

**New Development Bank Funded Zhejiang Green Urban
Infrastructure Development Project**

**Shengzhou City Urban and Rural Water Supply and Drainage
Integration Project (Phase II)**

**Procurement of Equipment and Goods for
Changle Water Treatment Plant**

Contract No.: SZ-GE-1

Bidding Documents

Open Competitive Bidding

Bid No.: 0733-20090166

Tenderee: Shengzhou Water Group Co., Ltd.

Tendering Agent: CITIC International Tendering Co., Ltd.

April 2020

Chapter I Instructions to Bidders

A. Introduction

1. Tendering Project and Tendering Parties

- 1.1 The Tenderer named in the Volume II Section 6 “Bid Data Sheet” of the bidding documents has obtained a fund/loan. The Tenderer intends to apply a portion of the proceeds of this fund/loan to the payments under the contract for which this Invitation for Bids is issued.
- 1.2 The contact information (such as name, address, contact person, telephone, facsimile and e-mail) of the Tenderer and the Tendering Agent of this bidding is listed in the “Bid Data Sheet”.
- 1.3 The project review and the nature of the funds are specified in the “Bid Data Sheet”.

2. Eligible Bidders

- 2.1 Bidders are legal persons or other organizations that purchase bidding documents from the Tenderer/the Tendering Agent and participate in bidding. Bidders who are not purchase Bidding Documents from the Tenderer/the Tendering Agent should not participate in bidding.
- 2.2 This Invitation for Bids is open to all legal persons or other organizations from within the People’s Republic of China (hereinafter abb. as “PRC”) and all countries/areas which have regular trade relations with PRC (hereinafter called “the eligible source countries/areas”), except as provided hereinafter.
- 2.3 Bidders who have interest with the Tenderer that can affect the fairness of the bidding are not allowed participating in the bidding.
- 2.4 The legal persons or other organizations who have been engaged to provide consulting services and compile bidding documents at the early state of the project should not participate in the bidding, as well as should not compile bidding documents or provide consulting services for the Bidder.
- 2.5 Bidders who have the same responsible person or have the holding and management relations are not permitted to participate in the same bidding project, except as the event that submitting the bid as a Joint Venture.

2.6 If the Bidder is a Joint Venture, each member of the Joint Venture should not participate in the bidding in its own name or as a party to other Joint Venture to submit the bids.

2.7 The Suppliers may participate in the bids only if they are legally and financially autonomous, if they operate under relevant law, and if they are not a dependent agency of the Tenderee and the Tendering Agent .

2.8 The Bidders shall register on www.chinabidding.com (hereinafter abbreviated as “the website”) before deadline for submission of bids which is free. Otherwise, the Bidders cannot enter into effective bidding procedures and shall be responsible for the outcome themselves.

3. Eligible Goods and Services

3.1 The “Goods” means the mechanic and electronic products, including mechanical equipment, electrical equipment, means of transportation, electronic products, electric appliances, instruments, metal products or other spare parts and components

3.2 All goods and related services to be supplied under the contract shall have their origin in eligible source countries/areas, as defined in clause 2.2 above, and all expenditures made under the contract will be limited to such goods and services.

3.3 For purposes of this clause, “origin” means the place where the goods are produced, manufactured or processed or the place from which the Goods are produced when, through manufacturing, processing, or assembled to the final products, a commercially-recognized product results that is substantially different in basic characteristics from its components.

3.4 The origin of goods and services is distinct from the nationality of the Bidder.

4. Cost of Bid

4.1 The Bidder shall bear all costs associated with the preparation and submission of its bid, and the Tendering Agent and the Tenderee, named in the Bid Data Sheet, will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the bid process.

B. The Bidding Documents

5. Compilation Principle and Content of Bidding Documents

5.1 The bidding document is compiled based on “The Bidding Law of the People’s Republic

of China”, “The Regulations for the Implementation of the Bidding Law of the People’s Republic of China ” and Order No.1 [2014] of the Ministry of Commerce “The Measures for the Implementation of International Competitive Bidding of Mechanical and Electrical Products (on trial)”.

5.2 The goods required, bidding procedures and contract terms are prescribed in the bidding documents. The bidding document is written either by Chinese or by Chinese and English. In the case of Chinese and English, two languages have the same effectiveness. In the event of any discrepancies between them, the Chinese version shall govern. The printed version and the electronic version have the same effectiveness. In the event of any discrepancies between, the printed version shall govern, except as provided hereinafter.

5.3 The content of the bidding documents will be separated into two volumes as follows:

Volume One

- Section I Instructions to Bidders
- Section II General Conditions of Contract
- Section III Contract Form
- Section IV Formats of Bid

Volume Two

- Section V Invitation for Bids
- Section VI Bid Data Sheet
- Section VII Special Conditions of Contract
- Section VIII Schedule of Requirements and Technical Specifications

5.4 The Bidder is expected to examine all instructions, forms, terms and specifications in the bidding documents and compile the bids in accordance with the requirements in the bidding documents. In the event that the Bidder fails to compile the bids in accordance with the bidding documents, it will be at the Bidder’s risk.

6. Clarification and Amendment of Bidding Documents

6.1 A prospective Bidder requiring any clarification (including amendment of bidding documents) of the bidding documents may notify the Tenderee/the Tendering Agent in writing before the time prescribed in the Bid Data Sheet. The Tenderee/the Tendering Agent will respond in writing to any request for clarification of the bidding documents which it receives no later than the time prescribed in the Bid Data Sheet. Written copies of the Tenderee/the Tendering Agent’s response (without identifying the source of inquiry) will be sent to all prospective bidders who have purchased the bidding documents.

- 6.2 Prior to the deadline for submission of bids, the Tenderer/the Tendering Agent, for any reason, whether at its own initiative or in response to a clarification requested by a prospective Bidder, may modify the bidding documents by amendment.
- 6.3 The amendment of the bidding documents is a part of bidding documents. Written copies of the Tenderer's/the Tendering Agent's clarification or amendment to the bidding documents which may affect the compilation of bids should be sent to all prospective Bidders who have purchased the bidding documents at least fifteen (15) days prior to the deadline of submission of bids and will be bidding on them. Prospective Bidders shall acknowledge the receipt thereof in writing to the Tenderer/the Tendering Agent.
- 6.4 In order to afford prospective bidders responsible time in which to take the amendment into account in preparing their bids, the Tenderer/the Tendering Agent will extend the deadline for the submission of bids pursuant to relevant regulations.

7. Query of Bidding Documents

A prospective Bidder who has purchased the bidding documents requiring any query (including any clarification and amendment of the Bidding Documents) of the Bidding Documents may notify the Tenderer/ the Tendering Agent no later than ten (10) days prior to the deadline for the submission of bids and upload the query to "the website". The Tenderer/the Tendering Agent will respond to the query within three (3) days after receiving the query and upload the response to "the website".

C. Preparation of Bids

8. Language of Bid

- 8.1 The bid prepared by the Bidder, as well as all correspondence and documents relating to the bid exchanged by the Bidder and the Tenderer/the Tendering Agent shall be written in the language specified in the Bid Data Sheet. Supporting information and printed literature furnished by the Bidder may be in another language provided they are accompanied by an accurate translation of the relevant passages in the language specified in the Bid Data Sheet, in which case, for purposes of interpretation of the Bid, the translation shall govern.

9. Documents Comprising the Bid

- 9.1 The bid prepared by the Bidder shall comprise the following components:
- 1) A Bid Form, Bid Schedule of Prices and a Summary Sheet for Bid Opening which shall be submitted in a separate envelope completed in accordance with ITB Clauses 10, 10 and 12;
 - 2) Documentary evidence established in accordance with ITB Clause 13 that the Bidder is eligible to bid and is qualified to perform the contract if its bid is accepted;

- 3) Documentary evidence established in accordance with ITB Clause 14 that the goods and ancillary services to be supplied by the Bidder are eligible and conform to the bidding documents;
- 4) Bid security furnished in accordance with ITB Clause 15.

10. Compilation of Bid

- 10.1 The Bidder shall complete the Bid Form, Summary Sheet for Bid Opening and Price Schedule and other stipulated contents furnished in Section IV "Formats of Bids" of the bidding documents.
- 10.2 The Bidder shall prepare its bid as well as make substantial response based on its business and technical competence in accordance with the requirements of the bidding document.
- 10.3 Except as otherwise stipulated in the Bid Data Sheet or the Technical Specification, each Bidder only could submit one bid, otherwise, all its bids shall be rejected. If alternative proposal is allowed or requested in the Bid Data Sheet or the Technical Specification, each Bidder is permitted to submit only one alternative proposal in its bid and clearly show which one is primary; in addition, the bid price and bid evaluated price of the alternative proposal shall not exceed that of the primary proposal (the comprehensive evaluation result of the alternative proposal shall not be lower than that of the primary proposal as well). Only primary proposal shall be evaluated during bid evaluation phase. If the Bidder submitted more than one alternative proposal and did not note which is primary, all its bids shall be rejected.

11. Bid Prices

- 11.1 The Bidder shall indicate on the appropriate Bid Schedule of Prices the unit prices and total bid price of the goods it proposes to supply under the contract.
- 11.2 The maximum items or percentage allowed to be omitted and missed see the Bid Data Sheet. The omitted and missed items (if applicable) in the Bid Schedule of Prices shall be treated as following manners:
 - 1) if the total omitted and missed items in a bid exceeded the maximum range or percentage allowed in the bidding document, such bid shall be regarded as substantially deviated the requirement of the bidding document and could be rejected by the bid evaluation committee.
 - 2) if the total omitted and missed items in a bid were within the allowed range or percentage, and the Bidder had confirmed such omitted and missed items were included in its bid price, thus its total bid price shall be added by the highest offer of the same items among all eligible bids (applicable if using the lowest evaluation method); or, reduce its evaluation weight of bid price (applicable if using the comprehensive evaluation method) in line with the stipulation of the Bid Data Sheet. If the Bidder stated that such omitted and missed items were not included in its bid, such bid could be rejected by the bid evaluation committee.
 - 3) the bid price shall prevail during contract signing, and the omitted and missed items will be included in the price.

- 11.3 The total bid price shall not include any items beyond the requirement of the bidding document; otherwise, the offer on such items will not be deducted when evaluation.
- 11.4 Bid price with optional offer or additional condition will not be accepted.
- 11.5 With regard to the limit line to bid price, see the Bid Data Sheet. If a limit line was adopted, its specific amount or calculation method is listed in the Bid Data Sheet.
- 11.6 Prices indicated on the Bid Schedule of Prices shall be entered separately in the following manner:

11.6.1 For goods offered from within the Customs territory of PRC :

1) Goods manufactured within the Customs territory of PRC

The price of the goods quoted EXW (ex-works, ex-factory, ex-warehouse, ex-showroom, or off-the-shelf, as applicable), including Value Added Taxes (VAT) and other taxes already paid or payable to the government of PRC, as well as all customs duties, VAT and other taxes paid or payable listed as below a) and b):

- a) the price of the goods quoted EXW (ex-works, ex-factory, ex-warehouse, ex-showroom, or off-the-shelf), including Value Added Taxes (VAT) and other taxes already paid or payable to the government of PRC, as well as all customs duties, VAT and other taxes for the components and raw material used in the manufacture or assembly of goods of foreign origin quoted ex-works or ex-factory; or
- b) The price for domestic transportation, insurance, and other local costs incidental to delivery of the goods to their final destination, if specified in the Bid Data Sheet.
- c) The price of other (incidental) services, if any, listed in the Bid Data Sheet.

2) Goods manufactured outside the Customs territory of PRC but had imported before the deadline of bid submission

- a) the price of the goods quoted EXW (ex-warehouse, ex-showroom, or off-the-shelf), including Value Added Taxes (VAT) and other taxes already paid or payable to the government of PRC, as well as all customs duties, VAT and other taxes already paid when imported from outside PRC.
- b) the price for domestic transportation, insurance, and other local costs incidental to delivery of the goods to their final destination, if specified in the Bid Data Sheet.
- c) the price of other (incidental) services, if any, listed in the Bid Data Sheet.

11.6.2 For goods offered from outside the Customs territory of PRC:

- 1) The price of the goods shall be quoted CIF named port of destination, or CIP named place of destination in PRC, as specified in the Bid Data Sheet.
- 2) The price of goods quoted FOB port of shipment (or FCA, as the case may be), or other forms, if specified in the Bid Data Sheet.
- 3) The price for domestic transportation, insurance, and other local costs incidental to delivery of the goods from the port of entry to their final destination, if specified in the Bid Data Sheet.
- 4) The price of (incidental) services, if any, listed in the Bid Data Sheet.

11.7 The terms EXW, CIF, CIP etc., shall be governed by the rules prescribed in the current latest edition of Incoterms published by the International Chamber of Commerce (ICC).

11.8 The Bidder's separation of price components in accordance with ITB Clause 11.6 above will be solely for the purpose of facilitating the comparison of bids by the Tendering Agent and the Tenderer and will not in any way limit the Tenderer's right to contract on any of the terms offered.

11.9 Except as otherwise specified in Bid Data Sheet, prices quoted by the Bidder shall be fixed during the Bidder's performance of the contract and not subject to variation on any account. A bid submitted with an adjustable price quotation will be treated as substantially non-responsive and will be rejected.

12. Bid Currencies

12.1 The prices shall be quoted in RMB for goods and services that the Bidder will supply from within PRC, unless specified or permitted otherwise.

12.2 The prices shall be quoted in any of the currencies defined in the Bid Data Sheet for goods and services that the Bidder will supply from outside Customs territory of PRC.

13. Documents Establishing Bidder's Eligibility and Qualifications

13.1 The Bidder shall furnish, as part of its bid, documents establishing the Bidder's eligibility to bid and its qualifications to perform the contract if its bid is accepted. Whether the Joint Venture is permitted or not, please refer to the Bid Data Sheet. If permitted, each member of the Joint Venture shall submit respectively the Qualification Documents, together with the Joint Venture Agreement in which the leading member of the Joint Venture and respective work scope and responsibility

shall be clearly indicated, as well as a common commitment to state that each party of the Joint Venture will assume liable responsibility to the Tenderee if they won the bid. Otherwise, its bid will be rejected.

- 13.2 The documentary evidence of the Bidder's eligibility to bid shall establish that the Bidder, at the time of submission of its bid, is from an eligible country as defined under ITB Clause 2.2.
- 13.3 The documentary evidence of the Bidder's qualifications to perform the contract if its bid is accepted shall establish:
- 1) that, in the case of a Bidder offering to supply goods which the Bidder does not manufacture or otherwise produce, the Bidder has been duly authorized by the goods' Manufacturer or Producer to supply the goods in this bidding project, format as per Form IV-9-4;
 - 2) that, the Bidder has the financial, technical and production capability necessary to perform the contract;
 - 3) that, the Bidder meets the qualification criteria listed in the Bid Data Sheet;
 - 4) that, the Bidder shall provide the bank reference letter issued within three months prior to the time of bid opening in original or its copy;
 - 5) other documentary evidence of the Bidder's qualifications listed in the Bid Data Sheet.
- 13.4 The Bidder should report in writing to the Tenderee if they encountered great changes, such as company merger, dismantlement and bankruptcy during the tendering process.

14. Documents Establishing Goods' Eligibility and Conformity to Bidding Documents

- 14.1 The Bidder shall furnish, as part of its bid, documents establishing the eligibility and conformity to the bidding documents of all goods and services which the Bidder proposes to supply under the contract.
- 14.2 The documentary evidence of the eligibility of the goods and services shall consist of a statement in the Bid Schedule of Prices of the country of origin of the goods and services offered which shall be confirmed by a certificate of origin issued at the time of shipment.
- 14.3 The documentary evidence of conformity of the goods and services to the bidding documents may be in the form of literature, drawings and data, and shall consist of:

- 1) a detailed description of the essential technical and performance characteristics of the goods; and
- 2) a list, giving full particulars, including available sources and current prices of spare parts, special tools, etc., necessary for the proper and continuing functioning of the goods for a period to be specified in the Bid Data Sheet, following commencement of the use of the goods by the Tenderee; and
- 3) an item-by-item commentary on the Technical Specifications of the bidding document demonstrating substantial responsiveness of the goods and services to those specifications, and a statement of deviations and exceptions to the provisions of the Technical Specifications. Particularly, to those specifications with specific parameters, the bidder shall furnish specific parameter value of offered goods.
- 4) the Bidder should provide technical documentary evidence for the important technical clauses or parameters that noted asterisk(*). The technical documentary evidence shall be in a form of printed documents which was publicly published by the manufacturer of the offered goods or the testing report issued by the testing authority or other forms stipulated in the Bid Data Sheet. Otherwise, the documentary evidence will be regarded as ineffective technical supporting documents.

14.4 For purposes of the commentary to be furnished pursuant to ITB Clause 14.3 3) above, the Bidder shall note that standards for workmanship, material and equipment, as well as references to brand names or catalogue numbers designated in the Technical Specifications of the bidding document, are intended to be descriptive only and not restrictive. The Bidder may substitute alternative standards, brand names, and/or catalogue numbers in its bid, provided that the substitutions ensure substantial equivalence to those designated in the bidding document.

15. Bid Security

15.1 If the Tenderee required in the Bid Data Sheet, the Bidder shall furnish, as part of its bid, a bid security in the amount specified in the Bid Data Sheet. The valid period of the bid security should be the same with that of the bid.

15.2 The bid security is required to protect the Tenderee against the risk of Bidder's conduct which would cause the security not to be returned, pursuant to ITB Clause 15.8.

15.3 The bid security shall be denominated in the currency of the bid or in another currency acceptable to the Tendering Agent, and shall be in one of the following forms:

- 1) A bank guarantee or an irrevocable letter of credit issued by a reputable bank located in PRC or abroad, in the form provided in the bidding documents or another form acceptable to the Tendering Agent; or
- 2) A cashier's order, demand draft, certified check, cash, or other forms stipulated

in the Bid Data Sheet. For a domestic bidder who will participate a project that must be procured through tendering procedure, its bid security, if in the form of cash or bank check, shall be transferred from its basic account.

- 15.4 If a bid was submitted in a form of Joint Venture, its bid security shall be furnished in the name of either party or commonly, in line with the form stipulated in its Agreement. In any event, it shall bind all members.
- 15.5 Any bid not secured in accordance with ITB Clauses 15.1, 15.3 and 15.4 will be rejected as substantially non-responsive, pursuant to ITB Clause 24.
- 15.6 Unsuccessful bidders' bid security will be discharged and returned in its original amount and bank interests (if any) within five (5) days after the day that the Contract has been signed between the Tenderee and the successful bidder.
- 15.7 The successful Bidder's bid security will be discharged and returned bank interests (if any) upon the Bidder signing the contract, pursuant to ITB Clause 34, and furnishing the performance security, pursuant to ITB Clause 35.
- 15.8 The bid security may not be discharged and returned, in case:
- 1) if a Bidder withdraws its bid during the period of bid validity specified in the bidding documents; or
 - 2) if the successful Bidder fails to sign the contract in accordance with ITB Clause 34; or
 - 3) if the successful Bidder fails to furnish performance security in accordance with ITB Clause 35; or
 - 4) if the successful Bidder fails to pay the service charge for bidding in accordance with ITB Clause 36.

16. Period of Validity of Bids

- 16.1 Bids shall remain valid for the period specified in the Bid Data Sheet from the deadline for bid submission specified in the Bid Data Sheet. A bid valid for a shorter period shall be rejected as substantially non-responsive.
- 16.2 In exceptional circumstances, prior to the expiry of the original bid validity period, the Tendering Agent may request the Bidder to extend the period of validity. The request and the responses thereto shall be made in writing. A Bidder may refuse

the request and its bid security will be returned normally; however, its bid will no longer be valid after the expiration of bid validity period. A Bidder agreeing to the request will not be required nor permitted to modify its bid, but will be required to extend the validity of its Bid Security correspondingly. The provisions of Clause 15 regarding discharge and non-refundable circumstance of Bid Security shall continue to apply during the extended period of bid validity.

17. Format and Signing of Bids

- 17.1 The Bidder shall prepare an original and the number of copies of the bid indicated in the Bid Data Sheet, clearly marking each "ORIGINAL" or "COPY" of bid, as appropriate. In the event of any discrepancy between them, the original shall govern. The Bidder shall, in accordance with the stipulation in the Bid Data Sheet, provide electronic format bid, which shall have the equal legal effect with printed format. Except as stipulated in the Bid Data Sheet, in the event of any discrepancy between them, the printed document shall prevail.
- 17.2 The original bid shall be typed or written in indelible ink and shall be signed by the responsible person or legal representative of the Bidder or a person or persons duly authorized to bind the Bidder to the contract. The authorization shall be indicated by written power of attorney accompanying the bid. Except as otherwise stipulated in the Bid Data Sheet, all pages of the bid, shall be initialed by the responsible person or person who duly authorized signing the bid.
- 17.3 Any interlineations, erasures or overwriting shall be valid only if they are initialed by the person or persons signing the bid.

D. Submission of Bids

18. Sealing and Marking of Bids

- 18.1 Summary Sheet for Bid Opening shall be included in the bid. For the convenience of Bid Opening, the Bidder is also required to submit the Summary Sheet for Bid Opening, together with the Bid Security, in a separate envelope and duly marking the envelope as "Summary Sheet for Bid Opening". The Bidder shall seal the original and each copy of the bid in separate envelopes, duly marking the envelopes as "ORIGINAL" and "COPY". All these envelopes shall then be sealed in an outer envelope. The bids which are not sealed in accordance with the bidding documents will be rejected.
- 18.2 The inner and outer envelope shall be:
- 1) addressed to the address given in the Bid Data Sheet; and
 - 2) bear the Project name indicated in the Bid Data Sheet, the Invitation for Bids (IFB) title and number indicated in the Bid Data Sheet, and the word "DO NOT OPEN BEFORE _____ (*Bid opening time and date*)", followed by the time and date for bid opening specified in the Bid Data Sheet.

18.3 The inner envelopes shall also indicate the name and address of the Bidder to enable the bid to be returned unopened in case it is declared "late".

18.4 If the outer envelope is not sealed as required by ITB Clause 18.2, the Tenderee and the Tendering Agent will assume no responsibility for the bid's misplacement or premature opening.

18.5 In any event, all bid statements such as bid price modification, submitted before the deadline of bid submission, shall be sealed either together with the Opening of Bids or separately and clearly marked, so that could be announced during bid opening.

