

FORM OF CONTRACT AGREEMENT

THIS CONTRACT AGREEMENT is made the *[insert: ordinal]* day of *[insert: month]*, *[insert: year]*. BETWEEN

(1) *Land Transport Regulatory Commission*, an independent regulatory authority of the Hashemite Kingdom of Jordan incorporated pursuant to Law No. 4 for the year 2011. Having its principal place of business at Third Floor, Hamadan Street, Amman – Jordan, P.O Box. 1830 Amman 11118, Phone 00 962 6 5100500, Fax: 00 962 6 5164819. (hereinafter called “the Client” or “LTRC”),
and

2) *[insert: name of Consultant]*, a corporation incorporated under the laws of *[insert: country of Consultant]* and having its principal place of business at *[insert: address of Supplier]* (hereinafter called “the Consultant”).

WHEREAS the Client desires to engage the Consultant the implementation of Consultancy Services to provide for Technical Studies, Designs and Tender Documents to Implement intelligent transportation systems for the Public Transportation Sector for LTRC (the “ITS”), and the Consultant has agreed to such engagement upon and subject to the terms and conditions appearing below in this Contract Agreement.

NOW IT IS HEREBY AGREED as follows:

Article 1. Contract Documents

1.1 The following documents shall constitute the Contract between the LTRC and the Consultant, and each shall be read and construed as an integral part of the Contract:

- (a) This Contract Agreement and the Appendices attached to the Contract Agreement
- (b) The RFP No. 6/2016,
- (c) The Consultant’s technical and financial proposal submitted in response to the RFP.

1.2 Order of Precedence. In the event of any ambiguity or conflict between the Contract Documents listed above, the order of precedence shall be the order in which the Contract Documents are listed in Article 1.1 (Contract Documents) above.

1.3 Definitions

Capitalized words and phrases used in this Contract Agreement and the RFP shall have the same meanings as are ascribed to them in the RFP.

Article 2. Contract Price and Terms of Payment

2.1 Contract Price. The Client hereby agrees to pay, subject to Clause 33.2 of the RFP, to the Consultant the Contract Price in consideration of the performance by the Consultant of its obligations under the Contract. The Contract Price shall be: *[insert: amount in words (JoD)]*, *[insert: amount in figures (JoD)]*, as specified in the summary price schedule within the Consultant financial Proposal. The Contract Price shall be understood to reflect the terms and conditions used in the specification of prices in the detailed price schedules, and the taxes, duties and related levies if and as imposed by the Applicable Law.

2.2 Taxes and Duties:

- a) Parties to the Contract shall be subject to all laws, regulations and instructions in force in the Kingdom with respect to taxes unless the context of the Contract provides otherwise.
- b) The Consultant shall pay the Revenue Stamps fees and fees prior to the signing of the Contract according in accordance with the applicable laws, regulations and instructions.

2.3 Discharge Statement: Upon the submission of the final statement, the Consultant shall give the Client a Discharge Statement proves that the statement of the final payment is considered as a full and final settlement of all amounts due under the Contract. The discharge statement is required not to take effect only after receipt of the amounts payable to him under this installment.

Article 3. Effective Date for Determining Time for Operational Acceptance

3.1 Effective Date The time allowed for supply, installation, and achieving Operational Acceptance of the ITS shall be determined from the date when all of the following conditions have been fulfilled:

- (a) This Contract Agreement has been duly executed for and on behalf of the Client and the Consultant;
- (b) The Consultant has submitted to the Client the performance security, in accordance with Clause 32 of the RFP;
- (c) The Consultant has submitted proof of payment of the Stamp.

Each party shall use its best efforts to fulfill the above conditions for which it is responsible as soon as practicable.

3.2 If the conditions listed under 3.1 are not fulfilled within two (2) weeks from the date of this Contract Agreement because of reasons not attributable to the Consultant, the parties shall discuss and agree on an equitable adjustment to the Contract Price and the Time for achieving operational acceptance and/or other relevant conditions of the Contract.

3.3 **Delay:** If the Consultant did not fully implement his commitments to accomplish the Services required under this Contract and within the specific duration of work, and it was delayed in delivering the Deliverables, it shall pay a delay damage of (280 JD) for each unjustified day of delay. This amount shall be due to the Client, whether it suffered financial damage due to delay or not. In this case the Client shall have the right to deduct the amount from Consultant's remuneration, guarantee or any retention. For the purposes of determining the amount of the delay damage, the total duration of the whole work of the Contract in addition to the delay occurred shall be calculated together not each stage separately. The maximum limit of delay damage should be (15%) of the accepted contract amount.

