

## ***Section V. Special Conditions of Contract***

### **Notes on the Special Conditions of Contract**

Similar to the BDS, the clauses in this Section are intended to assist the Procuring Entity in providing contract-specific information in relation to corresponding clauses in the GCC found in Section IV.

The Special Conditions of Contract (SCC) complement the GCC, specifying contractual requirements linked to the special circumstances of the Procuring Entity, the Procuring Entity's country, the sector, and the Goods purchased. In preparing this Section, the following aspects should be checked:

- a. Information that complements provisions of the GCC must be incorporated.
- b. Amendments and/or supplements to provisions of the GCC as necessitated by the circumstances of the specific purchase, must also be incorporated.

However, no special condition which defeats or negates the general intent and purpose of the provisions of the GCC should be incorporated herein.

# Special Conditions of Contract

GCC Clause	
1	<p><b>Delivery and Documents –</b></p> <p>For purposes of the Contract, “EXW,” “FOB,” “FCA,” “CIF,” “CIP,” “DDP” and other trade terms used to describe the obligations of the parties shall have the meanings assigned to them by the current edition of INCOTERMS published by the International Chamber of Commerce, Paris. The Delivery terms of this Contract shall be as follows:</p> <p><i>[For Goods supplied from abroad, state:]</i> “The delivery terms applicable to the Contract are DDP delivered <u>USTP-Claveria, Magsaysay St. Poblacion, Claveria, Misamis Oriental</u>. In accordance with INCOTERMS.”</p> <p><i>[For Goods supplied from within the Philippines, state:]</i> “The delivery terms applicable to this Contract are delivered <u>USTP-Claveria, Magsaysay St. Poblacion, Claveria, Misamis Oriental</u>. Risk and title will pass from the Supplier to the Procuring Entity upon receipt and final acceptance of the Goods at their final destination.”</p> <p>Delivery of the Goods shall be made by the Supplier in accordance with the terms specified in Section VI (Schedule of Requirements).</p> <p>For purposes of this Clause the Procuring Entity’s Representative at the Project Site is <i>Inspection Officer- ENGR. NELSON T. CORBITA</i>.</p> <p><b>Incidental Services –</b></p> <p>The Supplier is required to provide all of the following services, including additional services, if any, specified in Section VI. Schedule of Requirements:</p> <ol style="list-style-type: none"> <li>a. <i>performance or supervision of on-site assembly and/or start-up of the supplied Goods;</i></li> <li>b. <i>furnishing of tools required for assembly and/or maintenance of the supplied Goods;</i></li> <li>c. <i>furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied Goods;</i></li> <li>d. <i>performance or supervision or maintenance and/or repair of the supplied Goods, for a period of time agreed by the parties, provided that this service shall not relieve the Supplier of any warranty obligations under this Contract; and</i></li> <li>e. <i>training of the Procuring Entity’s personnel, at the Supplier’s plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied Goods.</i></li> </ol>

The Contract price for the Goods shall include the prices charged by the Supplier for incidental services and shall not exceed the prevailing rates charged to other parties by the Supplier for similar services.

**Spare Parts –**

The Supplier is required to provide all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the Supplier:

- a. such spare parts as the Procuring Entity may elect to purchase from the Supplier, provided that this election shall not relieve the Supplier of any warranty obligations under this Contract; and
- b. in the event of termination of production of the spare parts
  - i. advance notification to the Procuring Entity of the pending termination, in sufficient time to permit the Procuring Entity to procure needed requirements; and
  - ii. following such termination, furnishing at no cost to the Procuring Entity, the blueprints, drawings, and specifications of the spare parts, if requested.

The spare parts and other components required are listed in **Section VI (Schedule of Requirements)** and the cost thereof are included in the contract price.

The Supplier shall carry sufficient inventories to assure ex-stock supply of consumable spare parts or components for the Goods for a period of Not Applicable.

Spare parts or components shall be supplied as promptly as possible, but in any case, within Not Applicable months of placing the order.

**Packaging –**

The Supplier shall provide such packaging of the Goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in this Contract. The packaging shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packaging case size and weights shall take into consideration, where appropriate, the remoteness of the Goods' final destination and the absence of heavy handling facilities at all points in transit.

The packaging, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the Contract, including additional requirements, if any, specified below, and in any subsequent instructions ordered by the Procuring Entity.