19. Deadline for Submission of Bids

19.1 Bids must be received by the Tenderee/the Tendering Agent at the address specified in the Bid Data Sheet no later than the time and date specified in the Bid Data Sheet.

19.2 The Tenderee may, at its discretion, extend this deadline for the submission of bids by amending the bidding documents in accordance with related stipulation in which case all rights and obligations of the Tendering Agent/ the Tenderee and Bidders previously subject to the deadline will thereafter be subject to the deadline as extended.

20. Late Bids

20.1 Any bid received by the Tenderee after the deadline for submission of bids, pursuant to ITB Clause 19, will be rejected and returned unopened to the Bidder.

21. Modification and Withdrawal of Bids

21.1 The Bidder may modify or withdraw its bid after the bid's submission, provided that written notice of the modification from the Bidder, including substitution or withdrawal of the bids, is received by the Tenderee/Tendering Agent prior to the deadline for submission of bids.

21.2 The Bidder's modification or withdrawal notice shall be prepared, sealed, marked and dispatched in accordance with the provisions of ITB Clause 17 and Clause 18.

21.3 No bid may be modified or supplemented after the deadline for submission of bids.

- 21.4 No bid may be withdrawn in the interval between the deadline for submission of bids and the expiration of the period of bid validity specified by the Bidder on the Bid Form. Withdrawal of a bid during this interval may result in the Bidder's bid security will not be returned, pursuant to ITB Clause 15.8.

E. Opening and Evaluation of Bids

22. Opening of Bids

- 22.1 The Tenderer/the Tendering Agent will open all bids in the presence of bidders' representatives who choose to attend, in the place and at the date and time specified in the Bid Data Sheet. The bidders' representatives who are present shall sign a register evidencing their attendance.

- 22.2 At the opening of bids, the bidders or their nominated representatives will examine the sealing of bids, or the bids may alternatively be checked and certified by the notary public office appointed by the bidders; and after sealing is confirmed to be free of problem, the working personnel will publicly open and announce the bidders' names, bid prices and other key details of the bids. All satisfactorily sealed bids received by the Tenderer or the Tendering Agent before the deadline for submission of bids as set forth in the bidding documents shall be opened and announced publicly at bid opening, except for late bids, which shall be returned unopened to the Bidder pursuant to ITB Clause 20. The bidders' Summary Sheet for Bid Opening and Bid Declaration (price change or other declarations) shall also be read out at the bid opening, or otherwise they shall not be considered further for evaluation.

- 22.3 If a bidder has any dispute over the bid opening, it shall bring forth the dispute on the site of the bid opening. The Tenderer or the Tendering Agent will reply on the site and prepare minutes thereof.

- 22.4 The Tendering Agent will prepare minutes of the bid opening.

23. Bid Evaluation Committee and Evaluation Method

- 23.1 The bid evaluation will be taken charge by the Bid Evaluation Committee established in accordance with applicable laws and regulations. In the first place, the Bid Evaluation Committee will conduct preliminary examination of bids according to ITB Clause 24. The bids passing the preliminary examination will be discussed and evaluated using the "Lowest Evaluated Price Method" or the "Comprehensive Evaluation Method" stipulated in the Bid Data Sheet. For items with bids to be evaluated using the Lowest Evaluated Price Method, price evaluation will be done according to ITB Clause 26; while items with bids to be evaluated using the Comprehensive Evaluation Method will receive comprehensive evaluation according to ITB Clause 27.

- 23.2 The Lowest Evaluated Price Method refers to the bid evaluation process where,

subject to bids' satisfaction to the commercial, technical and other substantial requirements of the bidding documents, evaluation is conducted according to the factors and methods set forth in the bidding documents to determine each bidder's evaluated price, and then the bidders with the lowest evaluated prices are selected as winning bidder candidates.

The Comprehensive Evaluation Method refers to the bid evaluation process where, subject to bids' satisfaction to the commercial, technical and other substantial requirements of the bidding documents, bids are evaluated comprehensively based on the evaluation factors and methods set forth in the bidding documents, and the bidders with the best results in the evaluation are then selected as the winning bidder candidates.

- 23.3 During evaluation of the bids, the Bid Evaluation Committee may ask the Bidder for a clarification of its bid, but shall not seek, provide or permit any change to any substantial content, for instance, bid price. The request for clarification and the response shall be submitted in writing. The Bid Evaluation Committee will not accept any clarification or explanation voluntarily proposed by the Bidder.

24. Preliminary Examination

- 24.1 The Bid Evaluation Committee will examine the bids to determine whether they are complete, whether the bids are generally in order, whether required securities have been furnished, whether the documents have been properly signed, and whether any computational errors have been made.
- 24.2 Arithmetical errors will be rectified on the following basis. If there is a discrepancy between amounts expressed in words and their expressions in figures, the amounts in words will prevail. If there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price shall prevail; if the decimal point in a unit price is obviously in the wrong position, the total price shall prevail and the unit price shall be corrected. If the bidder does not accept the correction of the errors, its bid will be rejected.
- 24.3 The Bid Evaluation Committee may waive any minor informality, nonconformity, or irregularity in a bid which does not constitute a material deviation, provided such waiver does not prejudice or affect the relative ranking of any Bidder.
- 24.4 Prior to the detailed evaluation, the Bid Evaluation Committee will determine the substantial responsiveness of each bid to the bidding documents. For purposes of these Clauses, a substantially responsive bid is one which conforms to the terms and conditions of the bidding documents without material deviations. Deviation from, or objections or reservations to critical provisions, such as those concerning Bid Security, Applicable Law, Taxes and Duties, and requirement marked with asterisk (*) will be deemed to be a material deviation. The Bid Evaluation Committee's determination of a bid's responsiveness is to be based on the true and

correct contents of the bid itself without recourse to extrinsic evidence, unless the bid contains untrue and incorrect contents.

- 24.5 If a bid is not substantially responsive, it will be rejected and may not subsequently be made responsive by the Bidder having corrected or withdrawn the non-conforming deviation or reservation. When the bidding documents require the bid be submitted in original, the original shall be delivered or otherwise the bid will be rejected.
- 24.5.1 The bid will be rejected as non-responsive, if it is found having any of the following when commercial evaluation:
- 1) The Bidder or its manufacturer is interested in the Tenderer and such interested relationship may jeopardize equality of the bidding.
 - 2) The Bidder has been involved in preliminary consultancy or preparation of the bidding documents of the Project.
 - 3) Different bidders share the same chief officer or are of shareholding or management relationship with each other.
 - 4) The bid is not signed as required by the bidding documents.
 - 5) The bidding consortium fails to deliver a consortium bidding agreement.
 - 6) The Bidder fails to submit its bid letter and qualification evidence or fails to conform to the requirements of national regulations or the bidding documents.
 - 7) The same Bidder delivers two or more different bid proposals or bid prices, except when the bidding documents require submission of alternatives.
 - 8) The Bidder fails to deliver bid security as required by the bidding documents, or the amount of the security or the validity term of the guarantee letter delivered is insufficient, or the bank issuing the bid guarantee does not conform to the requirements of the bidding documents.
 - 9) The bid fails to satisfy the requirements of the critical commercial terms and conditions marked with "*" in the bidding documents.
 - 10) The bid price is higher than the maximum limit set forth in the bidding documents.
 - 11) The validity term of the bid is insufficient.
 - 12) The Bidder has practiced such illegal acts as colluded bidding, falsification or bribery.
 - 13) There is any other commercial clause that justifies rejection of the bid as set forth in the bidding documents.
- 24.5.2 The bid will be rejected as non-responsive, if it is found having any of the following when technical evaluation:
- 1) The bid fails to satisfy the requirements of the critical terms and conditions

(parameters) marked with “*” in the technical specifications set forth in the bidding documents, or such critical terms and conditions (parameters) marked with “*” are not supported by the technical material required by the bidding documents.

- 2) The specifications without the mark of asterisk (*) which are not key in the Technical Specifications of the bid, have exceeded the acceptable range or the maximum deviation items.
- 3) The content in the Technical Specifications of the bid does not conform to the fact or it is a false bid.
- 4) The Bidder has copied relevant part of Technical Specifications in the bidding document as a part of its bid.
- 5) The bid does not meet, in technical aspects, other clauses stipulated in the bidding document.

25. Conversion to Single Currency

- 25.1 To facilitate evaluation and comparison of bids, bid prices expressed in different currencies will be converted into the evaluation currency stipulated in the Bid Data Sheet at the spot exchange selling price between the foreign currencies and RMB initially published by the Bank of China, Head Office on the date of bid opening, so that bid prices can be calculated easily.

26. Bid Price Evaluation and Comparison of Bids (Applicable for Lowest Evaluated Bid Price Method)

- 26.1 The Bid Evaluation Committee will carry out the bid price evaluation upon the items determined as subject to evaluation using the Lowest Bid Evaluated Price Method as set forth in the Bid Data Sheet in the bidding documents. The Bid Evaluation Committee will perform the price evaluation only upon the bids that have passed preliminary examination. The Bid Evaluation Committee will, pursuant to the method stipulated in the Clause 26.2, 26.3 and 26.4 of this Section, evaluate the bid and calculate the final bid evaluated price.
- 26.2 The total Evaluated Bid Price (EBP) will be calculated on the basis that the goods are delivered to the designated installation site. If there is the price adjustment, the added price upon the deviation shall be calculated into the bid evaluated price. For goods offered within the Customs territory of PRC, the relevant tax shall be deducted from the bid price. The calculation method shall be specified as follow:
- 1) For goods offered outside the Customs territory of PRC, the total EBP shall be: CIF Price, plus Import Taxes, plus the cost of Inland Transportation and Insurance, plus added price upon the missing items, plus added price upon the commercial and technical deviation, plus other expense. (If CIP, DDP or other price terms is adopted, please refer to the above calculation method.
 - 2) For goods offered within the Customs territory of PRC, the total EBP shall be:

EXW price (including added value tax), plus consumption tax (if applicable), plus the cost of Transportation and Insurance, plus added price upon the missing items, plus added price upon the commercial and technical deviation, and other expense.

- 3) For the goods already imported from abroad, sales price (including import tax, added value tax during the sales procedure), plus the cost of Transportation and Insurance, plus added price upon the missing items, plus added price upon the commercial and technical deviation, and other expense.

26.3 The Bid Evaluation Committee's evaluation of a bid will take into account, in addition to the bid price quoted in accordance with ITB Clause 11.6, one or more of the following factors in accordance with the bidding document:

- 1) Cost of inland transportation, insurance and other costs within the Customs territory of PRC incidental to delivery of the goods to their final destination;
- 2) Delivery schedule offered in the bid;
- 3) Deviations in payment schedule from that specified in the Terms and Conditions of Contract;
- 4) The cost of components, spare parts and incidental services;
- 5) The availability in the Customs territory of PRC of spare parts and after-sales services for the equipment offered in the bid;
- 6) The projected operating and maintenance costs during the life of the equipment;
- 7) The performance and productivity of the equipment offered;
- 8) Other additional factors and criteria indicated in the Bid Data Sheet and/or in the Technical Specifications.

26.4 For factors retained in the Bid Data Sheet pursuant to ITB 26.3, one or more of the following quantification methods will be applied, as detailed in the Bid Data Sheet:

26.4.1 Cost of inland transportation, insurance, and incidentals occurred within the Customs territory of PRC.

- 1) Inland transportation, insurance and other incidental costs for delivery of the goods from EXW/port of entry/border point to Project Site named in the Bid Data Sheet will be computed for each bid by the Bid Evaluation Committee on the basis of published tariffs by the rail or road transport agencies, insurance companies, and/or other appropriate sources. To facilitate such computation, bidder shall furnish in its bid the estimated dimensions and shipping weight and the approximate EXW/CIF/CIP value of each package. The above costs will be added by the Bid Evaluation Committee to EXW/CIF/CIP price. Or
- 2) If the bidder is required to quote the expense of domestic transport, insurance and other incidental services from EXW/port of entry to Project Site named in the Bid Data Sheet of bidding document, the above costs will be added by the Bid Evaluation Committee to EXW/CIF/CIP price.

26.4.2 Delivery schedule.

- 1) The goods covered under the Invitation for Bids are required to be delivered (or shipped) at the time specified in the Schedule of Requirements. Taking this delivery requirement as the base, a delivery "adjustment" will be calculated for each bid by applying a percentage, specified in the Bid Data Sheet, of the bid price for each week of delay beyond the base, and this will be added to the bid price for evaluation. No credit shall be given to early delivery. Or
- 2) The goods covered under this invitation are required to be delivered (shipped) within an acceptable range of weeks specified in the Schedule of Requirement. No credit will be given to earlier deliveries, and bids offering delivery beyond this range will be treated as non-responsive. Within this acceptable range, an adjustment per week, as specified in the Bid Data Sheet, will be added for evaluation to the bid price of bids, a factor equal to a percentage, offering deliveries later than the earliest delivery period specified in the Schedule of Requirements. or
- 3) The goods covered under this invitation are required to be delivered (shipped) in partial shipments, as specified in the Schedule of Requirements. Bids offering deliveries earlier or later than the specified deliveries will be adjusted in the evaluation by decreasing from or adding to the bid price a factor equal to a percentage, specified in the Bid Data Sheet, of bid price per week of variation from the specified delivery schedule.

26.4.3 Deviation in payment schedule.

- 1) Bidders shall state their bid price for the payment schedule outlined in the Terms and Conditions of Contract. Bids will be evaluated on the basis of this base price. Bidders are, however, permitted to state an alternative payment schedule and indicate the reduction in bid price they wish to offer for such alternative payment schedule. The Bid Evaluation Committee may consider the alternative payment schedule offered by the selected Bidder. or
- 2) The Terms and Conditions of Contract stipulate the payment schedule offered by the Tenderee. If a bid deviates from the schedule and if such deviation is considered acceptable to the Bid Evaluation Committee, the bid will be evaluated by calculating interest earned for any earlier payments involved in the terms outlined in the bid as compared with those stipulated in this invitation, at a rate per annum as specified in the Bid Data Sheet.

26.4.4 Cost of components and spare parts.

- 1) The list of items and quantities of components and selected spare parts, likely to be required during the initial period of operation specified in the Bid Data Sheet, is annexed to the Technical Specifications. The total cost of these items, at the unit prices quoted in each bid, will be added to the bid price. or
- 2) The Tenderee will draw up a list of high-usage and high-value items of components and spare parts, along with estimated quantities of usage in the

initial period of operation specified in the Bid Data Sheet. The total cost of these items and quantities will be computed from spare parts unit prices submitted by the Bidder and added to the bid price. or

- 3) The Tenderer will estimate the cost of spare parts usage in the initial period of operation specified in the Bid Data Sheet, based on information furnished by each Bidder, as well as on past experience of the Tendering Agent and the Tenderer or other purchasers in similar situations. Such costs shall be added to the bid price for evaluation.

26.4.5 Spare parts and after sales service facilities in the Customs territory of PRC.

The cost to the Tenderer of establishing the minimum service facilities and parts inventories, as outlined in the Bid Data Sheet or elsewhere in the bidding documents, shall be added to the bid price.

26.4.6 Operating and maintenance costs.

Since the operating and maintenance costs of the goods under procurement form a major part of the life cycle cost of the equipment, these costs will be evaluated in accordance with the criteria specified in the Bid Data Sheet or in the Technical Specifications.

26.4.7 Performance and productivity of the equipment.

- 1) Bidders shall state the guaranteed performance or efficiency in response to the Technical Specifications. No credit shall be given to better performance and higher productivity. For each drop (of 1%) in the performance or efficiency below the norm of one hundred percent (100%), an adjustment for an amount specified in the Bid Data Sheet will be added to the bid price, representing the capitalized cost of additional operating costs over the life of the plant, using the methodology specified in the Bid Data Sheet or in the Technical Specifications. or
- 2) Goods offered shall have a minimum productivity specified under the relevant provision in the Technical Specifications to be considered responsive. Evaluation shall be based on the cost per unit of the actual productivity of goods offered in the bid, and adjustment will be added to the bid price using the methodology specified in the Bid Data Sheet or in the Technical Specifications.

26.4.8 Other Additional Factors and Criteria

Other additional factors and criteria shall be detailed in the Bid Data Sheet and/or in the Technical Specifications.

26.5 The recommendation Method of successful bidder candidates

If the bids substantially meet the commercial and technical requirements of bidding document, the Bid Evaluation Committee will, pursuant to the method stipulated in the Clause 26.2, 26.3 and 26.4 of this Section, determine the final bid evaluated price of each bidder. In addition, according to the quantity of successful bidder candidates specified in the Bid Data Sheet, the rank shall be determined by the order from the lowest bid evaluated price to the highest. The bidder with the lowest bid evaluated price shall be ranked No.1 of successful bidder candidates.

27. Comprehensive Evaluation (Applicable for Comprehensive Evaluation Method)

27.1 The Bid Evaluation Committee will carry out comprehensive evaluation upon the items determined as subject to evaluation using the Comprehensive Evaluation Method as set forth in the Bid Data Sheet in the bidding documents. The Bid Evaluation Committee will perform comprehensive evaluation only upon the bids that have passed preliminary examination. The Tenderer will, pursuant to the circumstances of the tendered project, determine the evaluation factors and their respective weights, the criteria and procedures of evaluation, and the principles of bid determination, with details as per the Bid Data Sheet.

27.2 Basic Terms and Definition of Comprehensive Evaluation Method

27.2.1 “Evaluation Factors” refer to the detailed contents of the tendered project that are to be evaluated, such as various indicators, parameters, specifications, performances, states, etc. To facilitate weight allotment and evaluation, the factors are divided into several categories depending on their attributes, such as price, commercial, technical and service factors, with each of the category deemed as a single evaluation factor and named as Level-I Evaluation Factor. A number of Level-II evaluation factors may be set under each Level-I factor, and similarly hereinafter. See the Bid Data Sheet for all levels of evaluation factors of the Project.

27.2.2 “Evaluation Factor Responsiveness Value” refers to the bid’s responsiveness to evaluation factors, including detailed values, status, explanations, etc.

27.2.3 “Evaluated Value” refers to the evaluation result reached by the Bid Evaluation Committee with regard to evaluation factor responsiveness. The evaluation results reached by members of the Bid Evaluation Committee with regard to evaluation factor responsiveness are known as Independent Evaluated Values. The connection between Evaluated Value and Independent Evaluated Value is as follows:

Evaluated Value = Sum of Valid Independent Evaluated Values by Members of Bid Evaluation Committee/Number of Valid Members of Bid Evaluation Committee. See the Bid Data Sheet for requirements concerning valid independent evaluated values. See the Bid Data Sheet for the manner of expression of Evaluated Value. The most optimal evaluation factor responsiveness value receives the highest Evaluated Value, which value is named as Benchmark Evaluated Value, and all other evaluation factor responsiveness values will receive corresponding evaluated

values depending on how responsive they respectively are. See the Bid Data Sheet for requirements concerning the number of decimal digits to be kept.

27.2.4 “Weight of Evaluation Factor” refers to the relative degree of importance of an evaluation factor or a category of evaluation factors during the evaluation. The sum of weights of all Level-I evaluation factors shall be 1. The sum of weights of all Level-II evaluation factors under the same Level-I evaluation factor shall be 1.

27.2.5 The evaluated value that has been weighted is known as Weighted Evaluated Value: $\text{Weighted Evaluated Value} = \text{Evaluated Value} \times \text{Weight}$

27.3 Price Factor Evaluation

27.3.1 Review, Correction or Adjustment of Bid Price

- 1) If there is any arithmetic error, the bid price will be corrected according to ITB Clause 24.2.
- 2) If any price change is declared, the bid price will be adjusted accordingly.
- 3) If different currencies are involved, they shall all be converted into the evaluation currency set forth in the bidding documents.
- 4) If there are different price conditions, adjustments shall be made based on arrival of the goods at the delivery place designated by the Tenderer:
 - i. For goods offered outside the Customs territory of PRC: CIF Price + Import Taxes + Excise Tax (if applicable) + cost of Inland Transportation and Insurance + other applicable fees and costs (for reference when other forms of quotations, such as CIP or DDP, are adopted);
 - ii. For goods manufactured within the Customs territory of PRC: EXW Price (including Value Added Tax) + Excise Tax (if applicable) + Transportation and Insurance Expenses + other applicable fees and costs;
 - iii. For Imported Goods: Selling Price (inclusive of Import Taxes, and VAT imposed during sales processes) + Transportation and Insurance + other applicable fees and costs

27.3.2 Determination of Evaluated Value of Bid Price

- 1) Calculate the evaluated value of the bid price according to the price evaluation functions (evaluation criteria) set forth in the Bid Data Sheet.
- 2) See the Bid Data Sheet to identify whether or not any maximum bid price limit is set. If any such price limit is set, see the Bid Data Sheet for the amount of the price limit or the calculation thereof. If the bid price of the Bidder exceeds the price limit, the bid will be rejected.

27.4 Evaluation of Commercial Factors

27.4.1 Comprehensive Evaluation will cover Level-I Evaluation Factors only.

If it is set forth in the Bid Data Sheet that only Level-I commercial evaluation factors are subject to comprehensive evaluation, the Bid Evaluation Committee will directly perform the evaluation, wherein the most optimal evaluation factor will be granted the benchmark evaluated value and all other evaluation factors will receive corresponding evaluated values depending on how optimal they respectively are.

27.4.2 If it is set forth in the Bid Data Sheet that Level-II evaluation factors are subject to individual evaluations separately, the evaluations shall be done as per the following terms:

1) Date of Delivery

- i. Delivery responded in the bid, in line with the stipulation of the bidding documents, will be granted Benchmark Evaluated Value. On such basis, any delay per week will be marked respective Evaluated Value, as per the stipulation set forth in the Bid Data. Or

ii. Documentation will receive appropriate evaluated value according to

the provisions of the Bid Data Sheet, or If it is set forth in the Bid Data Sheet that delivery (or shipping) within several weeks is acceptable, early delivery will be granted Benchmark Evaluated Value and the bids with delivery later or earlier than the acceptable time span of delivery will be rejected. Within the acceptable time span, each week later than the earliest delivery time set forth in the Schedule of Goods Requirements will be granted the corresponding evaluated value according to the provisions of the Bid Data Sheet of the bidding documents.