3.4 **Extension of Time for completion:** In the event that the Client has requested additional services and these services were of the kind that justifies the extension of the time of work in any stage of the ITS or in the case of any unforeseen circumstances affecting the progress of work, the Client shall discuss the situation with the Consultant beforehand. Accordingly, and only in that situation the duration of the Contract might be extended.

Article 5 Level of performance:

5.1 The Consultant shall do its utmost to perform his duties required of the highest standards of professional practice and the use of qualified people in their respective fields of competence and experience, and it shall inform the Client with the names and expertise of the individuals included in the Offer. If the Client found out that the level of professional performance of the technical staff is not compatible with the required level, it has to inform the Consultant in writing, and the Consultant, in this case, shall hire new technical cadres, if necessary, to rectify the situation and it has to re-organize working staff in conformity with this requirement. The Consultant shall take into account the observations required or guided by the Client or its representative in all

matters related to the performance of the services the subject of this Contract. If the Consultant failed to provide the required level of professional services, it shall be considered a default, in this case, the Client shall have the right, after notifying the Consultant, to take the essential action to set the default straight and correct the errors. This procedure shall be conducted in accordance with Article (6) hereto.

- 5.2 All elements of the ITS shall be scalable and expandable.
- 5.3 The proposed System shall be fully compatible with any other new ticketing technologies that could be implemented in the near future after the ITS for the introduction of the new public transport ticketing and fleet management system in Jordan is finalized. In particular, the installed system will have to be expandable to any of the following technologies:
- Smart-card based*
 - Emulated Smart Card on NFC Phone
 - Account-based*
 - EMV Contactless Card
 - Emulated EMV Card on NFC Phone
 - Mobile Ticket
- 5.4 The System architecture will also take into account the implementation process of the mobile payment platform “JoMoPay” promoted by the Central Bank of Jordan, and will therefore be ready to accept this means of payment when implemented.
- 5.5 The capability of the System to be expanded and enhanced will have to be fulfilled by the introduction of already-compatible equipment in the System architecture or by the replacement of the installed technology by newer one. In the second case, this replacement will be at the complete and sole expenses of the System operator and neither GAM nor LTRC will hold no liability on any kind of compensations on the matter.
- 5.6 Any modification or variation of the terms and conditions of this Contract, including any modification or variation of the scope of the Services, the Contract value or the deadlines for execution, may only be made by written agreement between the Parties. When the modifications are requested by the Client, the Consultant shall notify the Client of the cost and time impact prior to any reflection on the costs or fees due. if no notice has been made, or if the Consultant started the related work no payment obligation shall arise. if however the notice has been given duly, the Client shall pay the Consultant an amount of fees that will be fixed proportionately to the budget included in the technical offer filed by the Consultant. In case the calculation of the fees made according to the above-mentioned mechanisms results unbalanced in relation to the work performed, the parties shall reach an agreement to solve such unbalance. In addition, when the changes gave way to partial or total uselessness of the works already performed before receiving written notice from the Client, the Consultant will be entitled to payment of those works as to the payment of the changes. The Consultant will not be obliged to perform the modifications in case that it does not reach an agreement with the Client in relation with its scope, the modification of the term, the determination of the amended fees and the payment of damages suffered

Article 6: Default by the Consultant:

- 6.1 The Consultant shall be considered in default if any of the following cases occurred during the performance of this contract:

- i. Any unjustified delays occurred in the completion of the work, duties and performance of the services required.
- ii. If it has performed a work of a level does not commensurate with the practices and the norms of the profession or neglected his duties.
- iii. Failed to replace any of its technical staff contrary to the instructions specified in article (5) of this Contract.
- iv. If it directed a sub-contracting of any portion of the tasks entrusted to the Consultant without the consent of the Client.
- v. If did not adhere to the submission of a work that meets the basic requirements of the ITS.
- vi. If it became bankrupt, financially insolvent, or made a discharge for the benefit of his creditors.

