

Nothing contained in this Contract shall be deemed a waiver of the privileges and immunities, which the OSCE enjoys.

27. AMENDMENTS

No modification to this Contract shall be valid unless mutually agreed between the Parties and confirmed by a written amendment signed by their authorized representative(s).

28. VALIDITY

The invalidity in whole or part of any condition of this Contract or clause thereof shall not affect the validity of the remainder of such condition or clause. The Headings of the Sections of the Contract and its Annexes are inserted for reference only and are not intended to be part of or affect the meanings or interpretations of this Contract.

29. Due Authorization

Each of the undersigned hereby represents to the other that she/ he is authorised to enter into this Contract and bind the Parties to this Contract.

30. SIGNATURES AND DATES

IN WITNESS WHEREOF, the Parties hereto have executed this Contract

OSCE Office in Baku

By.....

By.....

Date.....

Date.....