2) Conditions and Terms of Payment

- i. The payment conditions and terms meeting the requirements of the bidding documents will be granted the benchmark evaluated value. On that basis, the interest paid for and the potential risks that the Tenderer may additionally incur because of early payment will be calculated using the interest rate set forth in the Bid Data Sheet, and corresponding evaluated values will be granted according to the requirements in the Bid Data Sheet and depending on the amount of the interest and the risks that may additionally occur.
- ii. If the Bid Data Sheet provides for the maximum range of deviations or otherwise prohibits any deviations, bids beyond such range or containing any deviation will be regarded as not substantially responsive and will be rejected.

3) Evaluation of Other Level-II Evaluation Factors

Evaluation of other Level-II commercial factors (if any) will be done as per the requirements in the Bid Data Sheet of the bidding documents.

27.5 Evaluation of Technical Factors

27.5.1 Comprehensive Evaluation upon Level-I Factors Only

If it is set forth in the Bid Data Sheet that only Level-I technical evaluation factors are subject to comprehensive evaluation, the Bid Evaluation Committee will directly perform the evaluation, wherein the most optimal evaluation factor will be granted the benchmark evaluated value and all other evaluation factors will receive corresponding evaluated values depending on how optimal they respectively are.

27.5.2 If the Bid Data Sheet provides that Level-II factors shall be separately evaluated, the evaluation will be done as per the following terms:

1) Evaluation of Level-II Factors with Exact Values

Evaluated values will be calculated using the equation set forth in the Bid Data Sheet; or directly evaluated by members of the Bid Evaluation Committee, with the benchmark evaluated value granted to the most optimal factor and with all other factors respectively granted corresponding evaluated values depending on how optimal they are.

2) Evaluation of Level-II Factors without Exact Values

i. Evaluation will be done directly by members of the Bid Evaluation

Committee, with the benchmark evaluated value granted to the most optimal factor and with all other factors respectively granted corresponding evaluated values depending on how optimal they are.

ii. The evaluated value shall be nil when the evaluated performance of function is not available.

27.5.3 Threshold Evaluated Value of Level-I Evaluation Factors

According to applicable requirements, a bid will be rejected if and to the extent that the evaluated value gained by the Bidder for Level-I technical evaluation factors falls below certain percent of the average evaluated value of all valid bidders. The said percent is shown in the Bid Data Sheet.

27.5.4 The setting and evaluation of other levels of technical evaluation factors are shown in the Bid Data Sheet.

27.6 Evaluation of Service Factors

27.6.1 Comprehensive Evaluation upon Level-I Factors Only

If it is set forth in the Bid Data Sheet that only Level-I service evaluation factors are subject to comprehensive evaluation, the Bid Evaluation Committee will directly perform the evaluation, wherein the most optimal evaluation factor will be granted the benchmark evaluated value and all other evaluation factors will receive corresponding evaluated values depending on how optimal they respectively are.

27.6.2 If the Bid Data Sheet provides that Level-II factors shall be separately evaluated, the evaluation will be done as per the following terms:

1) Evaluation of Quantifiable Level-II Factors

- i. Evaluated values will be calculated using the equation set forth in the Bid Data Sheet; or
- ii. directly evaluated by members of the Bid Evaluation Committee, with the benchmark evaluated value granted to the most optimal factor and with all other factors respectively granted corresponding evaluated values depending on how optimal they are.

2) Evaluation of Non-quantifiable Level-II Factors

Evaluation will be done directly by members of the Bid Evaluation Committee, with the benchmark evaluated value granted to the most optimal factor and with all other factors respectively granted corresponding evaluated values depending on how optimal they are, and the evaluated value shall be nil when the evaluated service is not available.

27.6.3 See the Bid Data Sheet for the setting and evaluation of other levels of service evaluation factors.

27.7 Calculation of Comprehensive Evaluated Value of Bid

27.7.1 If evaluation takes place before weighing, the comprehensive evaluated value of a bid shall be the sum of weighted evaluated values of all Level-I evaluation factors.

27.7.2 If weighing is done before evaluation, the comprehensive evaluated value of a bid shall be the sum of evaluated values of the weights of all Level-I evaluation factors.

27.8 Recommendation of Successful Bidder Candidates

27.8.1 The Bid Evaluation Committee will rank bidders according to the comprehensive evaluated values of their bids. Bidders with equal evaluated value will be further ranked depending on their evaluated values for Level-I factors as per the sequence of price, technical, commercial and service factors. The bidder ranked the top in comprehensive evaluation will be the successful bidder. The number of successful bidder candidates that may be recommended for the Project is provided in the Bid Data Sheet.

27.8.2 Other methods of recommendation and numbers of successful bidder candidates for the Project are set forth in the Bid Data Sheet.

28. Publication of Evaluation Result

- 28.1 After completion of the bid evaluation, the result of the evaluation will be publicly displayed on the tendering website for a period of 3 days if and to the extent that the Project is subject to such public display requirement according to law. If no objection is raised to the displayed result of the bid evaluation, the result will automatically take effect and the contract award result will be announced upon completion of the public display period. Successfully registered bidders may view the displayed bid evaluation result and the contract award announcement on the tendering website.
- 28.2 If a bidder has any objection to the bid evaluation result, the objection shall be raised to the Tenderer or the Tendering Agent within the public display period, and the content of the objection shall be uploaded to the tendering website. After receiving the objection, the Tenderer or the Tendering Agent shall respond within 3 days, and shall upload the content of the response to "the website".

29. Contacting the Tenderee/the Tendering Agent

- 29.1 With exception for Clause 24.3, no Bidder shall contact the Tendering Agent, the Tenderee and the Bid Evaluation Committee on any matter relating to its bid, from the time of the bid opening to the time the contract is awarded.
- 29.2 Any effort by a Bidder to influence the Tendering Agent, the Tenderee and the Bid Evaluation Committee in their decisions on bid evaluation or contract award may result in the rejection of the Bidder's bid.

F. Award of Contract

30. Review of Contract Performance Ability

- 30.1 Where the business or financial position of a successful bidder candidate incurs any significant change or the candidate involves any illegal act that the Tenderer believes may affect the candidate's contract performance ability, the original Bid Evaluation Committee will conduct review and confirmation according to the criteria and methods set forth in the bidding documents before issuing the notice of award.
- 30.2 If the Bidder passes the review, the Tenderer will award the contract to it, or the Bid Evaluation Committee will reject its bid and then conduct a similar review upon the next bidder with the lowest evaluated bid price or the best comprehensive evaluation result, as per the sequence of the recommended candidates, to see whether it can satisfactorily perform the contract.

31. Determination of Successful Bidder

- 31.1 The Tenderer will determine the successful bidder according to the written bid evaluation report from and out of the candidates recommended by the Bid Evaluation Committee. The Tenderer may alternatively authorize the Bid Evaluation Committee to determine the successful bidder directly.

- 31.2 Where the project is one with State-owned capital possessing a controlling or dominant position or involves utilization of foreign loans or financial support, the Tenderer shall select the candidate ranking the first as the successful bidder. If the candidate ranking the first waives the contract, or is unable to perform the contract due to force majeure, or fails to deliver the performance bond as required by the bidding documents, or is verified to have committed any illegal conduct affecting the bidding result and is thus not qualified as a successful bidder, the Tenderer will select another candidate as the successful bidder as per the sequence of the candidates on the list proposed by the Bid Evaluation Committee, or may alternatively initiate a new bidding process.
- 31.3 Ways to determine successful bidders for projects other than those described in Clause 31.2 are provided in the Bid Data Sheet.

32. Terminate the Tendering or Reject All Bids

- 32.1 If the Project is subject to bidding as required by law, if the Tenderer's purchase plan incurs any material change or otherwise force majeure factors during the course of bidding, the Tenderer may organize a new bidding process subject to obtainment of the approval of the authority in charge of the Project and reporting to the appropriate authorities in charge. The Tenderer will issue an announcement in a timely manner or send written notices to the invited bidders or the potential bidders who have obtained the bidding documents. If the bidding documents have been sold or bid security has been received, the Tenderer will refund the fees it has received for the bidding document, and the bid security it has received, plus the interest (if any) calculated using the interest rate for bank deposits within the same period.
- 32.2 If the Bid Evaluation Committee believes after review that all bids fail to meet the requirements of the bidding documents, it will then reject all bids. If the Project is subject to bidding as required by law and all bids for the Project are rejected, the Tenderer will reserve the right to initiate a new bidding process for the Project.

33. Notice of Award

- 33.1 Once the successful Bidder is determined, the Tenderer will issue a Notice of Award to the Successful Bidder within 20 days after announcement of the bidding result.
- 33.2 The Notice of Award shall constitute a part of the contract.
- 33.3 Upon the successful Bidder's furnishing of performance security pursuant to ITB Clause 35, the Tenderer will refund all bid securities pursuant to ITB Clause 15.

34. Signing of Contract

- 34.1 Within thirty (30) days after the issuance of Notice of Award, a written Contract shall be signed in accordance with the bidding documents and the bid of the successful bidder. The successful bidder shall not sign any agreements with the Tenderer that are against the substantial content of the contract.

35. Performance Security

- 35.1 Within thirty (30) days of the receipt of notification of award from the Tenderee, the successful Bidder shall furnish the performance security in accordance with the

Special Conditions of Contract in the bidding document, in the Performance Security Form provided in the bidding documents, or in another form acceptable to the Tenderer to the Tendering Agent.

35.2 Failure of the successful Bidder to comply with the requirement of ITB Clause 34 or Clause 35.1 shall constitute sufficient grounds for the annulment of the award and non-refundable of the bid security.

36. Service Charge for Bidding

36.1 The successful bidder shall pay the service charge for bidding as stipulated in the Bid Data Sheet. Failure of the successful bidder to pay the service charge for bidding as required shall result in non-refundable of the bid security.

Chapter II General Conditions of Contract

1. Definitions

1.1 In this Contract, the following terms shall be interpreted as indicated:

- 1) "The Contract" means the agreement entered into between the Purchaser and Supplier, as recorded in the Contract Form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- 2) "The Contract Price" means the price payable to the Supplier under the Contract for the full and proper performance of its contractual obligations.
- 3) "The Goods" means all of the equipment, machinery, and/or other materials which the Supplier is required to supply to the Purchaser under the Contract.
- 4) "The Incidental Services" means those services ancillary to the supply of the Goods, such as transportation and insurance, installation, commissioning, provision of technical assistance, training, and other such obligations of the Supplier covered under the Contract.
- 5) "GCC" means the General Conditions of Contract contained in this section.
- 6) "SCC" means the Special Conditions of Contract contained in Section 7.
- 7) "The Purchaser" means the organization purchasing the Goods and Services, as named in SCC.
- 8) "The Supplier" means the individual or firm supplying the Goods and Services under this Contract, as named in SCC.
- 9) "Conditions of Contract" includes the General Conditions of Contract and the Special Conditions of Contract. In the event that there are controversies between them, the Special Conditions of Contract shall prevail.
- 10) "The Project Site" means the location where the Goods are to be installed and operated as named in SCC.
- 11) "Day" means calendar day.

2. Application

2.1 These Terms and Conditions shall apply to the extent that they are not superseded by provisions in other parts of the Contract.

3. Country of Origin

3.1 All Goods and Services supplied under the Contract shall have their origin in the People's Republic of China (hereinafter referred to as "the PRC") or in the countries/areas which have regular trade relations with the PRC (hereinafter called "eligible source

countries/areas”).

For purposes of this Clause, “origin” means the place where the Goods were mined, grown, or produced, or from which the Services are supplied. Goods are produced when, through manufacturing, processing, or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.

3.2 For purposes of this Clause, “origin” means the place where the Goods were mined, grown, or produced, or from which the Services are supplied. Goods are produced when, through manufacturing, processing, or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.

3.3 The origin of Goods and Services is distinct from the nationality of the Seller

4. Standards

4.1 The Goods supplied under this Contract shall conform to the standards mentioned in the Technical Specifications, and, when no applicable standard is mentioned, to the authoritative standards appropriate to the Goods’ country of origin. Such standards shall be the latest issued by the concerned institution.

4.2 All measurements shall be the measuring unit officially published by the government of the PRC, unless otherwise specified in the Technical Specifications.

5. Use of Contract Documents and Information

5.1 The Supplier shall not, without the Purchaser’s prior written consent, disclose the Contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the Purchaser in connection therewith, to any person other than a person employed by the Supplier in the performance of the Contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.

5.2 The Supplier shall not, without the Purchaser’s prior written consent, make use of any document or information enumerated in GCC Clause 5.1 except for purposes of performing the Contract.

5.3 Any document, other than the Contract itself, enumerated in GCC Clause 5.1 shall remain the property of the Purchaser and shall be returned (in all copies) to the Purchaser on completion of the Supplier’s performance under the Contract if so required by the Purchaser.

6. Intellectual Property Rights

6.1 The Supplier shall indemnify the Purchaser against all third-party claims of infringement of patent, trademark, copyright or other intellectual property rights arising from use of the Goods or any part thereof in the PRC.

7. Performance Security

7.1 Within thirty (30) days of receipt of the notification of Contract award, the Supplier shall furnish to the Purchaser the performance security in the amount specified in SCC.

7.2 The proceeds of the performance security shall be payable to the Purchaser as compensation for any loss resulting from the Supplier's failure to complete its obligations under the Contract.

7.3 The performance security shall be denominated in the currency of the Contract, or in a currency acceptable to the Purchaser and shall be in one of the following forms:

- 1) a bank guarantee or an irrevocable letter of credit issued by: (i) a reputable bank located in the PRC or, (ii) a reputable bank abroad acceptable to the Purchaser through a reputable Bank located in the PRC, in the form provided in the bidding documents or another form acceptable to the Purchaser; or
- 2) a cashier's check, certified check or cash.

7.4 The performance security will be discharged by the Purchaser and returned to the Supplier not later than thirty (30) days following the date of completion of the Supplier's performance obligations under the Contract, including any warrant obligations.

8. Inspections and Tests

8.1 The Purchaser or its representative shall have the right to inspect and/or to test the Goods to confirm their conformity to the Contract specifications at no extra cost to the Purchaser. GCC and the Technical Specifications shall specify what inspections and tests the Purchaser requires and where they are to be conducted. The Purchaser shall notify the Supplier in writing, in a timely manner, of the identity of any representatives retained for these purposes.

8.2 The inspections and tests may be conducted on the premises of the Supplier or its subcontractor (s), at point of delivery, and/or at the Goods' final destination. If conducted on the premises of the Supplier or its subcontractor(s), all reasonable facilities and assistance, shall be furnished to the inspectors at no charge to the Purchaser.

8.3 Should any inspected or tested Goods fail to conform to the Specifications, the Purchaser may reject the Goods, and the Supplier shall either replace the rejected

Goods or make alterations necessary to meet specification requirements free of cost to the Purchaser.

- 8.4 The Purchaser's right to inspect, test and, where necessary, reject the Goods after the Goods' arrival at the port of destination and/or the site shall in no way be limited or waived by reason of the Goods having previously been inspected, tested, and passed by the Purchaser or its representative prior to the Goods' shipment from the country/area of origin.
- 8.5 The Supplier shall have the manufacturer, before making delivery, carry out a precise and comprehensive inspection of the Goods regarding quality, specification, performance, quantity and weight and issue a quality certificate certifying that the Goods are in conformity with the stipulations in the Contract. The quality certificate shall form an integral part of the documents to be presented to the negotiating bank for payment, but shall not be regarded as final with respect to quality, specification, performance, quantity and weight. Particulars and results of the tests made by the manufacturer shall be shown in a statement to be attached to the quality certificate.
- 8.6 After arrival of the Goods at the port of destination and/or the site, the Purchaser shall apply for State Administration for Entry-Exit Inspection & Quarantine of the People's Republic of China (SAIQ) (hereinafter called the "Administration") for inspection of the Goods with respect to quality, specification, quantity etc. and a post-delivery inspection certificate shall be issued thereof. If discrepancies are found by the Administration regarding quality, specification or quantity etc., the Purchaser shall have the right to claim against the Supplier within ninety (90) calendar days after arrival of the Goods at the site.
- 8.7 If, during the warranty period specified in GCC Clause 18 and as a result of inspection by the Administration or other organization, otherwise, it is found that the quality or specifications of the Goods are not in conformity with the Contract or if the Goods are proven to be defective for any reason, including latent defects or the use of unsuitable materials, the Purchaser shall promptly notify the Supplier of the existence of a claim.
- 8.8 Nothing in GCC Clause 8 shall in any way release the Supplier from any warranty or other obligations under this Contract.

9. Packing

- 9.1 The Supplier shall have the Contract Goods packed strongly and shall take measure to protect the Contract Goods from moisture, rain, rust, corrosion and shock, etc. According to their different shape and special features as to withstand numerous handling, loading and unloading as well as long-distance sea and inland transportation and to ensure the safe arrival of the Goods at the Contract site without any damage or corrosion. The Supplier shall be liable for any rust, damage and loss caused by inadequate or improper packing provided by the Supplier. For those wooden packages,

fumigation treatment shall be conducted in compliance with the requirement of AQSIQ, and a special mark of IPPC shall be affixed. Otherwise a statement shall be furnished to confirm that non-wooden materials have been used.

10. Marking for Shipment

10.1 The Supplier shall mark the following on the four adjacent sides of each package with indelible paint in conspicuous English printed words:

- 1) CONSIGNEE
- 2) CONTRACT NUMBER
- 3) SHIPPING MARK
- 4) CONSIGNEE CODE
- 5) PORT OF DESTINATION
- 6) NAME OF GOODS AND ITEM NO., CASE NO.
- 7) GROSS/NET WEIGHT (KG)
- 8) MEASUREMENT (LENGTH×WIDTH×HEIGHT IN CM)

10.2 If any package weighs two (2) tons or more, the Supplier shall mark on two sides of each package in English and with appropriate transportation marks common in international trade, the “center of gravity” and “points of slinging”³³ in order to facilitate loading, discharging and handling. According to the characteristics of the Goods and the different requirements in transportation, packages shall be marked legibly by the Supplier with words “handle with Care”, “Right side Up”, “Deep Dry”, etc. and with other terms appropriate in international trade.

11. Terms of Shipment

11.1 In the case of CIF/CIP Contract:

- 1) The Supplier shall be responsible for booking shipping space and arranging the shipment and shall pay for the freight, so as to ensure that the Goods will be delivered according to the time schedule stipulated in the Contract.
- 2) The date of the Bill of Lading/Airway Bill shall be considered as the actual date of delivery of the Goods.
- 3) Unless otherwise agreed, shipment of the Goods on desk and transshipment of the Goods from the country of origin of the Goods shall not be acceptable.
- 4) The shipment shall be carried by conveyance belonging to eligible source countries/areas.
- 5) The port of destination/project site shall be that specified in the SCC.

11.2 In the Case of EX-Works Contract:

- 1) The Supplier shall arrange the inland transportation at the Purchaser's expense.
- 2) The date of the receipt issued by the transportation department concerned shall be regarded as the date of delivery of the Goods.

11.3 In the case of FOB/FCA Contract:

- 1) The Supplier may book shipping space and arrange the shipment at the Purchaser's expense.
- 2) The date of the Bill of Lading/Airway Bill shall be considered as the actual date of delivery of the Goods.
- 3) Unless otherwise agreed, shipment of the Goods on desk and transshipment of the Goods from the country of origin of the Goods shall not be acceptable.
- 4) The shipment shall be carried by conveyance belonging to eligible source countries/areas.
- 5) The port of destination/project site shall be that specified in the SCC.

11.4 The Supplier shall not ship more than the contracted quantity or weight. If so, the Purchaser shall not be responsible for any cost or other consequences arising from shipment of excess quantities or weight.

12. Shipping Advice

12.1 In the Case of CIF/CIP Contract:

- 1) The Supplier shall, thirty (30) calendar days in the case of sea shipment or seven (7) days in the case of air shipment, before the date of shipment stipulated in the Contract, notify the Purchaser by cable or telex or fax of Contract No., name of Goods, quantity, number of packages, total gross weight, total volume (m³) in cubic meters and the date of readiness for shipment at the port of loading. At the same time, the Supplier shall send to the Purchaser by airmail a detailed list of the Goods to be delivered in five (5) copies including Contract No., name of Goods, specification, quantity, total volume (m³) and dimension of each package (length × width × height), unit and total price, port of shipment and date of readiness for shipment, and any special requirements or attention needed for the Goods during transportation and storage.
- 2) The Supplier shall, not later than twenty four (24) hours after completing of loading of the Goods, notify the Purchaser by fax of Contract No., name of Goods, quantity, gross weight, volume (m³) in cubic meters, invoiced value, name of carrying vessel/aircraft, date of its sailing/flight, and estimated arrival date. If an package weighs more than twenty (20) metric tons, and dimensions reach or exceed twelve (12) meters in length, two point seven (2.7) meters in

width and three (3) meters in height, the Supplier shall advise the Purchaser of the weight and measurement of each package. The details of flammable and dangerous Goods, if any, shall also be indicated.

12.2 In the Case of EX-Works Contract:

- 1) The Supplier shall, twenty one (21) days in the case of railway/road/water shipment or seven (7) days in the case of air shipment before the date of delivery stipulated in the Contract, notify the Purchaser by cable or telex or fax of the Contract No., name of Goods, quantity, number of packages, total gross weight, total volume (m³) in cubic meters and the date of readiness for delivery. At the same time, the Supplier shall send to the Purchaser by registered letter a detailed list of the Goods to be delivered in five (5) copies including Contract No., name of Goods, specification, quantity, total gross weight, total volume (m³) in cubic meters and dimensions of each package (length × width × height), unit and total prices and the date of readiness for delivery and any special requirements or attention needed for the Goods during transportation and storage.
- 2) The Supplier shall, no later than twenty four (24) hours after completion of loading of the Goods, notify the Purchaser by cable or telex or fax of Contract No., name of Goods, quantity, gross weight, volume (m³) in cubic meters, invoiced value, means of transports (railway/road/water/air), details of carrying train/vehicle/vessel/aircraft, date of departure, and estimated arrival date. If a package weighs more than twenty (20) metric tons, and dimensions reach or exceed twelve (12) meters in length, two point seven (2.7) meters in width and three (3) meters in height, the Supplier shall advise the Purchaser of the weight and measurement of each package. The details of flammable and dangerous Goods, if any, shall also be indicated.
- 3) If the Purchaser fails to arrange for insurance coverage in the time under the terms of an Ex-works contract, due to the Supplier's delay in notifying the above to the Purchaser by telex or cable or fax, all losses thus incurred shall be born by the Supplier.

