

## **Section VII: Contract Terms and Conditions**

### **Introduction**

This document is developed for use with the contracts for building and engineering works where most (or all) of the works are to be designed by (or on behalf of) the Employer, or similar undertakings.

The document consists of three complementary sections:

- (i) Contract Agreement;
- (ii) General Conditions of Contract;
- (iii) Particular Conditions of Contract.

## Contract Agreement

**This Agreement** is made on [insert date] [insert month], [insert year]

**Between** Ministry of Road and Transport Development of Mongolia (MRTD), having its principal place of business at Government Building-13, Chinggis Avenue-11, Sukhbaatar District-8, Ulaanbaatar 14251, Mongolia (hereinafter called the “Employer”) of the one part, and

[insert the name of the Contractor], a [insert a description of the type of the legal entity of the Contractor], incorporated under the laws of [insert the country of the Contractor] and having its principal place of business at [insert the address of the Contractor] (hereinafter called the “Contractor”) of the other part.

**Whereas** the Employer desires that the Works known as *Additional works for harmonisation of Phase 1 and Phase 2* should be executed by the Contractor, and has accepted a Tender by the Contractor for the execution and completion of these Works and the remedying of any defects therein,

**The Employer and the Contractor agree** as follows:

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Contract documents referred to.
2. The following documents shall be deemed to form and be read and construed as part of this Agreement:
  - (a) the Letter of Acceptance dated [insert date];
  - (b) the Letter of Tender dated [insert date];
  - (c) the Addenda nos. [insert addenda numbers, if any];
  - (d) the Particular Conditions of Contract;
  - (e) the General Conditions of Contract;
  - (f) the Requirements;
  - (g) the Specifications;
  - (h) the Drawings;
  - (i) the completed Schedules; and
  - (j) the Contractor’s proposal.
3. In consideration of the payments to be made by the Employer to the Contractor as hereinafter mentioned, the Contractor hereby covenants with the Employer to execute the Works and to remedy defects therein, in conformity in all respects with the provisions of the Contract.
4. The Employer hereby covenants to pay the Contractor, in consideration of the execution and completion of the Works and the remedying of defects therein, the Contract Price at the times and in the manner prescribed by the Contract. Payment of the amounts due to the Contractor under the Contract will be made to the following bank account(s):

Payee's Account Name: .....

Payee's Account No. (IBAN): .....

Payee's Bank Name: .....

Payee's Bank Address: .....

SWIFT Code: .....

Correspondent bank details:

Correspondent Bank Name: .....

Address: .....

Account Name: .....

Account Number (IBAN): .....

SWIFT Code: .....

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

Signed by: _____	Signed by: _____
<i>[Name and title of Signatory]</i>	<i>[Name and title of Signatory]</i>
for and on behalf of the Employer in the presence of	for and on behalf the Contractor in the presence of
Witness:	Witness:
Name:	Name:
Address:	Address:
Date:	Date:

## **General Conditions of Contract**

The General Conditions of Contract comprise the “General Conditions” which form part of “Conditions of Contract for Construction for Building and Engineering Works Designed by the Employer, First Edition 1999” prepared by the *Fédération Internationale des Ingénieurs-Conseils* (FIDIC).

These Conditions are subject to the variations and additions set out in the Particular Conditions of Contract.

Copies of the FIDIC Conditions of Contract can be obtained from:

### **FIDIC – International Federation of Consulting Engineers**

World Trade Centre II - Geneva Airport  
P.O. Box 311  
CH-1215 Geneva 15  
Switzerland

General contacts:  
Tel: +41 22 568 0500  
Email: [fidic@fidic.org](mailto:fidic@fidic.org)

Bookshop contacts:  
Tel: +41 22 568 0505  
Email: [fidic.pub@fidic.org](mailto:fidic.pub@fidic.org)  
www: <http://www.fidic.org>