The outer packaging must be clearly marked on at least four (4) sides as follows:

Name of the Procuring Entity  
Name of the Supplier

Contract Description  
Final Destination

Gross weight  
Any special lifting instructions  
Any special handling instructions  
Any relevant HAZCHEM classifications

A packaging list identifying the contents and quantities of the package is to be placed on an accessible point of the outer packaging if practical. If not practical the packaging list is to be placed inside the outer packaging but outside the secondary packaging.

**Transportation –**

Where the Supplier is required under this Contract to transport the Goods to a specified place of destination within the Philippines, defined as the Project Site, transport to such place of destination in the Philippines, including insurance and storage, as shall be specified in this Contract, shall be arranged by the Supplier, and related costs shall be included in the contract price.

Where the Supplier is required under Contract to deliver the Goods CIF, CIP or DDP, Goods are to be transported on carriers of Philippine registry. In the event that no carrier of Philippine registry is available, Goods may be shipped by a carrier which is not of Philippine registry provided that the Supplier obtains and presents to the Procuring Entity certification to this effect from the nearest Philippine consulate to the port of dispatch. In the event that carriers of Philippine registry are available but their schedule delays the Supplier in its performance of this Contract the period from when the Goods were first ready for shipment and the actual date of shipment the period of delay will be considered force majeure.

The Procuring Entity accepts no liability for the damage of Goods during transit other than those prescribed by INCOTERMS for DDP deliveries. In the case of Goods supplied from within the Philippines or supplied by domestic Suppliers risk and title will not be deemed to have passed to the Procuring Entity until their receipt and final acceptance at the final destination.

**Intellectual Property Rights –**

The Supplier shall indemnify the Procuring Entity against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the Goods or any part thereof.

2.2	<p>The terms of payment shall be as follows: <u>Full Payment after acceptance of goods for Lot 1 and see Payment Milestones below for Lot 2.</u></p> <table border="1" data-bbox="371 320 1434 797"> <thead> <tr> <th colspan="2" data-bbox="371 320 1434 398">PAYMENT MILESTONES (within the contract period)</th> </tr> <tr> <th data-bbox="371 398 895 450">Payment</th> <th data-bbox="895 398 1434 450">% of the Accomplished Task</th> </tr> </thead> <tbody> <tr> <td data-bbox="371 450 895 548"> <ul style="list-style-type: none"> <li>• Milestone 1 (after completion of Lot 2 Item 1)</li> </ul> </td> <td data-bbox="895 450 1434 548">50% of the contract price</td> </tr> <tr> <td data-bbox="371 548 895 649"> <ul style="list-style-type: none"> <li>• Milestone 2 (after completion of Lot 2 Item 2)</li> </ul> </td> <td data-bbox="895 548 1434 649">30% of the contract price</td> </tr> <tr> <td data-bbox="371 649 895 748"> <ul style="list-style-type: none"> <li>• Milestone 3 (after completion of Lot 2 Item 3)</li> </ul> </td> <td data-bbox="895 649 1434 748">20% of the contract price</td> </tr> <tr> <td data-bbox="371 748 895 797" style="text-align: right;">TOTAL:</td> <td data-bbox="895 748 1434 797" style="text-align: center;">100%</td> </tr> </tbody> </table>	PAYMENT MILESTONES (within the contract period)		Payment	% of the Accomplished Task	<ul style="list-style-type: none"> <li>• Milestone 1 (after completion of Lot 2 Item 1)</li> </ul>	50% of the contract price	<ul style="list-style-type: none"> <li>• Milestone 2 (after completion of Lot 2 Item 2)</li> </ul>	30% of the contract price	<ul style="list-style-type: none"> <li>• Milestone 3 (after completion of Lot 2 Item 3)</li> </ul>	20% of the contract price	TOTAL:	100%
PAYMENT MILESTONES (within the contract period)													
Payment	% of the Accomplished Task												
<ul style="list-style-type: none"> <li>• Milestone 1 (after completion of Lot 2 Item 1)</li> </ul>	50% of the contract price												
<ul style="list-style-type: none"> <li>• Milestone 2 (after completion of Lot 2 Item 2)</li> </ul>	30% of the contract price												
<ul style="list-style-type: none"> <li>• Milestone 3 (after completion of Lot 2 Item 3)</li> </ul>	20% of the contract price												
TOTAL:	100%												
4	<p>The inspections and tests that will be conducted are: <u>Performance Tests, Visual Inspections and Random Quality Tests.</u></p>												