12.3 In the Case of FOB/FCA Contract:

- 1) The Supplier shall, thirty (30) calendar days in the case of sea shipment or seven (7) days in the case of air shipment, before the date of shipment stipulated in the Contract, notify the Purchaser by cable or telex or fax of Contract No., name of Goods, quantity, number of packages, total gross weight, total volume (m³) in cubic meters and the date of readiness for shipment at the port of loading. At the same time, the Supplier shall send to the Purchaser by airmail a detailed list of the Goods to be delivered in five (5) copies including Contract No., name of Goods, specification, quantity, total volume (m³) and dimension of each package (length x width x height), unit and total price, port of shipment and date of readiness for shipment, and any special requirements or attention needed for the Goods during transportation and storage.

- 2) The Supplier shall, not later than twenty four (24) hours after completing of loading of the Goods, notify the Purchaser by fax of Contract No., name of Goods, quantity, gross weight, volume (m³) in cubic meters, invoiced value, name of carrying vessel/aircraft and date of its sailing/flight, date of its sailing/flight, and estimated arrival date. If an package weighs more than twenty (20) metric tons, and dimensions reach or exceed twelve (12) meters in length, two point seven (2.7) meters in width and three (3) meters in height, the Supplier shall advise the Purchaser of the weight and measurement of each package. The details of flammable and dangerous Goods, if any, shall also be indicated.
- 3) If the Purchaser fails to arrange for insurance coverage in the time under the terms of FOB/FCA, due to the Supplier's delay in notifying the above to the Purchaser by telex or cable or fax, all losses thus incurred shall be born by the Supplier.

13. Delivery and Documents

- 13.1 Delivery of the Goods shall be made by the Supplier in accordance with the terms specified in the Schedule of Requirements. The details of shipping and/or other documents to be furnished by the Supplier are specified in GCC Clauses 9, 10, 11 and 12.
- 13.2 For purposes of the Contract, "EXW", "FOB", "FCA", "CIF", "CIP", and other trade terms used to describe the obligations of the parties shall have the meanings assigned to them by the current latest edition of Incoterms published by the International Chamber of Commerce, Paris.
- 13.3 Upon shipment, the Supplier shall notify the Purchaser and the Insurance Company by fax of the full details of shipment, including Contract number, date and No. of Bill of Lading, description of Goods, quantity, name of the carrying vessel, date of shipment, name of shipping port, name of unloading port, estimated date of arrival of the vessel at port of destination, etc. For the purpose of contract payment, the Supplier shall present through Supplier's bank (when applicable) the relevant "Payment-Documents" to the Purchaser in accordance with the requirements stipulated in Clause 20 hereunder.

14. Insurance

- 14.1 The Goods supplied under the Contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage, and delivery in the manner specified in GCC.
- 14.2 Where delivery of the Goods is required by the Purchaser on a CIF or CIP basis, the Supplier shall arrange and pay for cargo insurance, naming the Purchaser as the beneficiary. Insurance is to be effected by the Supplier in a freely convertible currency for one hundred and ten percent (110%) invoiced value on an "all risks" and "war risk"

basis. Where delivery is on an FOB or FCA basis, insurance shall be the responsibility of the Purchaser.

- 14.3 In the case of an Ex-works Contract, insurance is to be effected by the Purchaser after loading.

15. Transportation

- 15.1 Where the Supplier is required under the Contract to deliver the Goods FOB, transport of the Goods, up to and including the point of putting the Goods on board the vessel at the specified port of loading, shall be arranged and paid for by the Supplier, and the cost thereof shall be included in the Contract Price. Where the Supplier is required under the Contract to deliver the Goods FCA, transport of the Goods and delivery into the custody of the carrier at the place named by the Purchaser or other agreed point shall be arranged and paid for by the Supplier, and the cost thereof shall be included in the Contract Price.

- 15.2 Where the Supplier is required under the Contract to deliver the Goods CIF or CIP, transport of the Goods to the port of destination or such other named place of destination, as shall be specified in the Contract, shall be arranged and paid for by the Supplier, and the cost thereof shall be included in the Contract Price.

- 15.3 Where the Supplier is required under the Contract to deliver the Goods CIF or CIP, the selected carrier shall have the prior approval of the Purchaser. Where the Supplier is required under the Contract (a) to deliver the Goods FOB or FCA, and (b) to arrange on behalf and at the expense of the Purchaser for international transportation on specified carriers or on national flag carriers of the PRC, the Supplier may arrange for such transportation on alternative carriers if the specified carriers or with the PRC national flag carriers are not available to transport the Goods within the period(s) specified in the Contract.

16. Incidental Services

- 16.1 The Supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC and/or Technical Specifications:
- 1) performance or supervision of on-site assembly and/or start-up of the supplied Goods;
 - 2) furnishing of tools required for assembly and/or maintenance of the supplied Goods;
 - 3) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied Goods;
 - 4) 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

- 5) training of the Purchaser's personnel, at the Supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied Goods.

16.2 Prices charged by the Supplier for incidental services, if not included in the Contract Price for the Goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged for other parties by the Supplier for similar services.

16.3 The Supplier shall provide all the services as specified in SCC/Technical Specifications. The price quoted in the bid or agreed upon by the Parties for performing the required incidental services shall be included in the Contract Price.

17. Spare Parts

17.1 As specified in GCC, the Supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts:

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

17.2 The Supplier shall provide necessary spare parts as specified in SCC and Technical Specifications.

18. Warranty

18.1 The Supplier warrants that the Goods supplied under the Contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the Contract. The Supplier further warrants that all Goods supplied under this Contract shall have no defect, arising from design, materials, or workmanship (except when the design and /or material is required by the Purchaser's specifications) or from any act or omission of the Supplier, that may develop under normal use of the supplied Goods in the conditions prevailing in the country of final destination.

18.2 This warranty shall remain valid for number of months as specified in SCC after the date of final acceptance of the goods for this Contract, or number of months as

specified in SCC after the date of arrival of the last shipment of the goods at the port of destination, whichever occurs earlier.

- 18.3 The Purchaser shall promptly notify the Supplier in writing of any claims arising under this warranty.
- 18.4 Upon receipt of such notice, the Supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective Goods or parts thereof, without costs to the Purchaser.
- 18.5 If the Supplier, having been notified, fails to remedy the defect(s) within the period specified, the Purchaser may proceed to take such remedial action as may be necessary, at the Supplier's risk and expense and without prejudice to any other rights which the Purchaser may have against the Supplier under the Contract.

19. Claims

- 19.1 In case the Supplier is liable for the discrepancies and a claim is lodged by the Purchaser within the time limit of inspection, erection, commissioning, acceptance test and the warranty period as stipulated in GCC Clause 18 or elsewhere in the Contract, the Supplier shall settle the claim with the agreement of the Purchaser in one or a combination of the following ways:
- 1) Agree to the rejection of the Goods and refund to the Purchaser the value of the Goods so rejected in the same currency as specified in the Contract and to bear the losses and expenses incurred including interest, accrued banking charges, freight and insurance premiums, inspection charges, storage, stevedore charges and other necessary expenses required for the custody and protection of the rejected Goods.
 - 2) Devalue the Goods according to the degree of inferiority, extent of damage and amount of losses suffered by the Purchaser, as agreed between the Purchaser and the Supplier.
 - 3) Replace the defective Goods with new parts, components and/or equipment which conform to the specifications, quality and performance as specified in the Contract, and/or repair the defective Goods at the Supplier's expenses and risks and bear all directly related expenses sustained by the Purchaser. The Supplier shall at the same time guarantee the quality of there placed Goods for a further corresponding period according to GCC Clause 18.
- 19.2 In case the Supplier fails to reply within thirty (30) calendar days after notification of the Purchaser's claim, the above mentioned claims shall be regarded as being accepted by the Supplier. If the Supplier fails to resolve the claim in any of the ways described above as agreed with the Purchaser within thirty (30) days after notification of the claim(s) by the Purchaser or longer period of time agreed upon by the Purchaser, the Purchaser will proceed to recover the claim amount from the

payment under negotiation or from the performance security established by the Supplier.

20. Payment

20.1 The method and conditions of payment to be made to the Supplier under this Contract shall be specified in SCC.

21. Prices

21.1 Prices charged by the Supplier for Goods delivered and incidental Services performed under the Contract are shown in Contract Form.

22. Change Orders

22.1 The Purchaser may at any time, by a written order given to the Supplier pursuant to GCC Clause 35, make changes within the general scope of the Contract in any one or more of the following:

- 1) drawings, designs, or specifications, where Goods to be furnished under the Contract are to be specifically manufactured for the Purchaser;
- 2) the method of shipment or packing;
- 3) the place of delivery; and/or
- 4) the incidental services to be provided by the Supplier.

22.2 If any such change causes an increase or decrease in the cost of , or the time required for, the Supplier's performance of any provisions under the Contract, an equitable adjustment shall be made in the Contract Price or delivery schedule, or both, and the Contract shall accordingly be amended. Any claims by the Supplier for adjustment under this clause must be asserted within thirty (30) days from the date of the Supplier's receipt of the Purchaser's change order.

23. Contract Amendments

23.1 Subject to GCC Clause 22, no variation in or modification of the terms of the Contract shall be made except by written amendment signed by the parties.

24. Assignment

24.1 The Supplier shall not assign, in whole or in part, its obligations to perform under this Contract, except with the Purchaser's prior written consent.

25. Subcontracts

25.1 The Supplier shall notify the Purchaser in writing of all subcontracts awarded under this Contract. Such notification shall not relieve the Supplier from any liability or

obligation under the Contract.

25.2 Subcontracts must comply with the provisions of GCC Clause 3.

26. Delays in the Supplier's Performance

26.1 Delivery of the Goods and performance of Services shall be made by the Supplier in accordance with the time schedule prescribed by the Purchaser in the Schedule of Requirements.

26.2 If at any time during performance of the Contract, the Supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the Goods and performance of Services, the Supplier shall promptly notify the Purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the Supplier's notice, the Purchaser shall evaluate the situation and may at its discretion extend the Supplier's time for performance, with or without liquidated damages, in which case the extension shall be ratified by the parties by amendment of the Contract.

26.3 Except as provided under GCC Clause 29, a delay by the Supplier in the performance of its delivery obligations shall render the Supplier liable to the imposition of liquidated damages pursuant to GCC Clause 27, unless the extension of time is agreed upon pursuant to GCC Clause 26.2 without the application of liquidated damages.

27. Liquidated Damages

27.1 Subject to GCC Clause 29, if the Supplier fails to deliver any or all of the Goods or to perform the Services within the period(s) specified in the Contract, the Purchaser shall, without prejudice to its other remedies under the Contract, deduct from the Contract Price, as liquidated damages, a sum equivalent to zero point five percent (0.5%) of the delivered price of the delayed Goods or unperformed Services for each week or part thereof of delay until actual delivery or performance, up to a maximum deduction of five percent (5%) of Contract Price. Once the maximum is reached, the Purchaser may consider termination of the Contract pursuant to GCC Clause 28.

28. Termination for Default

28.1 The Purchaser, without prejudice to any other remedy for breach of Contract, by written notice of default sent to the Supplier, may terminate this Contract in whole or in part:

- 1) if the Supplier fails to deliver any or all of the Goods, within the period(s) specified in the Contract or within any extension thereof granted by the Purchaser pursuant to GCC Clause 26; or

- 2) if the Supplier fails to perform any other obligation(s) under the Contract.
- 3) if the Supplier, in the judgment of the Purchaser has engaged in corrupt or fraudulent practices in competing for or in executing the contract. For the purpose of this clause:
 - a) "corrupt practices" means the offering, giving, receiving or soliciting of any thing of value to influence the action of the Purchaser in the procurement process or in contract execution.
 - b) "fraudulent practices" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the purchaser.

28.2 In the event the Purchaser terminates the Contract in whole or in part, pursuant to GCC Clause 28.1, the Purchaser may procure, upon such terms and in such manner as it deems appropriate, Goods or Services similar to those undelivered, and the Supplier shall be liable to the Purchaser for any excess costs for such similar Goods or Services. However, the Supplier shall continue performance of the Contract to the extent not terminated.

29. Force Majeure

29.1 If either of the parties to the Contract be prevented from executing the Contract by such cases of Force Majeure as war, serious fire, flood, typhoon and earthquake and other cases agreed upon by both parties as cases of Force Majeure, the time for execution of the contract shall be extended by a period equal to the effect of those causes. An event of Force Majeure means the event that the parties could not foresee at the time of conclusion of the Contract and its occurrence and consequences can not be avoided and cannot be overcome.

29.2 The prevented party shall notify the other party by cable/fax/telex within the shortest possible time of the occurrence of the Force Majeure event and within fourteen (14) days thereafter send by special courier or registered airmail to the other party, a certificate for evidence issued by the relevant authorities for confirmation. Should the effect of Force Majeure continue for more than one hundred and twenty (120) consecutive days, both parties shall settle the further execution of the Contract through friendly negotiation and reach an agreement with a reasonable time.

30. Termination for Insolvency

30.1 The Purchaser may at any time terminate the Contract by giving written notice to the Supplier if the Supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the Supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the Purchaser.

31. Termination for Convenience

- 31.1 The Purchaser, by written notice sent to the Supplier, may terminate the Contract, in whole or in part, at any time for its convenience. The notice of termination shall specify that termination is for the Purchaser's convenience, the extent to which performance of the Supplier under the Contract is terminated, and the date upon which such termination becomes effective.
- 31.2 The Goods that are complete and ready for shipment within thirty (30) days after the Supplier's receipt of notice of termination shall be accepted by the Purchaser at the Contract terms and prices. For the remaining Goods, the Purchaser may select:
- 1) to have any portion completed and delivered at the Contract terms and prices; and/or
 - 2) to cancel the remainder and pay to the Supplier an agreed amount for partially completed Goods and Services and for materials and parts previously procured by the Supplier.

32. Resolution of Disputes

- 32.1 All disputes arising from the execution of or in connection with the Contract shall be settled through amicable consultation by both parties. In case no settlement can be reached within sixty (60) days after commencement of such consultation, the disputes shall be submitted for arbitration.
- 32.2 Any dispute shall finally be settled by arbitration in Beijing or other location in China, under the China International Economic and Trade Arbitration Commission (CIETAC) in accordance with its arbitration rules/procedures. Unless otherwise agreed, the official language of Arbitration shall be Chinese.
- 32.3 The arbitration award shall be final and binding on both parties.
- 32.4 The arbitration fee shall be borne by the losing party except as otherwise awarded by the Arbitration Commission.
- 32.5 In the course of arbitration, the Contract shall be continuously executed except the part which is under arbitration.

33. Governing Language

- 33.1 Unless otherwise agreed, the Contract shall be written in Chinese language. If the contract is written in both Chinese and English, two languages have the same effectiveness legally. Unless otherwise agreed, in the event of any discrepancies between them, the Chinese version shall govern. All correspondence and other documents pertaining to the Contract which are exchanged by the parties shall be written in the same language.

34. Applicable Law

34.1 The Contract shall be interpreted in accordance with the current laws of the People's Republic of China.

35. Notices

35.1 Any notice given by one party to the other pursuant to this Contract shall be sent to the other party in writing to the other party's address specified in SCC.

35.2 A notice shall be effective when delivered or on the notice's effective date, whichever is later.

36. Taxes and Duties

36.1 All taxes in connection with the execution of this Contract levied by the Chinese Government on the Purchaser in accordance with the tax laws in effect shall be borne by the Purchaser.

36.2 In case a Chinese Supplier is awarded the Contract, all taxes in connection with the execution of this Contract levied by the Chinese Government on the Chinese Supplier in accordance with the tax laws in effect shall be borne by the Chinese Supplier.

In case a foreign Supplier is awarded the Contract, and if some incidental services named in SCC are required to be performed by the foreign Supplier in the People's Republic of China, all taxes in connection with the execution of those incidental services levied by the Chinese Government on the foreign Supplier in accordance with the tax laws in effect and the agreement (if such an agreement may exist), named in SCC, shall be borne by the foreign Supplier.

36.3 All taxes arising outside of the People's Republic of China in connection with the execution of this Contract shall be borne by the Supplier.

37. Effectiveness of the Contract and Miscellaneous

37.1 The Contract shall become effective after its signing by both parties and upon the Purchaser's receipt of performance security from the Supplier.

37.2 It is the responsibility of the Supplier to arrange export license(s), if required for the Goods covered by this Contract from his own country at his own expense.

37.3 Following Annexes under this Contract shall form an integral part of this Contract and

shall have the same force as the Contract itself:

Annex 1 - The Scope of Supply and Itemized Price

Annex 2 - Technical Specifications

Annex 3 - Shipping Lots and Delivery Time

Annex 4 - Performance Security (Format as per Form III-2)

Annex 5 - Letter of Guarantee for Advance Payment (Format as per Form III-3)

Annex 6 - Letter of Credit (Format as per Form III-4)

Chapter III Contract Form

Form III-1 Form of Contract Agreement

CONTRACT AGREEMENT

THIS AGREEMENT made the _____ day of _____ 20 _____ between

(*name of the Purchaser*) of (*country of the Purchaser*)(hereinafter called "the Purchaser") of the one part and (*name of the Supplier*) of (*city and country/area of the Supplier*) (hereinafter called "the Supplier") of the other part:

WHEREAS the Purchaser invited bids for certain goods and ancillary services, viz., (*brief description of goods and services*) and has accepted a bid by the Supplier for the supply of those goods and services in the sum of (*contract price in words and figures*) (hereinafter called "the Contract Price").

NOW THIS AGREEMENT WITNESSED AS FOLLOWS:

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract referred to.
2. The following documents shall be deemed to form and be read and construed as part of this Agreement, viz.,:
 - 1) The General Conditions of Contract;
 - 2) The Special Conditions of Contract;
 - 3) Annexes to the Contract:

Annex 1 - The Scope of Supply and Itemized Price Annex 2
- Technical Specifications

Annex 3 - Shipping Lots and Delivery Time

Annex 4 - Performance Security (Format as per Form III-2)

Annex 5 - Letter of Guarantee for Advance Payment (Format as per Form III-3)

Annex 6 - Letter of Credit (Format as per Form III-4)

- 4) The Purchaser's Notification of Award.
3. In consideration of the payments to be made by the Purchaser to the Supplier as hereinafter mentioned, the Supplier hereby covenants with the Purchaser to provide the goods and services and to remedy defects therein in conformity in all respects with the provisions of the Contract.
4. The Purchaser hereby covenants to pay the Supplier in consideration of the provision of the goods and services and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the contract at the times and in the manner prescribed by the contract.

IN WITNESS whereof the parties hereto have caused this Agreement the day and year first above written.

SIGNED BY

Name of representative of

Name of representative of

the Purchaser

the Supplier

Signature of representative of

the Purchaser

The Purchaser

Signature of representative of

the Supplier

The Supplier

Form III-2 Form for Performance Security

Performance Security

Issuing Date: _____

To: (name of the Purchaser)

Performance Security of Contract No.

This Guarantee is hereby issued to serve as the performance security of (name of the

Supplier) (hereinafter called the "Supplier"), for Contract No. _____ dated _____

between you and the Supplier for supply of _____ for _____ Project
(hereinafter call the "Project").

The (name of bank) (hereinafter called the "Bank") hereby unconditionally and irrevocably guarantees and binds itself, its successors and assigns to pay you, without recourse, up to the total amount of (currency used in the Contract) representing ten percent (10%) of the Contract Price in (name of currency) and accordingly covenants and agrees as follows:

- (1) On the Supplier's failure of the faithful performance of all the Contract Documents, agreed modifications, amendments, additions and alternations thereto that may hereinafter be made including replacement and/or making good of defective Goods (hereinafter called the "failure of performance") and determined by you and notwithstanding any objection by the Supplier, the Bank shall immediately, on your demand in a written notification stating the failure of performance by the Supplier, pay you such amount or amounts as required by you not exceeding the aggregate total as stated above in the manner specified in the said notification.
- (2) Any payment hereunder shall be made free and clear of and without deduction for or on account of any present or future taxes, duties, charges, fees, deductions or withholding of any nature whatsoever and by whoever imposed.
- (3) The covenants herein contained constitute an unconditional and irrevocable direct obligation of the Bank. No alteration in the terms of the Contract to be performed thereunder and no allowance of time by you or any other act or omission by you which but for this provision might exonerate or discharge the Bank shall in any way release the Bank from any liability hereunder.

(4) This guarantee shall remain valid and in full force and effect until the expiration of the warranty period specified in the Terms and Conditions of Contract.

Very truly yours,

Issuing Bank:

Signed by: _____

(Printed name and designation of officials authorized to sign on behalf of issuing bank)

Signature: _____

Official Seal: _____

Form III-3 Bank Guarantee Form for Advance Payment

Bank Guarantee for Advance Payment

To: (name of the Purchaser)

(name of the Contract)

Gentlemen and/or Ladies:

In accordance with the provision of Clause 20 of the Terms and Conditions of Contract, (name and address of the Supplier) (hereinafter called "the Supplier") shall deposit with the Purchaser a bank guarantee to guarantee its proper and faithful performance under the said Clause of the Contract in an amount of (amount of guarantee in figures and words).

We, (name of bank), as instructed by the Supplier, agree unconditionally and irrevocably to guarantee as primary obligator and not as surety merely, the payment to the Purchaser on its first demand without whatsoever right of objection on our part and without its first claim to the Supplier, in the amount not exceeding (amount of guarantee in figures and words).

We further agree that no change or addition to or other modification of the terms of the Contract to be performed thereunder or of any of the Contract Documents which may be made between the Purchaser and the Supplier, shall in any way release us from any liability under this guarantee, and we hereby waive notice of any such change, addition, or modification.

This guarantee expires 30 days after the last contractual delivery date.

Yours truly,

Name and Position of Guarantors: _____

Signature and seal of Guarantors: _____

Name of Bank: _____

Address: _____

Form III-4 Other Specimen

Form 4.1 Open-Package Receipt for Qualified Delivery (Specimen)

OPEN-PACKAGE RECEIPT FOR QUALIFIED DELIVERY

Name of Project:

Contract No.:

Date:

This is to certify that the following goods received by the authorized representative of the End- user on date of, and packaging intact.

