Appendices

Table of Contents

Appendix 1. Terms and Procedures of Payment 1
Appendix 2. Price Adjustment (Not Applicable) 4
Appendix 3. Insurance Requirements 5
Appendix 4. Time Schedule 7
Appendix 5. List of Major Items of Plant and Services and List of Approved Subcontractors 8
Appendix 6. Scope of Works and Supply by the Procuring Entity 9
Appendix 7. List of Documents for Approval or Review 10
Appendix 8. Functional Guarantees 11

Appendix 1. Terms and Procedures of Payment

In accordance with GCC Clause 61 (Terms of Payment), the Procuring Entity shall pay the Contractor in the following manner and at the following times, on the basis of the Price Breakdown given in the Price Schedules. Payments shall be made in the currency or currencies stated in the Contract in accordance with GCC Sub-Clause 61.4. Applications for payment in respect of part deliveries may be made by the Contractor as work proceeds in the manner described below. At the Final Payment Stage of each Schedule mentioned below, the Procuring Entity shall determine the total accumulated retention money and shall release the remaining due payment to the Contractor after retaining an amount equivalent to ten percent (10%) of the total Contract Price as retention money, subject to the terms and conditions of the Contract.

(A) Terms of Payment:

Schedule No. 1 - Plant and Equipment Supplied from Abroad

In respect of plant and equipment supplied from abroad, the following payments shall be made:

i) Advance Payment: Ten percent (10%) of the total CIP amount as an advance payment against receipt of invoice and an irrevocable and unconditional advance payment security for the equivalent amount made out in favor of the Procuring Entity, in accordance with GCC Clause 62. The advance payment security shall remain valid until the advance payment has been fully recovered and shall be reduced in accordance with GCC Sub-Clause 62.2.

ii) On Shipment: Fifty percent (50%) of the total or pro rata CIP amount shall be paid upon delivery of the Plant to the carrier under the Incoterm "CIP" through an irrevocable Letter of Credit opened in favour of the Contractor/Supplier through a bank in its country, upon submission of the required shipping and payment documents as specified in this Section (B) Payment Procedures. The submitted invoices and supporting documents shall be duly verified by the Consignee, certified by the Engineer, and approved by the Project Director, West Zone Power Distribution Company Limited (WZPDCL).

iii) On Acceptance of PLI Report: Sixty percent (10%) of the total or pro rata CIP amount upon issue of the Post Landing Inspection report as specified in the applicable PCC/Procuring Entity's Requirements for each consignment delivered at site, issuance of Receiving Cum Inspection Report (R&I) and a claim bill duly verified by Consignee, certified by Engineer and approved by the Authorized Officer, WZPDCL.

iii) On Operational Acceptance Certificate /OAC: Twenty percent (20%) of the total or pro rata CIP amount upon issue of the Operational Acceptance Certificate (OAC) as specified in GCC Sub-Clause 43.3 and a claim bill duly verified by Consignee, certified by Engineer and approved by the Authorized Officer, WZPDCL.

iv) On Final Payment / Defects Correction Certificate: Ten percent (10%) of the total or pro rata CIP amount upon successful expiry of the applicable Defect Liability Period under GCC Sub-Clause 45.2 and certification by the Project Director in the form of a Defects Correction Certificate in accordance with GCC Sub-Clause 64.2 and a claim bill duly verified by Consignee, certified by Engineer and approved by the Authorized Officer, WZPDCL.

Schedule No. 2 - Plant and Equipment Supplied from within the Procuring Entity's Country

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

i. Advance Payment: Ten percent (10%) of the total EXW amount as an advance payment against receipt of invoice, and an irrevocable and unconditional advance payment security for the equivalent amount made out in favor of the Procuring Entity, in accordance with GCC Clause 62. The advance payment security shall remain valid until the advance payment has been fully recovered and shall be reduced in accordance with GCC Sub-Clause 62.2.

ii. On Delivery and PLI Report: Sixty percent (60%) of the total or pro rata EXW amount upon Incoterm "Ex-Works," upon delivery to the designated site and upon issue of the Post Landing Inspection report as specified in the applicable PCC/Procuring Entity's Requirements for each consignment delivered at site, issuance of Receiving Cum Inspection Report and submission of the relevant shipping/delivery documents in accordance with GCC Sub-Clause 39.3(iii) and the applicable PCC/Procuring Entity's Requirements with a claim bill duly verified by Consignee, certified by Engineer and approved by the Authorized Officer, WZPDCL.

iii. On Operational Acceptance Certificate /OAC: Twenty percent (20%) of the total or pro rata EXW amount upon issue of the Operational Acceptance Certificate (OAC) as specified in GCC Sub-Clause 43.3 and a claim bill duly verified by Consignee, certified by Engineer and approved by the Authorized Officer, WZPDCL.

iv. On Final Payment / Defects Correction Certificate: Ten percent (10%) of the total or pro rata EXW amount upon successful expiry of the applicable Defect Liability Period under GCC Sub-Clause 45.2 and certification by the Project Director in the form of a Defects Correction Certificate in accordance with GCC Sub-Clause 64.2 and a claim bill duly verified by Consignee, certified by Engineer and approved by the Authorized Officer, WZPDCL.

Schedule No. 4 - Civil Works

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

i. **On monthly Progress Report:** Seventy percent (70%) of the measured value of work performed satisfactorily by the Contractor, as identified in the said Program of Performance or in Contractors' breakdown estimate, during the preceding month, will be made monthly after receipt of invoice/claim bill duly verified by Consignee and the concerned Design/Inspection authority of WZPDCL, certified by Engineer and approved by the Authorized Officer, WZPDCL.

ii. On Operational Acceptance Certificate /OAC: Twenty percent (20%) of the total or pro rata value of work for individual sub-station's performed satisfactorily by the Contractor as identified in the said Program of Performance or in Contractors'