The Client shall, in any of the cases stated for in Article (6.1) above, has the right to terminate the Contract under the following actions:

- i. Issue a warning to the Consultant and offering him a period of time (21) days to remedy the failure.
- ii. If the warning period has lapsed without acceptable correction of the situation or taking serious and convincing actions to eliminate the reasons of the default, the Client may terminate the Contract and forfeiture of the performance guarantee or any part thereof, and accomplish the services required by his own staff or to entrust other consultants to carry out such services.
- iii. The Consultant shall get paid for what it has completed of approved stages of the work up to date deducted thereof any differences in Remuneration for the cost incurred by the Client to complete the remaining stages, and these differences shall be calculated by the a committee mentioned in sub-paragraph (iv) of this article below.
- iv. If the Client, during the implementation of the works covered by this Contract or thereafter, found out that there is any short comings or an error in the study that would cause a serious mischiefs of the ITS or a significant increase in the cost of constructing the ITS due to the default of the Consultant or its staff, the Client shall form a technical committee comprising of experienced and competent members to determine the Consultant responsibility as follows:
 - The Director of LTRC or whoever delegated him in writing –Chairman of the Committee.
 - An engineer Delegate of the Ministry of Transport.
 - An engineer Delegate of the Municipality of Greater Amman.
 - An engineer Delegate of the Consultant
 - An engineer from the Audit Bureau.
- v. This committee would examine the problem, and communicate and coordinate with the concerned authorities and submits its recommendations to the Minister of Transport, which shall include precisely the responsibility of the Consultant. If the decision of the committee was adopted, in a majority or unanimously, holding the Consultant responsible for the errors and defects, the Minister accordingly shall issue a binding resolution to Consultant to correct the failure and also holding it responsible for all the financial consequences thereof.

Article 7: Assignment and sub-contracts:

7.1 The Consultant is not entitled to assign any part of this contract to others or entrusted to any sub-consultant to carry out any part thereof unless provided for in the Contract

documents and the Client is entitled to terminate the Contract as a result of any such behavior in accordance with the provisions of Article (6) of this Contract.

7.2 In all cases, the Consultant shall obtain prior approval from the Client to carry out any work by any sub-consultant and it shall provide the Client with the information required for any proposed sub-consultant in terms of qualifications, experience and competence to carry out such work, as well as to submit the sub-contract of assignment intended to be signed between it and the sub-consultant. The Consultant shall be fully responsible for all services, and any default or omission resulting from the work of the sub-consultant or his employees.

Article 8. Applicable Law

This Agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the Laws of Jordan.

Article 9. Arbitration

Except as provided in the Contract, any dispute or difference arising out of or in connection with this Agreement, shall, be settled amicably by the Parties. If amicable settlement is not reached within a period of two (2) weeks (or any other period agreed to by the Parties) from the date on which a Party notifies the other Party of the existence of a dispute, the dispute shall then be referred to arbitration to be conducted pursuant to the Jordanian Arbitration Law in force at the time. Place of Arbitration shall be Amman, and arbitration shall be conducted in English. The recourse to arbitration shall not be an excuse or relief either party from continue its obligations under the Contract.

Article 10. Notices

10.1 A notice or other communication given to a Party under this Contract:

- a) shall be in writing and in English or accompanied by a properly prepared translation into English;
- b) shall be signed by or on behalf of the Party giving it; and
- c) shall be sent to the Party for the attention of the person, at the address or fax number specified in preamble of this Contract (or to such other person or to such other address or fax number as that Party may notify to the others), any such change to take effect five (5) Business Days after the notice is deemed to have been received; If a notice or other communication has been properly sent or delivered in accordance with this Clause, it will be deemed to have been received as follows:
 - i. if delivered personally, at the time of delivery; or
 - ii. if delivered by commercial courier, on the date and at the time of signature of the courier's receipt;
 - iii. if sent by registered post or recorded delivery, 9.00 am on the third (3) Business Day after posting; or
 - iv. if sent by fax, within forty eight (48) hours of the time of transmission.

10.2 A notice or other communication required to be given under this Agreement shall not be validly served if sent by e-mail.

10.3 - Notifications:

All notifications and correspondence issued by the Client to the Consultant and those of the Consultant sent to the client shall be executed in accordance with the provisions of the Contract, the addresses should be written down as follows:

The Client address

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The Consultant address:

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10.4 There is no need for the exchange of notarial between the two parties to exercise any of the contractual or legal rights, and any registered letter sent from either party to the other's address stated hereto shall be considered as a notarial notification in all cases.

Article 11. Appendixes

11.1 The Appendixes listed below shall be deemed to form an integral part of this Contract Agreement.

11.2 Reference in the Contract to any Appendix shall mean the Appendixes listed below and attached to this Contract Agreement, and the Contract shall be read and construed accordingly.

APPENDIXES

IN WITNESS WHEREOF the Client and the Consultant have caused this Agreement to be duly executed by their duly authorized representatives the day and year first above written.

For and on behalf of the LTRC

Signed:

in the capacity of *[insert: title or other appropriate designation]*

in the presence of

For and on behalf of the Consultant

Signed:

in the capacity of *[insert: title or other appropriate designation]*

in the presence of