Item No.	Name of Good	Qty	Set	Unit price	Total price	remarks
----------	--------------	-----	-----	------------	-------------	---------

All above-listed equipment meet with the requirement of the contract with good external conditions, upon checking the opened package.

Authorized Representative of the Purchaser

(Signature and Seals)

And

Authorized Representative of the Supplier

(Signature and Seals)

Form 4.2 Commissioning Acceptance certificate (Specimen)

The Purchaser hereby confirms that all Contract Equipment, the price of which is totally RMB, meet the requirements of the Contract (Contract No.:), have been properly installed and put into operation. All the training and services under the Contract have been performed as well, which could meet the requirements of Contract. Thus, the Supplier has fulfilled all the contractual obligations except for obligations within the warranty period.

No.	Name of the Equipment	Model	Quantity	Date of Acceptance	Date of End of Warranty Period

Date:

Place:

For and on behalf of
The Purchaser

For and on behalf of
The Supplier

.....

.....

Form 4.3 Final Acceptance Certificate (Specimen)

The Purchaser hereby confirms that all Contract Equipment, the price of which is totally RMB, meet the requirements of the Contract (Contract No.:), have been properly installed and put into operation. The project has passed the completion acceptance. Therefore all contractual obligations of the Supplier except for the remaining warranty have been fulfilled.

No.	Name of the Equipment	Model	Quantity	Warranty Period Expiration Date

Date:

Place:

For and on behalf of
The Purchaser

For and on behalf of
The Supplier

.....

.....

Chapter IV Formats of Bids

Form IV-1 Bid Form

Bid Form

Date: _____

To: *(name of Tendering Agent)*

In compliance with your IFB No. _____ for *(Goods to be supplied)* for the

Project, the undersigned representative *(full name and title)* duly authorized to act in the name and for the account of the Bidder *(name and address of the Bidder)* hereby submit the following in one original and copies: _____

1. Summary Sheet for Bid Opening;
2. Bid Schedule of Prices;
3. Brief Descriptions of the Goods;
4. Responsiveness/Deviation Form for Technical Specifications;
5. Responsiveness/Deviation Form for Commercial Terms
6. All other documents required in response to Instructions To Bidders and Technical Specifications;
7. Qualification Documents;
8. Bid Security in the amount of _____ issued by *(name of issuing bank)*.

By this letter, the undersigned representative hereby declares and agrees:

1. That the Total Bid Price for the supply and delivery of the Goods specified in the attached

Bid Schedule of Prices is (specify currency or currencies), that is (in words).

2. That the Bidder will take full responsibility for performance of the Contract in accordance with all provisions of the Bidding Documents.
3. That the Bidder has examined in detail all the documents including amendments (if any) and all information furnished for reference as well as relevant attachments and that he is perfectly aware that he must renounce all right of invoking ambiguities or misunderstandings in this respect.
4. That his bid is valid for a period of calendar days from the date of bid opening.
5. That, pursuant to ITB Clause 15.7, its Bid Security may be forfeited.
6. That, pursuant to ITB Clause 2, he declares that, he is not associated with a firm or any its affiliates which have been engaged by the Tendering Agent/the Purchaser to provide consulting services for this Project, and we are not a dependent agency of the Purchaser.
7. That he agrees to furnish any other data or information pertinent to its Bid that might be requested by (the Tendering Agent) and that he understands that you are nor bound to accept the lowest or any bid you may receive.
8. That all official correspondence pertinent to this bid shall be addressed to:

Address:

Fax:

Telephone:

E-mail:

Name of representative:

Name of the Bidder:

Official Seal:

9. That he agrees to furnish any other data or information pertinent to its Bid that might be requested by (*the Tendering Agent*) and that he understands that you are nor bound to accept the lowest or any bid you may receive.

10. That all official correspondence pertinent to this bid shall be addressed to:

Address:

Fax:

Telephone:

E-mail:

Name of representative:

Name of the Bidder:

Official Seal:

Signature of Bidder: _____

Note: This Summary Sheet for Bid Opening shall be not only bound up in the bid, but also submitted separately in a sealed envelope together with the Bid Security according to ITB Clause 18.1.

Form IV-3 Bid Schedules of Prices

Form IV-3-1 Bid Schedule of Prices

(Goods Offered from within the Customs territory of PRC)

Name of Bidder: _____ IFB No.: _____ Package No.: _____

Item	Name of Goods	Model/ Specification	Quantity	Country of Origin and Name of Manufacturer	Unit Price (specify loading place)	Total Price	Cost for Insurance and Inland Transportation to the Final Destination
1.	the Basic Machine and Standard Accessories						
2.	Spare Parts						
3.	Special Tools						
4.	Installation, Commissioning, Inspection						
5.	Training						

6.	Technical Services						
7.	Others						
						Total	

Signature of Bidder:

Note 1: In case of discrepancy between unit price and total, the unit price shall prevail.

Note 2: A bid without itemized prices required shall be considered as non-responsive.

Form IV-3-2 Bid Schedule of Prices

(Goods Offered Outside the Customs territory of PRC)

Name of Bidder: _____ IFB No: _____ Package No.: _____

Item	Name of Goods	Model/ Specification	Quantity	Country of Origin and Name of Manufacturer	Unit Price DAP Purchaser's Project Site	Total DAP Price	Cost for Insurance and Inland Transportation to the Final Destination
1.	the Basic Machine and Standard Accessories						
2.	Spare Parts						

3.	Special Tools						
4.	Installation, Commissioning, inspection						
5.	Training						
6.	Technical Services						
7.	Others						
						Total	

Signature of Bidder: _____

Note 1: In case of discrepancy between unit price and total, the unit price shall prevail.

Note 2: A bid without itemized price required shall be considered as non-responsive.

Form IV-4 Brief Description of the Goods

Brief Description of the Goods

Name of Bidder: _____ IFB No.: _____ Package No.: _____

Item No.	Name of Goods	Main Specifications	Quantity	Time of Delivery	Port of Shipment	Port of Destination

Signature of Bidder: _____

Note: Detailed technical performance of each item of goods shall be described separately.

--	--	--	--	--	--	--

Signature of Bidder: _____

Note: The Bidder shall complete an item-by-item commentary on the Technical Specifications of the bidding document demonstrating substantial responsiveness of the goods and services to those specifications, and a statement of deviations and exceptions to the provisions of the Technical Specifications. Particularly, to those specifications with specific parameters, the bidder shall furnish specific parameter value of offered goods.

Signature of Bidder: _____

Form IV-7 Form of Bid Security

Bid Security

Issuing Date: _____

To: (Name of Tendering Agent)

This Guarantee is hereby issued to serve as a Bid Security of (name of Bidder) (hereinafter call as the "bidder") for Invitation for Bid IFB No. _____ for supply of (name of Goods) to (name of Tendering Agent).

(name of issuing bank) hereby unconditionally and irrevocably guarantees and binds itself, its successors and assigns to pay you immediately without recourse, the sum of (currency and figure in words) upon receipt of your written notification stating any of the following:

- 1). The Bidder has withdrawn his bid after the time and date of the bid opening and before the expiration of its validity period; or
- 2). The Bidder has failed to enter into Contract with you within thirty (30) calendar days after the receipt of Notification of Award; or
- 3). The Bidder has failed to establish acceptable Performance Security within thirty (30) calendar days after receipt of the Notification of Award;
- 4) The Bidder has failed to pay the service charge for bidding within fifteen (15) days after effectiveness of contract in accordance with the stipulation in the bidding document, after receipt of the Notification of Award.

It is fully understood that this guarantee takes effect from the date of the bid opening and shall remain valid for a period of _____ calendar days thereafter, and during the period of any extension thereof that may be agreed upon between you and the Bidder with notice to us, unless sooner terminated and or released by you.

Issuing Bank: _____

Signed by: _____

(Printed name and designation of officials authorized to sign on behalf of issuing bank)

Signature: _____

Official Seal: _____

Form IV-8 Form of Power of Attorney

Power of Attorney

KNOW ALL MEN by these presents that the undersigned (name) (title) of (firm) in charge to represent and act on behalf of the said company, whose registered address is _____ do hereby appoint (name) (title) of (firm), whose signature appears below to be true and lawful attorney, and authorize the said attorney to execute all the necessary matters related thereto, in the name and on behalf of the said company in connection with the Contract _____ of _____ Project.

In witness thereof, we have hereto set out respective hands this _____ day (month and year)

Signature of Person in Charge: _____

Signature of Attorney: _____

Witnessed by: _____

Name and Title of Witness: _____

Name of Firm of Witness: _____

Address of Witness: _____

Form IV-9 Qualification Documents

Qualification Documents

Instructions to Applicants

- (1) The applicants who are manufacturers shall fill out and submit Forms IV-9-1, Form IV-9-2 and Form IV-9-5 specified hereafter as well as other information concerned. The applicants who are Trading Companies (or Agent) shall fill out and submit all the Forms specified hereafter and other information concerned.
- (2) Positive answers should be given to all questions and/or information required in the attached Forms.
- (3) The signatory of the qualification information shall guarantee the truth and accuracy of all Statements and all answers to questions made therein.
- (4) The qualification information submitted by the applicants shall be used by the Bid Evaluation Committee in determining, according to the judgment and discretion of the Purchaser, the eligibility and competence of the Bidders to perform the contract.
- (5) Documents submitted by the applicants will be treated as confidential but will not be returned.
- (6) All qualification documents shall be made out in the Language in one original and number of copies as defined in Bid Data Sheet.

Form-IV-9-1 Statement Concerning Qualification

To: (name of Tenderer or Tendering Agent)

Statement Concerning Qualification

Dear Sirs,

In connection with your Invitation for Bid IFB No. _____ dated _____, the undersigned would like to participate in the bid for supply of (Item No. and name of Goods) which are specified in the Schedule of Requirements and submit the following documents and certified that all statements are true and correct.

- (1) Letter of Authority issued by (name of Manufacturer) for supply of (Item No. and name of Goods) to the effect that we are authorized to represent and bind the said manufacturer in one original and _____ copies *(when the Bidder is a trading company acting as an agent)*.
- (2) Ours and the manufacturer's Qualification Statement, each in one original and _____ copies.
- (3) A certificate in which the undersigned certifies that the statements made in the Qualification Documents are true and correct, together with a Letter of Reference from our Bank (name of bank).

Name and Address of Bidder (Manufacturer or Trading Company)	Person Authorized to Sign This Qualification Documents
Name: _____	Printed Name and Designation of Person _____
Address: _____	Signature: _____
Fax No.: _____	Telephone No.: _____
Postcode: _____	

Form-IV-9-2 Manufacturer's Qualification Statement

Manufacturer's Qualification Statement

(1) Name and Other Information:

(a) Name of Manufacturer _____

(b) Address of Head Office _____

Telex/Fax/Telephone No. _____

(c) Date Established and/or Registered _____

(d) Paid-Up Capital _____

(e) Latest Balance Sheet (as of) _____

(i) Fixed Assets _____

(ii) Current Assets _____

(iii) Long Term Liabilities _____

(iv) Current Liabilities _____

(v) Net Worth _____

(f) Name of Principal Officer (Optional) _____

(g) Name and Address of the manufacturer's representatives in the PRC, if
any _____

(2) Facilities and other information for the manufacturer of the Goods Proposed:

(a) Facilities and other information for the manufacturer of the Goods of the proposal

Name and Location of Factory	Items being Produced	Annual Production Capacity	Number of Employees
---------------------------------	-------------------------	-------------------------------	---------------------

(b) Component parts which shall not be made by the principal manufacturer but shall be secured from other manufacturers

Name and Address of Manufacturer	Items
_____	_____
_____	_____

(3) Experience (number of years) of the Manufacturer in the Production of the Goods Proposed (including project owner, rated capacity, date of initial commercial operation, etc.)

(4) Name and Address of Domestic and Foreign Firms to Whom the Goods Have Been Mainly Sold in the Last Three Years.

(a) Export Sales

Name and Address	Item Sold
_____	_____

(b) Domestic Sales

Name and Address	Item Sold
_____	_____

(5) Yearly Total Volume of Business for the Last Three Years:

Year (currency)	Domestic (currency)	Export (currency)	Total
--------------------	---------------------	-------------------	-------

(6) Name and Address of Supplier of Easily Worn-out Parts:

Name of Parts	Supplier's Address
_____	_____
_____	_____

(7) The Goods proposed in the Bid previously Supplied to China directly or Through Trading Companies in the Last Three Years, if any:

Contract No.	_____	_____	_____
Signature Date	_____	_____	_____
Item Name	_____	_____	_____
Quantity	_____	_____	_____
Contract Amount	_____	_____	_____

(8) Name and Address of Bank Reference: _____

(9) Corporate Group to Which manufacturer Belongs, if any: _____

(10) Other Information: _____

We hereby certify to the best of our knowledge that the foregoing statements are true and correct, that all available information and data have been supplied herein, and that we agree to show you documentary proof thereof upon your request.

Name and Position of
Authorized Representative _____
Signature of Authorized
Representative _____
Fax Number _____

Telephone Number _____

E-mail _____

Date _____

Form-IV-9-3 Trading Company's or Agent's Qualification

Statement

Trading Company's or Agent's Qualification Statement

(1) Name and Other Information:

(a) Name of Trading Company _____

(b) Address of Head Office _____

Telex/Fax/Telephone No. _____

(c) Date Established and/or Registered _____

(d) Paid-Up Capital _____

(e) Latest Balance Sheet (as of) _____

(i) Fixed Assets _____

(ii) Current Assets _____

(iii) Long Term Liabilities _____

(iv) Current Liabilities _____

(v) Net Worth _____

(f) Name of Principal Officer (Optional) _____

(g) Name and address of the Trading Company's representatives in PRC, if any

(2) Yearly Total Volume of Business for the Last Three years:

Year	Domestic	Export	Total
_____	_____	_____	_____
_____	_____	_____	_____

(3) Name and Address of Domestic and Foreign Firms to Whom the Goods have Been Mainly Sold in the Last Three Years:

(a) Export Sales

Name and Address

Item Sold

(b) Domestic Sales

Name and Address

Item Sold

(4) Manufacturers Who Have Agreed with the Trading Company to Manufacture the Goods
(attach manufacturer's qualification statements):

Name and Address of Manufacturers

(5) Component Parts of the Goods Proposed to be Supplied and Manufactured by Other
Manufacturers, if any:

Items to be manufactured

Names and Address of Manufacturers

(6) Goods Previously Sold to Chinese Business Corporations in the Last Three years, if any

Contract No. _____

Signature Date _____

Item Name _____

Quantity_____

Contract Amount_____

(7) Name and Address of Bank Reference:

(8) Corporate Group to Which other Manufacturer(s) belongs, if any:_____

(9) Other Information: _____

We hereby certify to the best of our knowledge that the foregoing statements are true and correct, that all available information and data have been supplied, and that we agree to show you documentary proof thereof upon your request.

Name and Position of

Authorized Representative_____

Signature of Authorized

Representative_____

Fax Number_____

Telephone Number_____

E-mail_____

Date_____

Form-IV-9-4 Letter of Authority from Manufacturer

Letter of Authority from Manufacturer

To: (name of the Tendering Agent)

We (name of the Manufacturer), a manufacturer duly organized under the laws of (name of country) and having its principle place of business at (address of Manufacturer), hereby make, constitute and appoint (name of Trading Company), a company duly organized under the laws of (name of Eligible Source Country) and having its principle place of business at (address of Trading Company), to be our true and lawful attorney in fact to do the following:

- (1) To represent and bind us in the People's Republic of China for the Tendering Agent's Invitation for Bid (IFB) No. _____ for supply of the Goods proposed in the bid which we manufacture or produce.
- (2) That, as a manufacturer, we bind ourselves as co-maker of the bid and are jointly and severally responsible for the compliance of the said bid.
- (3) That we hereby give and grant to the said (name of Trading Company) full power and authority to do and perform all and every act and thing whatsoever, requisite, necessary and proper to be done in the premises, as fully, to all intents and purposes as we might or could do, with full power of substitution and revocation, hereby ratifying and confirming all that (name of Trading Company) or its duly authorized representative shall lawfully do, or cause to be done by virtue hereof.

IN TESTIMONY WHEREOF We have hereto signed this document on _____. Accepted on _____.

Name of Trading Company

Name of Issuing Manufacturer

Position of duly authorized representative

Position of duly authorized representative

Name of duly authorized representative

Name of duly authorized representative

Signature of duly authorized representative Signature of duly authorized representative

Form-IV-9-5 Certificate

9-5. Certificate

The undersigned hereby certifies that the statement made in the Qualification Documents and in the required forms are true and correct.

The undersigned hereby authorizes and requests any bank to furnish any pertinent information requested by the Tendering Agent / Purchaser deemed necessary to verify this statement or regarding my (our) competence and general reputation. In support of this application, attached is a letter of reference from (name of Applicant's Bank).

The undersigned understands that further qualifying information may be requested and agrees to furnish any such information at the request of the Purchaser.

Name and Address of Manufacturer
Or Trading Company

Name _____

Address _____

Fax No. _____

Postcode _____

Signature and Designation of Person

Authorized to Sign this
Qualification Documents

Printed Name and Designation

Signature _____

Telephone No. _____

Chapter V Invitation for Bids (IFB)

Loan No.: 19CN01

Bidding No.: 0733-20090166

1. The People's Republic of China has received the loan from the New Development Bank toward the cost of New Development Bank Funded Zhejiang Green Urban Infrastructure Development Project—Shengzhou City Urban and Rural Water Supply and Drainage Integration Project (Phase II) and it intends to apply part of the proceeds of this loan to payments under the contract for Procurement of Equipment and Goods for Changle Water Treatment Plant. Bidding is open to eligible bidders from member countries of NDB.

2. CITIC International Tendering Co., Ltd. (hereinafter referred to as "Tendering Agent"), authorized by Shengzhou Water Group Co., Ltd. (hereinafter referred to as "Purchaser"), now invites sealed Bid from all eligible and qualified Bidders for the following Works. The capital source of this project is loan of New Development Bank:

Contract No.	SZ-CW-1
Contract Name	Procurement of Equipment and Goods for Changle Water Treatment Plant
Source of fund	New Development Bank
Main Types of Goods	This contract intends to procure processing equipment, electrical equipment and related services like assembling (installation), optimizing the drawings, and be responsible for guide for the installation on site; Be responsible for overall process procedures includes goods supply of automatic control equipment and instrumentation, optimizing the installation drawings and installation; single machine commissioning, project commissioning, test-run, withdrawn, acceptance etc.
Period of	The condition of equipment supply shall be met within 3 months

Delivery	upon the signing of contract. The Supplier shall respond to cooperate with the installation for Civil Works at first, and the responded time shall not exceed one month.
Construction Period	Within 18 months upon the effectiveness of contract, the Supplier shall complete the supply, process integration and commissioning for all the equipment, which shall meet the conditions for project acceptance.
Warranty Period	The warranty period of goods/equipment should be twenty-four (24) months after qualified acceptance and issuing commissioning acceptance certificate.

3. Bidding will be conducted through the Open Competitive Bidding procedures. The bidding is open to all eligible bidders in accordance with Chinese relevant bidding laws and regulations and the Procurement Policy of New Development Bank.

4. Interested eligible bidders may obtain further information from the contact information listed as below and inspect the Bidding Documents from April 21, 2020 to May 19, 2020, 9:00am~16:00pm.

5. The attention of prospective Bidders is drawn to the eligibility and conflict of interest provisions under Clause 2.9 of ITB DATA SHEET of the Bidding Documents. All Bidders found to have a conflict of interest shall be disqualified.

6. Bidders shall meet the following qualification requirements; detailed information is provided in the Bidding Documents:

Qualification Requirements	
Establishment	The Bidder shall furnish copy of valid business license to demonstrate it has established for no less than five (5) years.
Size of Operation	The bidder shall demonstrate their minimum average annual turnover of CNY 42 million within the last THREE (3) years (2016-2018).
Experience Requirement	Successful completion as main Supplier within the last five years (2015.1.1 till bid submission date) years, of at least one

Qualification Requirements	
	<p>(1) similar contract with each valued at not less than RMB 16 million with nature, and complexity similar to this contract (similarity refers to: goods supply contract for water treatment plant or waste water treatment plant with treatment volume of no less than 30,000 ton/day, and the contract shall contain supply, installation and commissioning experience on automatic control system and other equipment for water treatment plant or waste water treatment plant).</p> <p>To demonstrate the above contract experience, the bidder shall provide contract (main pages) and acceptance report with furnishing the Purchaser's name, position, phone number, fax, address and email for Purchaser's further check (otherwise the contract experience will not be accepted)</p>
Financial Situation	<p>Soundness of the Bidder's financial position showing long-term profitability demonstrated through audited annual financial statements (balance sheet, income statement) for the last three years (2016-2018). As a minimum, a Bidder's net worth calculated as the difference between total assets and total liabilities for each of the three years should be positive.</p>
Cash Flow Capacity	<p>Availability of or access to liquid assets¹, lines of credit, and other finances sufficient to meet any possible cash flow requirement which may arise during the execution of the contract shall not be less than: RMB 10 million.</p>
Credibility	<p>The Bidder shall provide the bank reference letter issued within three (3) months prior to the time of bid opening in original or its copy.</p>
Personnel	<p>The Bidder shall demonstrate that it has the following key</p>

¹ Liquid Assets mean cash and cash equivalents, short-term financial instruments, short term available-for-sale-securities, marketable securities, trade receivables, short-term financing receivables and other assets that can be converted into cash within one year.

Qualification Requirements

personnel who could meet the following requirements:

SN	Position	Similar engineering working experience (years)	Qualification Certificate Requirement
1	Project Manager	5 years or above	First Class Constructor in Mechanical and Electrical Engineering
2	Automatic Control Engineer	5 years or above	Engineer
3	Equipment Engineer	3 years or above	Engineer

- ①The project manager shall have undertaken the supply contract for 30,000 ton/day or above of WTP or WWTP, which shall include installation and commissioning.
 - ②The Bidder shall provide the social security payment document for proposed key personnel within the latest 1 month from the date of bid submission.
 - ③The Bidder shall provide the copies of contracts and Employer's certification documents indicate the proposed key personnel to demonstrate that the personnel could meet the above requirements. The related supporting documents shall be stamped with Bidder's official seal.
- Note: the requirement of qualification certificate on Project Manager is only applicable for domestic bidders.

Other Requirement

(1) At the time of proposal submission and before contract award:

Qualification Requirements	
	<p>① the bidder shall not be listed in www.creditchina.gov.cn as “Discredit Entity Subject to Enforcement for Default” and shall not be listed in “National Enterprise Credit Information Publicity System” as “Discredit Enterprises with Serious Law Violation Practice”;</p> <p>② the bidder shall not be declared as ineligible by New Development Bank membership country;</p> <p>③ the bidder shall not be declared as ineligible by New Development Bank.</p> <p>(2) Joint Venture is not accepted for this project.</p> <p>(3) In case of main goods manufactured by others, Bidders shall provide the original letter of authorization issued by the manufacturer to prove they have been formally authorized by the goods manufacturer (please see Clause *13.3 of Chapter VI, Bidding Documents for more details).</p>

7. Bids must be delivered to the address below at or before **09:30 a.m. May 20, 2020**. Late bids will be rejected. Bids will be opened in the presence of the bidders’ representatives who choose to attend in person at the address below at **May 20, 2020**. All bids must be accompanied by a bid security of CNY 400,000 as specified in the bidding documents.

8. The Notice of Invitation for Bids for this project shall be published on www.chinabidding.com, www.chinabidding.com.cn, www.ndb.int/projects/project-procurement, www.cebpservice.com, www.szzj.gov.cn/col/col1529991/index.html and www.zjpubservice.com.

9. Any questions or complaints regarding the bidding process or contract award should be sent in writing to the Employer at e-mail account ndbzjszpmo@sina.com. Bidders are free to send copies of their communications on issues and questions to the institution named in the BDS at e-mail account lusha.zhuang@ndb.in. When the Employer does not respond promptly, or the communication is a complaint against the Employer, the bidders can also write to such institution directly.

10. Obtaining Bidding Document:

All interested bidders could take the following procedures (any one of them) from **April 21, 2020 to May 19, 2020** (on working days) from 9:00am~11:30am and 1:00pm~17:00pm to obtain the bidding document:

(1) Online Method:

①Using the bidder's valid CA digital certificate on Shaogxing Public Resources Trading Centre Shengzhou Sub-centre (Shengzhou Public Resources Trading Centre) to log in "Shengzhou Public Resources Digital Trading System" (via www.szzj.gov.cn/col/col1529991/index.html), download the bidding document from this IFB. For potential bidders who do not have the CA digital certificate, it shall process the registration procedure in Shaogxing Public Resources Trading Centre Shengzhou Sub-centre (Shengzhou Public Resources Trading Centre)(www.szzj.gov.cn/col/col1529991/index.html) to obtain a CA digital certificate first;

②Using the bidder's bank account to transfer the complete bidding document fee of CNY 1500/set (non-refundable after transfer). Please indicate the brief name of the project contract and bidding No. when transferring. The Bidding Documents will be sent promptly via courier. No liability will be accepted for loss or late delivery.

(2) Offline Method:

Prospective bidders can also purchase the bidding documents in person at Tendering Agent's address (4/F, No.17th Unit, Su Yuan, Beijing Friendship Hotel, No.1, South Zhongguancun Street, Haidian District, Beijing.) by bringing Power of Attorney or Authorization Letter of Legal Representative (indicating the ID Number of Authorized Person) issued by the Bidder and the ID card.

Note:

1. In case the bidder's adopting online method, it must use its CA digital certificate log in to "Shengzhou Public Resources Digital Trading System" (www.szzj.gov.cn/col/col1529991/index.html), and download the bidding document from the designated website to complete the registration procedure. Bidders shall follow the above procedure by using the CA digital certificate for registration.

2. No matter which method (online or offline) the bidder adopts, please contact the Tendering Agent to obtain the paper bidding documents by transferring CNY 1,500 or

make the payment at the time of submitting the bid.

11. The Employer and the Tendering Agent will not be responsible for any costs or expenses incurred by bidders in connection with the preparation or delivery of bids.

Bid Opening: Bids will be opened immediately after deadline for bid submission, at **09:30 a.m. on May 20, 2020 (Beijing time)**, in the presence of Bidders' designated representatives and anyone who choose to attend.

Address for Submission of Bidding Documents: Bid Opening Hall, Shaogxing Public Resources Trading Centre Shengzhou Sub-centre (Shengzhou Public Resources Trading Centre) (address: 3/F North Tower, International Convention Centre, 699 South Guanhe Road, Shengzhou City).

Address for Bid Opening: Bid Opening Hall, Shaogxing Public Resources Trading Centre Shengzhou Sub-centre (Shengzhou Public Resources Trading Centre) (address: 3/F North Tower, International Convention Centre, 699 South Guanhe Road, Shengzhou City).

Contact Information:

The Tenderee: Shengzhou Water Group Co., Ltd.

Address: 74 Yashi Road, Shengzhou City, Zhejiang Province

Attention: Mr. QIU

Tel: 0575-83290180

Fax: 0575-83292154

E-mail: ndbzjszpmo@sina.com

The Tendering Agent: CITIC International Tendering Co., Ltd.

Address: 4/F, No.17th Unit, Su Yuan, Beijing Friendship Hotel, No.1, South Zhongguancun Street, Haidian District, Beijing.

Attention: Ms. ZHANG Yue & Ms. LI Yitang

Tel: 010-68732196

Fax: 010-68940233

E-mail: zhangy@biddingcitic.com, liyt@biddingcitic.com

Account No.: 7110210182600030709

Name of account: CITIC International Tendering Co., Ltd.

Bank name: China CITIC Bank, Beijing Capital Mansion Sub-branch

Chapter VI ITB DATA SHEET

The ITB Data Sheet concerning goods and services to be purchased for this project is the complement and modification for ITB of Chapter I; if there is any discrepancy, the ITB Data Sheet shall govern; In case of clauses that are not involved in this data sheet, the ITB of Bidding Document Volume One shall still prevail.

Clause Ref.	1. Instruction
1.1	<p>Name of the Tenderee: Shengzhou Water Group Co., Ltd.</p> <p>Address: 74 Yashi Road, Shengzhou City, Zhejiang Province</p> <p>Tel: 0575-83290180</p> <p>Fax: 0575-83292154</p> <p>Contact: Mr. QIU</p>
1.2	<p>Name of the Tendering Agent: CITIC International Tendering Co., Ltd.</p> <p>Address: 4/F, No.17th Unit, Su Yuan, Beijing Friendship Hotel, No.1, South Zhongguancun Street, Haidian District, Beijing, 100873, China</p> <p>Tel: 010-68946709, 68732196</p> <p>Fax: 010-68940233</p> <p>Contact: Ms ZHANG Yue, Ms. LI Yitang</p>
1.3	<p>Project Overview:</p> <p>1. Project Name: New Development Bank Funded Zhejiang Green Urban Infrastructure Development Project—Shengzhou City Urban and Rural Water Supply and Drainage Integration Project (Phase II) Procurement of Equipment and Goods for Changle Water Treatment Plant</p> <p>2. Project Site: Southwest Nanshan Lake Resort Hotel, Changle Water Treatment Plant</p> <p>3. Procurement Content:</p> <p>This contract intends to procure processing equipment, electrical equipment and related services like assembling (installation), optimizing the drawings, and be</p>

	responsible for guide for the installation on site; Be responsible for overall process procedures includes goods supply of automatic control equipment and instrumentation, optimizing the installation drawings and installation; single machine commissioning, project commissioning, test-run, withdrawn, acceptance etc.								
*2.1	Bidders shall purchase the bidding documents from CITIC International Tendering Co., Ltd. and shall be in compliance with the relevant provisions of New Development Bank Procurement Policy.								
*2.2	<p>This Invitation for Bids is open to all eligible bidders from member countries of New Development Bank. Eligible bidders must meet the following requirements:</p> <table border="1"> <tr> <td>Establishment</td> <td>The Bidder shall furnish copy of valid business license to demonstrate it has established for no less than five (5) years.</td> </tr> <tr> <td>Size of Operation</td> <td>The bidder shall demonstrate their minimum average annual turnover of CNY 42 million within the last THREE (3) years (2016-2018).</td> </tr> <tr> <td>Experience Requirement</td> <td> <p>Successful completion as main Supplier within the last five years (2015.1.1 till bid submission date) years, of at least one (1) similar contract with each valued at not less than RMB 16 million with nature, and complexity similar to this contract (similarity refers to: goods supply contract for water treatment plant or waste water treatment plant with treatment volume of no less than 30,000 ton/day, and the contract shall contain supply, installation and commissioning experience on automatic control system and other equipment for water treatment plant or waste water treatment plant).</p> <p>To demonstrate the above contract experience, the bidder shall provide contract (main pages) and acceptance report with furnishing the Purchaser's name, position, phone number, fax, address and email for Purchaser's further check (otherwise the contract experience will not be accepted)</p> </td> </tr> <tr> <td>Financial Situation</td> <td>Soundness of the Bidder's financial position showing long-term profitability demonstrated through audited annual financial statements (balance sheet, income statement) for the last three years (2016-2018). As a minimum, a Bidder's net worth calculated as the difference between total assets and total liabilities for each of the three years should be positive.</td> </tr> </table>	Establishment	The Bidder shall furnish copy of valid business license to demonstrate it has established for no less than five (5) years.	Size of Operation	The bidder shall demonstrate their minimum average annual turnover of CNY 42 million within the last THREE (3) years (2016-2018).	Experience Requirement	<p>Successful completion as main Supplier within the last five years (2015.1.1 till bid submission date) years, of at least one (1) similar contract with each valued at not less than RMB 16 million with nature, and complexity similar to this contract (similarity refers to: goods supply contract for water treatment plant or waste water treatment plant with treatment volume of no less than 30,000 ton/day, and the contract shall contain supply, installation and commissioning experience on automatic control system and other equipment for water treatment plant or waste water treatment plant).</p> <p>To demonstrate the above contract experience, the bidder shall provide contract (main pages) and acceptance report with furnishing the Purchaser's name, position, phone number, fax, address and email for Purchaser's further check (otherwise the contract experience will not be accepted)</p>	Financial Situation	Soundness of the Bidder's financial position showing long-term profitability demonstrated through audited annual financial statements (balance sheet, income statement) for the last three years (2016-2018). As a minimum, a Bidder's net worth calculated as the difference between total assets and total liabilities for each of the three years should be positive.
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Cash Flow Capacity	Availability of or access to liquid assets ² , lines of credit, and other finances sufficient to meet any possible cash flow requirement which may arise during the execution of the contract shall not be less than: RMB 10 million.																
Credibility	The Bidder shall provide the bank reference letter issued within three (3) months prior to the time of bid opening in original or its copy.																
Personnel	<p>The Bidder shall demonstrate that it has the following key personnel who could meet the following requirements:</p> <table border="1" data-bbox="584 707 1423 1373"> <thead> <tr> <th data-bbox="584 707 676 880">SN</th> <th data-bbox="676 707 927 880">Position</th> <th data-bbox="927 707 1182 880">Similar engineering working experience (years)</th> <th data-bbox="1182 707 1423 880">Qualification Certificate Requirement</th> </tr> </thead> <tbody> <tr> <td data-bbox="584 880 676 1128">1</td> <td data-bbox="676 880 927 1128">Project Manager</td> <td data-bbox="927 880 1182 1128">5 years or above</td> <td data-bbox="1182 880 1423 1128">First Class Constructor in Mechanical and Electrical Engineering</td> </tr> <tr> <td data-bbox="584 1128 676 1252">2</td> <td data-bbox="676 1128 927 1252">Automatic Control Engineer</td> <td data-bbox="927 1128 1182 1252">5 years or above</td> <td data-bbox="1182 1128 1423 1252">Engineer</td> </tr> <tr> <td data-bbox="584 1252 676 1373">3</td> <td data-bbox="676 1252 927 1373">Equipment Engineer</td> <td data-bbox="927 1252 1182 1373">3 years or above</td> <td data-bbox="1182 1252 1423 1373">Engineer</td> </tr> </tbody> </table> <p>①The project manager shall have undertaken the supply contract for 30,000 ton/day or above of WTP or WWTP, which shall include installation and commissioning.</p> <p>②The Bidder shall provide the social security payment document for proposed key personnel within the latest 1 month from the date of bid submission.</p> <p>③The Bidder shall provide the copies of contracts and Employer's certification documents indicate the proposed key personnel to</p>	SN	Position	Similar engineering working experience (years)	Qualification Certificate Requirement	1	Project Manager	5 years or above	First Class Constructor in Mechanical and Electrical Engineering	2	Automatic Control Engineer	5 years or above	Engineer	3	Equipment Engineer	3 years or above	Engineer
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	1	Project Manager	5 years or above	First Class Constructor in Mechanical and Electrical Engineering													
	2	Automatic Control Engineer	5 years or above	Engineer													
	3	Equipment Engineer	3 years or above	Engineer													

² Liquid Assets mean cash and cash equivalents, short-term financial instruments, short term available-for-sale-securities, marketable securities, trade receivables, short-term financing receivables and other assets that can be converted into cash within one year.

		<p>demonstrate that the personnel could meet the above requirements. The related supporting documents shall be stamped with Bidder's official seal.</p> <p>Note: the requirement of qualification certificate on Project Manager is only applicable for domestic bidders.</p> <p>(1) At the time of proposal submission and before contract award:</p> <p>①the bidder shall not be listed in www.creditchina.gov.cn as "Discredit Entity Subject to Enforcement for Default" and shall not be listed in "National Enterprise Credit Information Publicity System" as "Discredit Enterprises with Serious Law Violation Practice";</p> <p>②the bidder shall not be declared as ineligible by New Development Bank membership country;</p> <p>③the bidder shall not be declared as ineligible by New Development Bank.</p> <p>(2) Joint Venture is not accepted for this project.</p> <p>(3) In case of main goods manufactured by others, Bidders shall provide the original letter of authorization issued by the manufacturer to prove they have been formally authorized by the goods manufacturer (please see Clause *13.3 of Chapter VI, Bidding Documents for more details).</p>
2.8	Not Applicable.	
Add: 2.9	<p>A Bidder shall not have a conflict of interest. All Bidders found to have a conflict of interest shall be disqualified. A Bidder may be considered to have a conflict of interest with one or more parties in this Bidding process, if, but not limited to:</p> <p>(a) they have a controlling partner or controlling shareholders in common; or</p> <p>(b) they receive or have received any direct or indirect subsidy from any of them; or</p> <p>(c) they have the same legal representative for purposes of this Bid; or</p> <p>(d) they have a relationship with each other, directly or through common third parties, that puts them in a position to have access to information about or influence on the Bid of another Bidder, or influence the decisions of the Employer regarding this Bidding process; or</p>	

	<p>(e) a Bidder participates in more than one Bid in this Bidding process. Participation by a Bidder in more than one Bid will result in the disqualification of all Bids in which the party is involved. However, this does not limit the inclusion of the same subcontractor, not otherwise participating as a Bidder, in more than one Bid; or</p> <p>(f) a Bidder or any of its affiliates participated as a consultant in the preparation of the design or technical specifications of the contract that is the subject of the Bid; or</p> <p>(g) a Bidder, or any of its affiliates has been hired, or is proposed to be hired, by the Employer as Project Supervisor for the contract.</p>
Add: 2.10	Government-owned enterprises in China shall be eligible only if they can establish that they (i) are legally and financially autonomous, (ii) operate under commercial law, and (iii) are not a dependent agency of the Employer.
3.1	<p>The term "Goods" in this bidding document refers to products to guarantee the process integration and treatment effects, including mechanical equipment, electrical equipment, transportation, electronic products, electrical appliances, instruments and meters, metal products and materials, as well as their necessary equipment, materials, software, accessories, components, spare parts, consumable materials, special tools, installation accessories and special preformed and embedded parts etc. The bidder must respond to the scope of supply for Part I and Part II in Chapter VIII of bidding documents explicitly.</p> <p>The term "Accompanying Service" in this document refers to the services to be provided by bidder along with the goods, including but not limited to: Data submission, Guide drawing design, Design liaison, Cooperation of factory supervision, Cooperation of the acceptance, Unloading and Handover, Installation instructions, Programming and configuration of automatic control system, Cooperation for debugging, System commissioning, Operation Support, Quality Guarantee and After-sale Service, Training etc. which are necessary to achieve the designed operational indicators and requirements. The bidder must respond to Accompanying Service for goods as required in the bidding documents explicitly.</p>
3.2	All goods and related services to be supplied under the contract must conform to the relevant regulations for eligible goods and services exported to the PRC, and the same as the items listed in the bidding document. It is the responsibility of the Bidder to arrange export license(s), if required for the goods and services covered by this contract.

*3.4	All the goods and related services to be supplied under the contract must be from the member countries of New Development Bank.
2. Bidding Document	
5.2	The Bidding Document is written in Chinese.
5.3	In the event of any discrepancy or contrary between Chapter I and Chapter VI of the Bidding Documents, unless otherwise specified, Chapter VI shall govern.
5.4	The bid document will be rejected as non-responsive, if it is found that the content in the Technical Specifications of the bid does not conform to the fact or it is a false bid.
Add: 5.5	In the event of any discrepancy between different parts of the bidding document, unless otherwise specified by CITIC International Tendering Co., Ltd., the Bid Data Sheet shall govern.
Add: 5.6	The bidding document shall be purchased from CITIC International Tendering Co., Ltd. or Shengzhou Public Resources Trading Centre. Bids made by copying the bidding document will be rejected.
Add: 5.7	A bid with its responses to the technical specifications inconsistent with the facts or a fraudulent bid will be rejected
Add: 5.8	The bid will be rejected if the bidder copies the relevant part of technical specifications in the bidding document as a part of its bid.
6.1	<p>A prospective Bidder requesting clarification for the bidding documents shall notify the Tendering Agent in writing no later than sixteen (16) days prior to the deadline for bid submission prescribed in the Invitation For Bids, and the request for clarification shall be entirely made at a time. For any request for clarification not meeting the above requirements, the Tendering Agent will not respond.</p> <p>The contact information for the Tendering Agent and the Tenderee is as follows:</p> <p>The Employer: Shengzhou Water Group Co., Ltd.</p> <p>Address: 74 Yashi Road, Shengzhou City, Zhejiang Province</p> <p>Zip Code: 3124000</p> <p>Attention: Mr. QIU</p>

	<p>Tel: 0575-83290180</p> <p>Fax: 0575-83292154</p> <p>E-mail: ndbzjszpmo@sina.com</p> <p>The Tendering Agent: CITIC International Tendering Co., Ltd.</p> <p>Address: 4/F, No.17th Unit, Su Yuan, Beijing Friendship Hotel, No.1, South Zhongguancun Street, Haidian District, Beijing.</p> <p>Zip Code: 100873</p> <p>Attention: Ms. ZHANG Yue & Ms. LI Yitang</p> <p>Tel: 010-68732196</p> <p>Fax: 010-68940233</p> <p>E-mail: zhangy@Biddingcitic.com, liyt@Biddingcitic.com</p>
7	<p>A prospective Bidder who has purchased the bidding documents requiring any query (including any clarification and amendment of the Bidding Documents) of the Bidding Documents may notify the Tenderee/ the Tendering Agent no later than ten (10) days prior to the deadline for the submission of bids. The Tenderee/the Tendering Agent will response to the query within three (3) days after receiving the query.</p>
<p>3. Preparation of Bids</p>	
*8	<p>Language: The bid prepared by the Bidder shall be in Chinese. For all correspondence and documents between the bidder and the Tenderee and Tendering Agent could be in Chinese or English. In case using the English, it shall furnish Chinese translation as well. In the event of any discrepancy between the Chinese and English, the Chinese shall prevail.</p>
9.1	<p>1) Add: The Summary Sheet for Bid Opening to be separately submitted shall be written in Chinese.</p> <p>3) Add: The documentary evidence of the Goods' and Services' eligibility shall also include a statement testifying that the bidder can obtain the ability to supply the spare parts of the goods and after-sales services in accordance with the bids.</p>
10.3	<p>Each bidder can only submit one bid. Bidders can submit its Bids by mail or in person.</p>

11.4	Selective bid, unbalanced bid price or bid price with additional conditions shall not be accepted under this bidding project; otherwise the bid evaluation committee will reject the bid.
*11.5	The ceiling price of this bid is RMB 21,050,000.00 Yuan. The total bid price of the bidder shall not exceed this ceiling price; otherwise the bid will be rejected.
*11.6.1	<p>For Goods within PRC:</p> <ol style="list-style-type: none"> 1. The unit and total price of equipment and other technical materials shall be quoted EXW (Ex-Works) (including project site uploading fee); 2. The price for domestic transportation, insurance, and other local costs accompanying to delivery of the goods to their final destination. 3. The price of other technical documentation fees and accompanying service fees. <p>Note: The Bidder shall be responsible for the loading and unloading charges of all equipment and materials, fees and charges for on-site stacking, store, on-site rehandling, changing or refunding for unqualified equipment or goods as required by the Tenderee, and all the fees or charges shall be indicated in the bids. If not listed separately, these fees will be seen as already included in the bid price, and any fees arising from this shall not be paid by the Purchaser separately.</p>
*11.6.2	<p>For goods outside PRC:</p> <ol style="list-style-type: none"> 1. The unit and total price of equipment and other technical materials shall be quoted the Purchaser's Site (including unloading fees). 2. The price of other technical documentation fees and accompanying service fees. <p>Note: The Bidder shall be responsible for the loading and unloading charges of all equipment and materials, fees and charges for on-site stacking, store, on-site rehandling, changing or refunding for unqualified equipment or goods as required by the Tenderee, and all the fees or charges shall be indicated in the bids. If not listed separately, these fees will be seen as already included in the bid price, and any fees arising from this shall not be paid by the Purchaser separately.</p>
11.9	Prices quoted by the Bidder shall be fixed during the Bidder's performance of the contract and not subject to variation on any account. A bid submitted with an adjustable price quotation will be treated as substantially non-responsive and will be rejected.

*12.1 & 12.2	All the bid prices shall be quoted in the currency of RMB.
13.1	The bidder in the form of a joint venture is not acceptable for this bidding project.
*13.3	<p>1) If the main goods provided by the bidder in accordance with the contract (see Chapter VIII technical part of the bidding document for details) are not manufactured by the bidder itself, the bidder shall obtain the goods manufacturer's consent to provide the official power of attorney (see form IV-9-4) for the goods in this bid, "power of attorney issued by the manufacturer" shall be the original.</p> <p>For the main equipment including but not limited to the following contents, the manufacturer's authorization and manufacturer's Qualification Statement must be provided:</p> <ol style="list-style-type: none"> 1. Horizontal centrifugal pump, 2. Pneumatic valve, 3. Electric valve, 4. Manual valve, 5. Roots blower, 6. Air compressor, 7. Plate and frame high pressure diaphragm filter press, 8. Flow regulating and pressure regulating valve, 9. Other dosing systems (PAC, potassium permanganate, stone ash). <p>2) The Bidder shall provide the audited financial statements for past three years (2016-2018) to demonstrate soundness of the Bidder's financial position showing long-term profitability. As a minimum, the Bidder:</p> <ol style="list-style-type: none"> ① Bidder's net worth calculated as the difference between total assets and total liabilities for each of the three years (2016-2018) should be positive. ② The Bidder shall demonstrate their minimum average annual turnover of CNY 42 million within the last THREE (3) years (2016-2018). ③ Availability of or access to liquid assets , lines of credit, and other finances sufficient to

	<p>meet any possible cash flow requirement which may arise during the execution of the contract shall not be less than: RMB 1 million.</p> <p>3) To demonstrate it's contract experience could meet the related requirements on Clause *2.2, Chapter VI of Bidding Documents, the Bidder shall provide contract (main pages) and acceptance report with furnishing the Purchaser's name, position, phone number, fax, address and email for Purchaser's further check (otherwise the contract experience will not be accepted).</p> <p>4)</p> <p>①A power of attorney which is duly authorized to certify the authorized representative has obtain authorization for necessary matters from the legal representative for this project.</p> <p>②The copy of valid Business License to demonstrate it could meet the related requirements on Clause *2.2, Chapter VI of Bidding Documents.</p>
14.3	<p>* (4) Supporting technical document format: supporting technical documents must be printed literature publicly issued by the manufacturer of the supplied goods, or inspection report issued by an inspection institution. In case of any contradiction between printed literature and inspection report, the inspection report shall govern. If the literature or report fail to respond to the technical parameters marked with asterisk (“*”) in bidding documents, the bidder shall provide further clarification and relevant commitment documents; the commitment documents must be stamped with common seal of the bidders or manufacturers.</p>
*15.1	<p>Amount of Bid Security: RMB 400,000.00 Yuan</p>
*15.3	<p>Form of Bid Security: telegraphic transfer or bank guarantee</p> <p>Validity of Bid Security: The Bid security shall be valid for twenty-eight days (28) beyond the original validity period of the Bid.</p> <p><u>In case of telegraphic transfer:</u> The Bid security shall be received by 4:00 p.m., April 18, 2020 (Beijing Time). The time for Bid security transfer is subject to the time of bank's receipt. The Bid shall be rejected as nonresponsive if the bank does not receive the Bid security in time out of the Bidder's own fault;</p> <p>The copy of remittance or transfer document shall be sealed and submitted together with the Bid (both in the original and copies). The Bid security shall be transferred via the Bidder's basic account to any one of the following accounts, indicating the project</p>

	<p>name and the permit of opening account shall be furnished in the Bid as well:</p> <p>Account name: Shengzhou Public Resources Trading Centre</p> <p>Bank: Shaoxing Bank Co., Ltd. Shengzhou Branch</p> <p>Account No.: 0934001115527200020</p> <p><u>In case of bank guarantee:</u> it shall be in the format provided in Form of Bid Security (Bank Guarantee), Section IV of the Bidding Document. The original bank guarantee shall be sealed in a separate envelop and submitted together with the Bid. The copy of the bank guarantee shall be furnished in the copies of Bid as well. The bank guarantee shall be issued by a commercial bank at sub-branch or above level in China.</p>
*16.1	<p>Date of Bid Opening: 09:30 a.m. (Beijing Time), May 20, 2020.</p> <p>Period of Validity of bids: 120 days after the date of bid opening</p>
17.1	<p>In addition to <u>ONE original</u> of the Bid, <u>FIVE copies</u> of Bid shall be furnished.</p> <p>In addition, the USB flash disk of electronic Bid Documents, including both editable electronic copy (which shall include the priced schedules in the form of MS Excel) and the scanned copy of Bid in the form of PDF shall be submitted. Bidder's full name and contract No. should be marked on the outside of the USB flash disk.</p> <p>The Bid shall be bound in adhesive and glue.</p> <p>The USB flash disk shall be enclosed and sealed in an envelope with the original Bid.</p>
17.2	<p>The original bid shall be typed or written in indelible ink with adhesive binding and shall be signed by the legal representative of the Bidder or duly authorized representative. The authorization shall be indicated by written power of attorney accompanying the bid. Except the printed literature without any modification, all pages of the bid shall be initialed by the legal representative or authorized representative signing the bid. The copies of the bid documents could be duplicated by the original one. In case of any modification, it shall be initialed by the authorized representative.</p>
Add:17.4	Any bid in form of telegraph, telex or fax will be rejected.
4. Submission of Bids	
18.1	The Bidders shall seal the original and each copy of the bid separately in double-layer envelopes, duly marking the envelopes as "ORIGINAL" and "COPY."

	For the convenience of Bid Opening, the Bidder is also required to submit the Summary Sheet for Bid Opening, together with the Bid Security, in a separate envelope and duly marking the envelope as “Summary Sheet for Bid Opening” or “Bid Security”.
18.2	<p>The inner and outer envelopes shall:</p> <p>(1) Be addressed at the following address:</p> <p style="padding-left: 40px;">Bid Opening Hall, Shaogxing Public Resources Trading Centre Shengzhou Sub-centre (Shengzhou Public Resources Trading Centre)</p> <p>(2) Bear the Project Name, Bid No.:</p> <p style="padding-left: 40px;">Project Name: New Development Bank Funded Zhejiang Green Urban Infrastructure Development Project—Shengzhou City Urban and Rural Water Supply and Drainage Integration Project (Phase II) Procurement of Equipment and Goods for Changle Water Treatment Plant.</p> <p style="padding-left: 40px;">Bid No: 0733-20090166</p> <p style="padding-left: 40px;">and the words <u>“DO NOT OPEN BEFORE 09: 30 am, XX XX, 2020 (Beijing Time) ”</u></p> <p style="padding-left: 40px;">Name of Bidder (with common seal stamped)</p> <p>*Note: The Bidder shall ensure the consistency of the marking on the outer packing of the bid with the contents of the bid inside.</p>
*19.1	<p>The deadline for submission of bids is: 09: 30 am, May 20, 2020 (Beijing Time) .</p> <p>Bids shall be submitted to the Tendering Agent at the following address:</p> <p style="padding-left: 40px;">Bid Opening Hall, Shaogxing Public Resources Trading Centre Shengzhou Sub-centre (Shengzhou Public Resources Trading Centre)</p>
5. Opening and Evaluation of Bids	
22.1	<p>Date of Bid Opening: May 20, 2020 (Beijing Time) .</p> <p>Time: 09: 30 am (Beijing Time)</p> <p>Address of Bid Opening: Bid Opening Hall, Shaogxing Public Resources Trading Centre Shengzhou Sub-centre (Shengzhou Public Resources Trading Centre)</p>
23.1	Bid Evaluation Method: The Lowest Evaluated Bid Price Method
24.5	The bidder must furnish all the original documentary evidences as required in the

	<p>bidding documents one-off; otherwise, the documents will not be recognized during bid evaluation.</p>
24.5.1	<p>The bid will be rejected, if it is found having any of the following during commercial evaluation:</p> <p>(1) The Bidder or the Manufacturer has conflict of interest with the Tenderer and such relationship may affect the fairness of the bidding;</p> <p>(2) The Bidder has participated in consulting service at the preliminary stage of the project or preparing the bidding document;</p> <p>(3) Different bidders have the same person in charge or have relationship of share-holding or management;</p> <p>(4) The bid is not signed in compliance with the requirements of the bidding document;</p> <p>(5) The Bid Form or Qualification Documents are not submitted or not in compliance with the requirements of the relevant provisions of PRC or the bidding document;</p> <p>(6) The same bidder submits two or more alternative total bid prices;</p> <p>(7) The bidder is not accompanied with a bid security, or, in the case the submitted bid security with insufficient amount, or with shorter validity than required, or not conforming to the requirements of the bidding document in its form and issuing bank;</p> <p>(8) The bid does not meet the requirement of key commercial clauses with the mark of asterisk () in the bidding document;</p> <p>(9) The bid price is higher than the permitted ceiling price in the bidding document;</p> <p>(10) The bid validity offered by the Bidder is shorter than that stipulated in the bidding document;</p> <p>(11) The bidder has illegal behavior of collusive bid or false or bribery etc.;</p> <p>(12) The bid violates, in commercial aspects, other clauses stipulated in the bidding document.</p>
*24.5.2	<p>The bid will be rejected as non-responsive, if it is found having any of the following during technical evaluation:</p> <p>(1) The bid does not meet the key parameters with the mark of asterisk (★) in the Chapter VIII Technical Specifications of the bidding document, or the supporting technical documents for key parameters with the mark of asterisk (★) do not meet the</p>

	<p>requirements as stipulated in Clause 14.3.</p> <p>(2) Under the single equipment item, the number of the clauses (the stipulation with the minimum serial number is deemed as one clause) deviated from the general clauses in the Technical Specifications of the Bidding Documents amounts to or exceeds 5 (including 5). For all equipment, the number of the clauses (the stipulation with the minimum serial number is deemed as one clause) deviated from the general clauses in the Technical Specifications of the Bidding Documents amounts to or exceeds 10 (including 10).</p> <p>(3)The content in the Technical Specifications of the bid does not conform to the fact or it is a false bid.</p> <p>(4)The Bidder has copied relevant part of Technical Specifications in the bidding document as a part of its bid.</p> <p>(5)The bid does not meet, in technical aspects, other clauses stipulated in the bidding document.</p>
26.2	<p>Modified as: For goods offered outside P. R, China, the Evaluated Bid Price shall be: DAP the Purchaser's Site (including the unloading fee);</p> <p>For goods offered from within P. R, China, the Evaluated Bid Price shall be: EXW Price (including the unloading fee) plus the inland transportation and insurance expenses.</p> <p>Note: The Bidder shall be responsible for the loading and unloading charges of all equipment and materials, fees and charges for on-site stacking, store, on-site rehandling, changing or refunding for unqualified equipment or goods as required by the Tenderee, and all the fees or charges shall be indicated in the bids. If not listed separately, these fees will be seen as already included in the bid price, and any fees arising from this shall not be paid by the Purchaser separately.</p>
26.3	<p>Add: 9) The Bid Evaluation Committee reserves the right to estimate the costs of products and services that fail to be included in the bid due to negligence. Such costs shall adopt the highest among the equivalent costs quoted by other responsive bids and will be added to the bid price in question.</p> <p>Add: 10) The bids determined by the Bid Evaluation Committee as malicious competition or deliberate incomplete price quotation will be rejected. (If the prices quoted for the installation materials are apparently lower than the average of the market price in the current month, it will be considered as malicious competition and</p>

	will lead to bid rejection.
26.4.1	<p>Project Site: Southwest Nanshan Lake Resort Hotel, Changle Water Treatment Plant</p> <p>Bidders should provide the number of goods packages, estimated dimensions of each package and the shipping weight.</p>
26.4.2	<p>Time of delivery:</p> <p>The condition of equipment supply shall be met within 3 months upon the signing of contract. The Supplier shall respond to cooperate with the installation for Civil Works at first, and the responded time shall not exceed one month.</p> <p>Requirement of Engineering Period:</p> <p>Within 18 months upon the effectiveness of contract, the Supplier shall complete the supply, process integration and commissioning for all the equipment, which shall meet the conditions for project acceptance.</p> <p><u>ONE PERCENT (1%) of the total bid price shall be added for each week of delay.</u> <u>Days delayed less than a week will be considered as a week.</u></p>
26.4.3	<p>Payment Terms:</p> <p>For equipment and related services:</p> <p>1) Advance payment: 10% of the contract price;</p> <p>2) ① Payment after delivery: 50% of the contract price (provide Open-Package Receipt for Qualified Delivery);</p> <p>② Payment for final acceptance: 37.5% of the contract price (provide Commissioning Acceptance certificate);</p> <p>3): remaining 2.5% as warranty money (provide Final Acceptance Certificate).</p> <p>Note:</p> <p>1. The performance bond in the amount of 5% of the total contract price shall be provided within 30 days after the contract comes into force and before the bid security is returned, with the validity till 60 days after the end of the Warranty Period.</p> <p>2. The advance payment bond in the amount of 10% of the total contract price shall be provided within 30 days after the contract comes into force, with the validity till 30 days after the date of the bill of lading (for imported goods) or the date of arrival at the project site (for goods supplied within China) of the last batch of goods supplied.</p> <p>Formats of the performance bond and the advance payment bond can be found in the annexes in Chapter III.</p>

26.4.4	<p>List of spare parts:</p> <p>Unless otherwise stipulated in the Technical Specifications, the itemized prices and total price of the spare parts and special tools to be supplied in accordance with the technical specifications, which are sufficient for two (2) years normal operation for all the equipment after the acceptance, should be indicated in the Bid Schedule of Prices and should be included in the total Bid Price in Summary Sheet for Bid Opening.</p> <p>The prices of the spare parts and special tools should be quoted item by item in accordance with and on the basis of but not limited to the list given in the Bidding Documents. The bidder should add necessary items according to the actual needs of the equipment it offers. If the spare parts and special tools listed in the bid are considered by the Bid Evaluation Committee not sufficient for two (2) years normal operation for all the equipment, the highest price quoted by other bidders for the equivalent item(s) shall be added to the bid price in question. Bidders should list sufficient spare parts and special tools on a reasonable basis. The bids determined by the Bid Evaluation Committee as malicious competition or deliberate incomplete price quotation will be rejected.</p>
26.4.5	<p>Spare parts and aftersales service facilities in the PRC:</p> <p>But the bidder must guarantee timely services, supply of major accessories and normal operation of the equipment. The bidder should, on the basis of each single equipment item, list the standard clauses of aftersales services to be provided by the manufacturers.</p>
26.4.6	<p>Estimated operating and maintenance costs: Not Applicable.</p>
26.4.7	<p>Performance and productivity of the equipment: as per the technical part of the Bidding Documents.</p> <p>Methods of price adjustment:</p> <ol style="list-style-type: none"> 1. The bidders should examine/read all instructions, forms, terms and specifications in the Bidding Documents and make item-by-item / clause-by-clause comparisons, and shall indicate item-by-item / clause-by-clause whether or not they can meet the requirements and terms set out in the Bidding Documents according to their own commercial capability and technical level. Failure to meet any of the key clauses (or major parameters) in the Bidding Documents, which are marked with

	<p>asterisk (★), will result in the rejection of its bid. The response to any of the key clauses (or major parameters) in the Bidding Documents, which are marked with asterisk (★), must be accompanied by the relevant supporting technical documents in the bid and will be evaluated by the Bid Evaluation Committee. Failure to submit the supporting technical documents will not be accepted in bid evaluation.</p> <p>2. The clauses that are not marked with asterisk (★) are regular clauses. The bid with five or more negative deviations from the regular clauses under a single equipment type or with ten or more negative deviations from the regular clauses in the entire bid shall be rejected.</p> <p>The bid with less than five (not including five) negative deviations from the regular clauses under a single equipment type or with less than ten (not including ten) negative deviations from the regular clauses in the entire bid will be regarded as a qualified bid. In this case, during the bid evaluation, the deviation from each regular technical clause will lead to an addition of zero point two five percent (0.25%) of the sub-total price of this equipment type to the total bid price. The accumulated price addition for a single equipment type due to deviation shall not exceed one percent (1%) of the sub-total price of this equipment type.</p>
26.4.8	Alternative Bid and Other Additional Factors and Criteria: Not Applicable.
26.5	Only one bidder will be recommended as the candidate for contract award in this bid.
27	Not applicable.
28.1	After completion of the bid evaluation, the result of the evaluation will be publicly displayed on the tendering website for a period of 3 days. If no objection is raised to the displayed result of the bid evaluation, the result will automatically take effect and the contract award result will be announced upon completion of the public display period.
28.2	If a bidder has any objection to the bid evaluation result, the objection shall be raised to the Tenderer or the Tendering Agent within the public display period, and the content of the objection shall be uploaded to the tendering website. After receiving the objection, the Tenderer or the Tendering Agent shall respond within 3 days.

Award of Contract

34	<p>The successful bidder shall, within thirty (30) days from the date of Notification of Award's issuance, conclude a formal written contract in accordance with the Bidding Documents as well as the bid documents submitted by the successful bidder. The successful bidder shall not sign any agreements against the substantial content of the contract.</p> <p>The Tenderee reserves the right of increasing or decreasing quantity of goods and services when awarding the "Contract".</p>
35.1	<p>Thirty (30) days after the contract comes into force, the successful bidder shall furnish the performance security in accordance with the Special Conditions of Contract in the format of Performance Security provided in the Bidding Documents (See Chapter III Form III-2). The performance security should be in the amount of five percent (5%) of the total contract price and remain valid till 60 days after the end of the Warranty Period.</p>
36	<p>Not Applicable.</p>

Chapter VII SPECIAL CONDITIONS OF CONTRACT

Details of the goods and service to be procured in this format are specific supplements and modifications to the General Conditions of Contract in Bidding Documents Chapter II. In case of any contradiction between them, the Special Conditions of Contract shall govern. The clauses not involved in this format are still governed by corresponding clauses of Bidding Documents Chapter II.

This format is a part of Bidding Documents, bidders must be responsive to the clauses marked with asterisk (“*”) with commitment letter or certification documents, otherwise the bids will be rejected.

Clause Ref.	Contents
1.1	<p>Purchaser: Shengzhou Water Group Co., Ltd..</p> <p>Address: No.74 Yashi Road, Shengzhou, Shaoxing, Zhejiang Province, China</p> <p>Tel: +86 575 83290180</p> <p>Fax: +86 575 83292154</p> <p>Email: ndbzjszpmo@sina.com</p> <p>Contact: Mr. Qiu</p> <p>Supplier:</p> <p>Address:</p> <p>Fax:</p> <p>Tel:</p> <p>Post Code:</p> <p>Project Site: project site in Changle Sewage Factory Shengzhou.</p>
1.1	<p>10) “Project Site” means installation site of contract equipment, i.e. Changle Sewage Factory, Nanshan Lake Holiday Hotel South-Western, Changle County, Shengzhou.</p> <p>Add:</p> <p>"Technical Documentation" means all the technical indexes, drawings, designs and other documents relating to calculation, inspection, Erection, Test Run, Commissioning, Performance Test, operation and maintenance of the Contract Project</p>

	<p>as stipulated in the bidding documents.</p> <p>"Technical Training" means the technical training to be rendered by the Supplier to the Purchaser with respect to the design, erection, inspection, adjustment, operation, maintenance and other work of the Contract Project as stipulated in Section 8 Part 2.</p> <p>"Test-Run" refers to the loaded running operated by the staff of Supplier in a certain period for achieving contract requirements under conditions of design and product after accomplishment of single commissioning and joint commissioning.</p> <p>"Operation support" refers to technical services as the operation guidance, discipline writing, report making, emergency-solving solution of equipment and system provided by engineers or skilled workers of Supplier organization for guaranteeing smooth transition of construction and production, strengthening operation capability of production and operation staff, improving project operation system, exposing the possible problems in the initial systematic operation and correcting in time after the goods and system's test running passed the inspection.</p> <p>The Bidder wins the Bid, and will become the Supplier of corresponding contract under this project after signing the contract with the Tenderer and the effectiveness of the contract.</p>
<p>5.4</p>	<p>1. During the performance of the Contract and within ten (10) years after the termination of this Contract, either party is obliged to take proper measures to keep the Know-how and related Technical Documentation strictly confidential from any third party except those who are engaged in the performance of the Contract. However, they are subject to the same confidential obligation.</p> <p>2. Either party shall keep confidential the trade secret, which it and/or its technical personnel may obtain or be accessible to in the course of performing the Contract and shall not make use of or disclose such information without prior written consent given by the other party.</p> <p>The trade secret above mentioned refers to the operational information and technical information which is practicable, unknown to the public, capable to bring economic benefits to the disclosing party and for which appropriate protection measures have been taken by the disclosing party for keeping it in secrecy.</p> <p>3. The confidential obligation shall not apply to the information which:</p> <p>(a) now or hereafter enters the public domain;</p>

	<p>(b) can be proved to have been in the possession of either party at the time of disclosure and which was not previously obtained, directly or indirectly, from the other party hereto;</p> <p>(c) lawfully becomes available to either party from a third party under no obligation of confidentiality;</p> <p>(d) is required to be disclosed by law or law enforcement.</p>
7.1	Performance security: 5% (ten percent) of total Contract price
7.3	<p>Within thirty (30) days of the Letter of Acceptance after send out, the Supplier shall furnish the performance security in amount of 5% of the contract value in accordance with the Performance Security Form (see Section 3 Form III-2) of this Contract and remain valid till 60 days after the end of the Warranty Period of the contract goods and services.</p> <p>The Supplier, who fails to submit the Performance Security and the Commitment Letter of Quality Warranty Responsibilities as stipulated by the contract within the above period, will be deemed to abandon the implementation of the contract for breach of Contract. In this case, the Purchaser may unconditionally terminate this Contract by written notice of default sent to the Supplier, and the Bid Security submitted by the Supplier will not be refunded as a default, the Purchaser is entitled to continue lodging claims against the Supplier in case the amount of Bid Security is not enough for the losses of the Purchaser</p>
7.4	The Purchaser shall return the remaining Performance Security with all equipment and services of contract to the Supplier without interest within 30 days.
8.9	<p>1. The Supplier shall carry out design, selection of materials, manufacture and inspection of the Contract Equipment in accordance with the mandatory standards and/or codes of PRC (if any) and any other standards and codes agreed by the parties, which are specified in Section 8 of bidding documents.</p> <p>2. The Supplier shall give full considerations to the opinions put forward by the Purchaser, and shall take necessary measures at its own costs and expenses to eliminate the defect or discrepancy, if any; thus a second inspection shall be conducted by the Supplier at its own costs and expenses.</p> <p>3. The pre-delivery inspection shall not substitute the inspection of the Contract Equipment at the Port of Unloading and/or the Project Site and shall not release the</p>

	<p>Supplier from its guarantee/warranty obligations as further specified in the Contract.</p> <p>4. During the project implementation, the Purchaser has the right to ensure quality and supply period of the goods and services by factory supervision, factory acceptance, open-package inspection, final acceptance, etc. The Supplier shall cooperate with the procedures above and pay the relevant expenses. In the event that the Supplier fails to pass the acceptance, corresponding punishments would be taken.</p> <p>(Specified in Part-2 of Section 8)</p>
13	<p>Delivery time of Contract equipment :</p> <p>Within three (3) months meet the conditions of goods supply after signed contract and response to the works installation of sewage factory at first time, the responded time no later than one (1) month.</p>
16	<p>The scope of this Bid provide following incidental services except goods supply, including, without limitation to, documentation submission, map design, design liaison and design coordination, cooperation for goods production supervision and acceptance, unloading and handover, installation instruction, programming and configuration of automatic-control system, cooperation for commissioning and debugging, test run of system, operation support, warranty and after-sale service, training, etc.</p> <p>Note: All referred relevant fee had been contained in this contract and offered by Supplier so that the fees are not separate meter to take in later production, including the handling of all equipment in this contract, site staking, reservation, second handling in basis on requirements of Purchaser and changing or refunding for the unqualified equipment etc..</p> <p>The Supplier shall undertake corresponding consequences including suspension of contract payment, deducting performance security, claim, if the Supplier could not meet eligible indicators within period in accordance with the Contract.</p> <p>(Incidental services specified in Bidding Documents in Part-2 of Section 8).</p>
17.1	<p>2) In the case of production stop for spare parts, the Supplier should inform the Purchaser of the shutdown plan by written notice so that the Purchaser has sufficient time to purchase the spare parts required.</p>

<p>*17.2</p>	<p>1. Requirement of spare parts and consumables:</p> <p>The Supplier shall make an individual bidding document to explicitly show a list and unit-price of spare parts, special tools and consumables, the costs charge against bid total price; the Supplier shall promise to guarantee enough consumables of goods from the date of open-package inspection to the start of warranty period and assurance of enough spare parts from the date of open-package inspection to the end of warranty period, the Supplier shall offer spare parts, in case that these should be supplemented under normal operation before the end of warranty period, for free within two (2) weeks after receiving notice of the Purchaser.</p> <p>All the spare parts should be interchangeable.</p> <p>The package protection of spare parts should guarantee for its long-term storage and never degenerating and have visible signs.</p> <p>2. Requirement of special tools and instruments, accessories and special preformed and embedded parts:</p> <p>(1) The Supplier shall provide accessories as related mechanical equipment, electrical equipment and control equipment to ensure efficient operation.</p> <p>(2) The Supplier shall provide a set of special maintenance tools. The special tools should be put in matched tool boxes.</p> <p>(3) The Supplier shall provide special preformed and embedded parts to ensure equipment installation.</p>
<p>*18.2</p>	<p>Warranty period:</p> <p>Within twenty-four (24) months from beginning of equipment/goods acceptance and signed qualified certificate of test run (Section 3 Form 4.2). During the time, the Supplier will be responsible for free maintenance and replacement of damaged contract equipment and components under normal operation circumstance. If the defects of the goods and services were founded under this Contract within warranty period, the Supplier shall immediately repair or replace the defective goods at its own cost and risk after receiving the notice of the Purchaser.</p> <p>The goods need for medium maintenance and heavy maintenance or replacement for quality causes before the expiry of the warranty period, the warranty period need to be recalculated after the acceptance of the Purchaser.</p>

	<p>The Purchaser shall present Final Acceptance Certificate after the expiry of the warranty period.</p> <p>During the warranty period, if the goods and systems stop production under this Contract for causes of the Supplier, the warranty period shall be postponed accordingly.</p>
18.4	<p>Maintenance response speed: The Supplier shall arrive on the failure site within forty-eight (48) hours and repair failure within two (2) days by written commitment after receiving the notice. If the Supplier could not promise to repair the failure within the specified time, the Purchaser has the right to dispose and deduct all costs and losses from the performance security, the Supplier should compensate the rest part and shall not raise objection.</p>
18.6	<p>1. The Supplier represents and warrants that it is legitimate owner of all the Contract Equipment. The Contract Equipment is free from any claim of ownership, mortgage, lien, charge or encumbrance of any nature whatsoever raised by the third party.</p> <p>The Supplier warrants that the Contract Plant shall be in safe and stable operation, and manufacture the qualified Contract Products as specified in Bidding Documents of Section 8.</p> <p>2. The Supplier represents and warrants that it is the legitimate owner and/or holder of the licensed Patent and/or Know-how and has the right to grant the license thereof to the Purchaser.</p> <p>The Supplier shall indemnify and hold harmless the Purchaser from and against any infringement claim raised by the third party in connection with the purchase and use of Contract Equipment and/or manufacture and sale of Contract Product in the licensed territory.</p> <p>In case the Purchaser is accused of illegal exploitation or infringement of such Know-how and/or Patent and/or other intellectual property rights, or any infringement claims arising from the purchase and use of the Contract Equipment and/or manufacture and sale of Contract Product within licensed territory, the Purchaser shall give the Supplier a notice and the Supplier shall take up the matter with the third party at its own cost in the Purchaser's name and with the Purchaser's assistance and indemnify the Purchaser for any costs, compensations or damages arising therefrom.</p> <p>If the Purchaser cannot continue to use the Contract Equipment, Know-how and/or Patent, or manufacture and sell Contract Product on account of the forgoing</p>

infringement claims, the Purchaser is entitled to require the Supplier:

- (1) to obtain such right of continuous use for the Purchaser, and/or;
- (2) to revise the relevant part of the Contract Equipment, Know-how and/or Patent in order to avoid the infringement, and/or;
- (3) to substitute the non-infringement part for the infringement part, and/or;
- (4) to withdraw the infringement part from the Scope of the Contract and decrease the Contract Price.

The Supplier could implement the modification and substitution part of the Contract above after the Supplier submit written application to the Purchaser and the approval of the Purchaser.

If the above-mentioned measures cannot sufficiently cover the Purchaser's damage and loss caused by the claims thereof, the Supplier should indemnify the Purchaser to the extent of such damage and loss.

3. The Supplier warrants that the licensed Know-how and/or Patent shall be well developed and industrialized and meet the stipulation in Bidding Documents.

4. The Supplier warrants that the Contract Equipment shall be completely new, advanced in technology and superior in quality, free from any defect in design, material and workmanship, in conformity with relevant technical requirement in Bidding Documents and suitable for the use and purpose under the Contract.

5. The Supplier warrants that the Technical Documentation shall be complete, clear and correct so as to meet the requirements of design, inspection, Erection, Test Run, Commissioning, Performance Test, operation and maintenance of Contract Plant.

The Supplier warrants that the Technical Documentation provided under the Contract is complete and adequate for the Supplier to manufacture the Contract Products.

6. The Supplier warrants that qualified technical personnel shall be dispatched in due time to provide professional, correct and efficient Technical Service and Technical Training.

The Supplier should undertake the default liability if the Supplier's aforementioned statement is not consistent with the fact of the time or the Supplier does not meet

	commitments
*19	<p>1. Quality of goods and supply delivery:</p> <p>If the goods (equipment, spare parts, consumables, special tools and instruments, accessories, preserved embedded parts, data) supplied by the Supplier are not able to pass the factory acceptance, open-package acceptance for quality causes, the Supplier shall replace the goods at their own expenses, or repair faulty goods, or eliminate defects or inconformity with the Contract of contract goods, and marking the contract goods down to the extent of the inferior quality, the Purchaser's damages and loss amount. The delivery period shall be calculated when the faulty goods meet the quality requirements.</p> <p>The Supplier could not provide goods with high quality within required time as stipulated in the Contract except for the Purchasers causes, as for each batch of goods, equivalent RMB to Ten thousand Yuan shall be deducted as compensations from performance security for each day of delivery delay.</p> <p>The Purchaser shall further claims against the Supplier if the performance security can hardly cover the Purchaser losses.</p> <p>2. Incidental service and service period:</p> <p>The Supplier shall provide qualified service period in accordance with stipulation in the Contract, the incidental service include but not limited to documentation submission, map design, design liaison and design coordination, cooperation for goods supervision and acceptance, unloading and handover, installation instruction, programming and configuration of automatic-control system, cooperation for commissioning and debugging, test run of system, operation support, warranty and after-sale service, training, etc.</p> <p>The following conditions shall be deemed as unqualified:</p> <p>The staff, who provide incidental service, do not arrive/ do not replace in time upon Purchaser's notice, incompetent service staff, time of service provided is inconsistent with contract requirement, not completing corresponding technical service within contract period, and service outcome is inconsistent with agreed objective of the Contract.</p> <p>The Supplier shall rectify qualified incidental service at their own expenses, the completion time will be recorded by the Purchaser after the end of each qualified</p>

	<p>incidental service. Compared with the agreed time of the Contract, except for the payment of corresponding delay time, equivalent to RMB Ten thousand Yuan shall be deducted as compensations from performance security for each day of incidental service's delay.</p> <p>The Purchaser shall further claims against the Supplier if the performance security can hardly cover the Purchaser's losses.</p> <p>Duration requirements of incidental service and other requirements are specified in Part-2 of Section 8.</p> <p>3. The claim notice shall be effective if it is issued not later than thirty (30) days from the expiration of the Warranty Period. Nevertheless, the time limit as set forth in this clause shall not apply in case the claim is raised due to the infringement of intellectual property right stipulated in the Contract.</p> <p>4. In case the Supplier fails to reply within fourteen (14) days upon receipt of the Purchaser's claim, the claim shall be regarded as being accepted by the Supplier and agreed to compensate in accordance with notice of claim.</p>
*20.1	<p>Contract price shall be paid as follow:</p> <p><u>For goods and relevant services from abroad (If any):</u></p> <p>1. Payment 10% of the total amount of imported goods and relevant services after submitted below documents:</p> <p>(1) Drawing up one (1) original and one (1) copy as equivalent Advanced Guarantee according to the Form of the bidding document, and expire to arrive and delivery in site for goods.</p> <p>(2) Valuing of Invoice as 10% of the total amount of imported goods and relevant services, one (1) original and four (4) copies.</p> <p>2. Payment 50% of the total amount of imported goods and relevant services after submitted below documents:</p> <p>(1) One (1) original and one (1) copies Export License which had been permitted to export for Supplier from the issued by national authorized agencies in Supplier's country, or One (1) original and one (1) copies certificate of Export License can not be necessary to carried out by Supplier.</p> <p>(2) One (1) original and four (4) copies Ocean Bill of Lading that the full set, clean,</p>

blank letterhead, blank endorsement and note "Freight Paid", notify party of loading port is procurement agent.

(3) One (1) original of insurance policy for 110% of the invoice value covering All Risks plus Other Risk, marked the beneficiary is the Purchaser's Procurement Agent.

(4) One (1) original and four (4) copies of commercial invoice, 50% of the total amount of goods and relevant services and statement single price.

(5) One (1) original and four (4) copies of Packing list including weight and invoice number.

(6) One (1) original and four (4) copies of Quality and Quantity certificate by manufactures.

(7) One (1) original and four (4) copies of testing report by manufactures.

(8) One (1) original and four (4) copies of Certificate of Origin by manufactures and relevant authorized agency from manufacture's country.

(9) One (1) original of certificate letter with ship name of accepted delivered goods and nationality from Purchaser.

(10) One (1) copy fax of Shipping Advice.

(11) If the wooden packing, One (1) original statement approval issued by the the exporting country or region, inspection and quarantine enterprise according to the requirement of the IPPC confirmed quarantine packing which has been used for pesticides and properly indicate the standardization in the outer print IPPC logo and two country code, the specific code on packing material manufacturers are approved by the exporting country or region of the inspection and quarantine organizations, with the IPPC short abbreviations are based on breach of quarantine and marks on the outside of the wooden case detection; Or if the Purchaser agrees to do the non-wooden packing, a statement stating that the non-wooden packing is required.

3. Payment 37.5% of the total amount of imported goods and relevant services after submitted below documents:

(1) One (1) original and four (4) copies of commercial invoice, 10% of the total amount of goods and relevant services.

(2) One (1) original and four (4) copies of testing qualified certificate had been common signed by Purchaser and Supplier.

4. Payment surplus amount after submitted below documents:

(1) One (1) original and four (4) copies of commercial invoice, the surplus amount is equivalent amount.

(2) One (1) copy of Completion Account Report had been auditing by third party.

(3) One (1) original and four (4) copies of Final Acceptance Certificate had been common signed by Purchaser and Supplier, and the Final Acceptance Certificate expire to two (2) years.

Bank charges incurred in China shall be borne by the Purchaser and bank charges incurred outside China shall be borne by the Supplier. The Purchaser shall offer all interest charges that may be incurred in period of the negotiation phase.

For goods and relevant services within China:

1. Payment 10% of the total amount of domestic goods and relevant services after submitted below documents:

(1) Drawing up one (1) original and one (1) copy as equivalent Advanced Guarantee according to the Form of the bidding document, and expire to arrive and delivery in site for goods.

(2) Valuing of Invoice as 10% of the total amount of domestic goods and relevant services, one (1) original and four (4) copies.

2. Payment 50% of the total amount of domestic goods and relevant services after submitted below documents:

(1) One (1) original and one (4) copies of Certificate of Goods Acceptance by Purchaser (Unpacking Acceptance Certificate)

(2) One (1) original and four (4) copies of commercial invoice, 50% of the total amount of goods and relevant services and statement single price.

(3) One (1) original and four (4) copies of Packing list including weight and invoice number.

(4) One (1) original and four (4) copies of Quality and Quantity certificate by manufactures.

(5) One (1) original and four (4) copies of Certificate of Origin by manufactures and relevant authorized agency from manufacture's country.

	<p>3. Payment 37.5% of the total amount of domestic goods and relevant services after submitted below documents:</p> <p>(3) One (1) original and four (4) copies of commercial invoice, 10% of the total amount of goods and relevant services.</p> <p>(4) One (1) original and four (4) copies of testing qualified certificate had been common signed by Purchaser and Supplier.</p> <p>4. Payment surplus amount after submitted below documents:</p> <p>(1) One (1) original and four (4) copies of commercial invoice, the surplus amount is equivalent amount.</p> <p>(2) One (1) copy of Completion Account Report had been auditing by third party.</p> <p>(3) One (1) original and four (4) copies of Final Acceptance Certificate had been common signed by Purchaser and Supplier, and the Final Acceptance Certificate expire to two (2) years.</p>
21.1	<p>1. The total price of Contract Equipment to be supplied by the Supplier as stipulated in Chapter 2 of the present Contract amounts to CNY _____ (say _____ only).</p> <p>2.</p> <p>(1) for imported goods: including relevant technical material fees, other incidental services fees and DAP of insurance fee of final destination (incl. Landing charges).</p> <p>(2) for domestic goods: Price for the delivery of the Contract Equipment CIP Purchaser's Site, including unloading fee, packing for suitable ocean, air and land transportation fee are CNY_____.</p>
22	<p>1. During project implementation, the Purchaser shall rectify supply quantity in terms of documents as design modification, meeting minute of construction drawings joint checkup, meeting minute of design liaison, list of work contacts in case that part goods and services need to be rectified (increased, replaced, canceled). Unit price for equipment adjusted is based on the equipment with same type in Bid price of the Supplier; if no goods with same type in Bid price, the unit price should refer to price of equipment with similar type or set final price by checking the market.</p>

<p>Add 27.2</p>	<p>In the event that the Supplier fails to delivery any or all of the qualified goods and services within 25 days after the scheduled delivery time, the Purchaser may sent written notice to the Supplier or terminate the Contract, in whole or in part, without prejudice to its other remedies,</p>
<p>28.3</p>	<p>1. The performance security (and advanced payment security) will be deducted and the Contract will be terminated, if the Supplier practice fraud or is unable to perform the Contract during the bidding progress after the Contract is signed. 2. Purchaser has the right to ask for replacement, compensation and deduct the performance security (and advanced payment security) until the end of the Contract in case that the equipment is not manufactured by the equipment manufacturer controlled by the Supplier during supervision progress.</p>
<p>30.1</p>	<p>In the event that the conditions occurred as production halts, dissolution, business operation for rectification, business license or practice license is canceled, applying or being applied to reorganized, bankruptcy, major changes in operation or finance, account suspended, involved with significant litigation and arbitration case, legal representative, director, supervisor, main management personnel involved in the case, the Purchaser, by written notice sent to the Supplier, may terminate the Contract without any compensations. Such termination shall not prejudice or affect any other available action or remedy of the Purchaser.</p>
<p>31.3</p>	<p>As terminating the Contract, in whole or in part, the Purchaser may procure, upon such terms and in such manner as it deems appropriate, goods similar to those undelivered, and the Supplier shall be liable to the Purchaser for any excess charges for such similar goods. However, the Supplier shall continue performance of the Contract to the extent not terminated.</p>
<p>32.2</p>	<p>If Supplier is foreign supplier: The arbitration shall take place in Beijing and shall be performed by the China International Economic and Trade Arbitration Commission. If Supplier is domestic supplier: The arbitration shall take place in Shaoxing and shall be performed by the Shaoxing Arbitration Commission.</p>
<p>35.1</p>	<p>Address for Notice: The Purchaser's Address : <u>No.74 Yashi Road, Shengzhou, Shaoxing, Zhejiang</u></p>

	<p><u>Province, China</u></p> <p>The Supplier's Address :</p>
36.4	<p>1. All taxes, customs duties and other dues levied by the Chinese government on the Purchaser in connection with and in the performance of the present Contract according to the tax laws in effect shall be borne by the Purchaser.</p> <p>2. All taxes levied by the Chinese government on the Supplier, in connection with and in the execution of the Contract, according to Chinese tax laws and the agreement between the government of the People's Republic of China and the government of the Supplier's country for the reciprocal avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income shall be borne by the Supplier.</p> <p>3. All taxes, customs duties and other dues arising out of China in connection with and in the performance of the Contract shall be borne by the Supplier.</p> <p>4. All taxes levied by the Government of the People's Republic of China or any of her agencies on the Supplier in connection with performance of this Contract according to "the Individual Income Tax law of the People's Republic of China", "The Enterprises Income Tax Law of the People's Republic of china" and "Income tax law of the People's Republic of china concerning foreign Enterprises" shall be paid by the Supplier.</p>
37.1	<p>1. The Contract is signed by the authorized representatives of the three parties on _____(Date) in _____(Place).</p> <p>The Contract shall come into effect from the date on which the Contract is ratified finally by the last party.</p> <p>2. Both parties may not arbitrarily modify or terminate the contract, in case of dispute, the two parties may sign a supplemental agreement after negotiation, the supplemental agreement has the same force as the Contract itself.</p>
37.4	<p>1. At the termination of the Contract, any unsettled credit and debt under the present Contract shall not be affected by the termination of the Contract.</p> <p>2. The present Contract shall be made in English in four (4) originals, two (2) for each party.</p> <p>3. All amendments, supplements and alterations to the terms and conditions of the present Contract shall be made in written form and signed by the authorized</p>

	<p>representatives of both parties upon agreement reached between both parties through consultation. They shall form integral parts of the present Contract and have the same force as the Contract itself.</p> <p>4. No assignment, cession or transfer of any right or obligation arising under the present Contract shall be made by one party to a third party without the previous consent in writing of the other party.</p> <p>5. The applicable law of the Contract is the law of the P.R. China.</p>
37.5	<p>The Supplier shall guarantee the authenticity or effectiveness or completeness of all information (including written, spoken and other forms) provided to the Purchaser during the period of contract preparation as well as contract implementation(including but not limited to bidding, contract negotiation, contract signing). None of circumstances like providing false enterprise qualifications and certificates of good standing, or intentionally concealing important facts and other false information related to signing and performing the Contract exists.</p>

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be duly executed on the date first above written.

The Purchaser: Shengzhou Water Group Co., Ltd.

By:

Name: [printed name]

Title:

The Supplier:

By:

Name: [printed name]

Title:

Chapter VIII Requirements of the Purchaser

8.1 The Equipment List to Supply is bound as a separate volume Note: or equivalent brand meeting the bidding requirements.

8.2 The recommended brands for the key goods (equipment) are not limited as the following brands. The Bidder shall select at least the brands of equivalent level or above. Otherwise, the Bidder who proposes key goods that do not comply with the technical requirements of the bidding documents will be rejected.

No.	Entry name	Brand 1	Brand 2	Brand 3
1	Horizontal centrifugal pump	KSB	EBARA	Andritz
2	Electric valve, Pneumatic valve	VAG	AVK	ERHARD
3	Manual valve	Karon-valve	Sufa valve	AVK
4	Screw blower	GD	Aerzen	Atlas
5	Filter air compressor	GD	Ingersoll Rand	Atlas
6	Flow regulating valve	TVD	VAG	AVK
7	PLC	AB	SIEMENS	Schneider
8	SCADA	CHITIC	Factory Talk	Wonderware
9	Dosing device	Tjian	Shanghai Fiporter	Grundfos
10	Screen Wall	GQY	GE	VEWELL
11	Process instrumentation	E+H	SIEMENS	KROHNE
12	Analytical instrument	HACH	E+H	KROHNE、 DKK
13	CCTV	Hikvision	Dahua Technology	Honeywell
14	Cable	Far East Cable	Hzzqdyt cables	WANMA CABLE

15	Crane	HUANGHEFAN GBAO	JIANGSU KAI CHENG	ZHEJIANG ZHONGQING
16	Sewage pump	Shanghai Kaiquan	Fengqiu Pump	CNPPUMP
17	Siphon mud suction machine	NEWFARTH ENVIRONMENT AL	usfilter-tj	YIXING QUANXI
18	Scraper	NEWFARTH ENVIRONMENT AL	usfilter-tj	YIXING QUANXI
19	Plate and frame filter press	Jingjin Environmental	Xingyuan Environmen t	Shanghai Techase Environment
20	Filter plate filter head	Taizhou Zhongchang	LIANCHI WATER	JINGHUA HOLDING