

SUBCONTRACT AGREEMENT FOR WORKS

(Pursuant to Article 659 et seq. of the Civil Code)

Today, on 16/04/2023, pursuant to Article 772 et seq. of the Civil Code, under the parties' full and free will, between:

“ELMAZAJ KONSTRUKSION” Ltd., Tax Identification Number (NUIS) L33229401T, with registered address in Fier, represented by its Administrator Mr. Shkëlqim Elmazaj, hereinafter referred to as the “Works Contractor”,

and

“COGREN” Ltd., Tax Identification Number (NUIS) J74818825K, with registered address in Sarandë, represented by its Administrator Mr. Aldijon Beqiri, hereinafter referred to as the “Subcontractor”, this Subcontract Agreement for Works is concluded as follows:

Project: “Construction works for the Tirana–Durrës railway line”.

Duration of the Works: The execution period of the planned works shall be twelve (12) months, from 16/04/2023 to 15/04/2024.

Contract Value: EUR 4,665,000 (four million six hundred sixty-five thousand euros) excluding VAT, and EUR 5,598,000 (five million five hundred ninety-eight thousand euros) including VAT.

Language of the Contract: The language governing this Contract shall be the Albanian language.

General Conditions of Contract (GCC):

These General Conditions of Contract (GCC), together with the Special Conditions and the other documents listed therein, constitute a complete document expressing the rights and obligations of the Parties.

Compliance with Laws:

During the implementation of the Contract, the Contractor shall comply with the laws in force. Unless otherwise specified in the Special Conditions:

(a) The Contractor shall obtain and pay for all permits, approvals and/or licenses from all local, regional or national authorities or public utility entities in the country of the Contracting Authority/Contracting Entity that such authorities or entities require the Contractor to obtain on its behalf and that are necessary for the performance of the Contract, including those required for the fulfillment of the respective obligations of both the Contractor and the Contracting Authority / Contracting Entity under the Contract.

(b) The Contractor shall obtain and pay for all permits, approvals and/or licenses from all local, regional or national authorities or public utility entities in the Contractor's country that such authorities or entities require the Contractor to obtain on its own behalf and that are necessary for the execution of the Contract, including, without limitation, visas for the personnel of the

Contractor and the Subcontractor, as well as entry permits for all imported materials, equipment, products or machinery of the Contractor.

The Contractor shall obtain all other permits, approvals and/or licenses that are not the responsibility of the Contractor under these conditions and that are necessary for the execution of the Contract.

The Subcontractor shall indemnify and hold harmless the Contractor from and against any and all liabilities, damages, claims, fines, penalties and expenses of any nature arising out of or resulting from violations of such laws by the Contractor or its personnel, including the Subcontractor and its personnel.

Works: **“Works”** shall mean all activities required by the Contractor from the Contractor for the implementation of the Contract object. Such activities include excavation, construction, repairs, renovation, installation, shaping, testing, relocation, transportation, and any other process foreseen in the Contract documents, including services related thereto, all as defined in the complete Contract documentation.

Parties to the Contract: **“Party”** means a signatory to this Contract, in the capacity of Contractor (executor of the works), depending on the context. **“Contractor”** means the economic operator(s) that shall carry out the works forming the subject matter of the Contract.

“Subcontractor” means any entity appointed as a subcontractor for the provision of part of the works or services related thereto.

Modifications: Any modifications to the Contract that is not made in writing, does not bear a date, does not expressly refer to the Contract, and is not signed by a duly authorized representative of each Party shall be null and void.

The Parties may not make amendments to any element of the Contract that would result in substantial changes to the conditions on the basis of which the Subcontractor was selected.

Waiver: Any waiver of rights, powers or remedies of a Party under the Contract shall be made in writing, dated and signed by an authorized representative of the waiving Party, and shall specify the right and the extent of the waiver.

Subject Matter of the Contract: The works, materials, equipment, products and related services that will be performed or used during the execution of the Contract shall comply with the technical specifications, relevant designs, terms of reference or design assignment, where applicable, as well as the conditions established in the Contract and the applicable technical standards.

The Contract conditions shall not differ from those described in the tender documents and the winning bid, except where the Contractor, for objective reasons beyond its control at the time of bidding, offers, at the same price, conditions more favorable than those tendered.

Performance of the Works:

The execution of all works foreseen in the bill of quantities, terms of reference or design assignment, where applicable, as well as related services, shall be carried out in accordance with the requirements specified in the tender documents and the technical standards in force.

Responsibilities of the Contractor: The Contractor shall be responsible for the execution of all works foreseen in the bill of quantities, terms of reference or design assignment, where applicable, as well as all related services included in the subject matter of the Contract, in accordance with the requirements set out in the tender documents and applicable technical standards.

Contract Price: The Contract price shall remain fixed throughout the duration of the Contract, except in cases provided for by law.

Terms of Payment: The Contract price shall be paid as specified in the Contract. The Subcontractor shall be paid by the Contractor for the works performed upon fulfillment of all obligations provided for in the Contract.

Payments shall be made promptly by the Contractor, no later than the period specified in the Contract, following submission of an invoice or payment request by the Subcontractor and after acceptance thereof by the Contractor.

Unless otherwise specified in the Contract, payment shall be made in Albanian currency (Lek). The exchange rate for foreign currencies shall be the rate fixed by the Bank of Albania on the date the contract notice was sent for publication.

In the event of verified delays in payment by the Contractor, notwithstanding the Subcontractor's fulfillment of all obligations in accordance with the Contract, overdue amounts and default interest shall be paid in accordance with Law No. 48/2014 "On Late Payments in Contractual and Commercial Obligations."

Taxes, Duties and Other Charges: For materials, equipment and products used in the performance of the Contract and produced outside the Contractor's country, the Subcontractor shall be fully responsible for all taxes, duties, stamp duties, licensing fees and any other obligations imposed outside the Contractor's country.

For materials, equipment and products used in the performance of the Contract and produced within the Contractor's country, the Subcontractor shall be fully responsible for all taxes, duties, charges, licensing fees and similar obligations arising until the complete execution and delivery of the Contract works to the Contractor.

The company COGREN Ltd. undertakes all obligations toward third parties or state institutions that may arise as a result of the execution of the works for this project, including damages or irregularities that may be identified by the State Supreme Audit Institution, and declares that it shall have no claims whatsoever against ELMAZAJ KONSTRUKSION Ltd.

If any tax exemption, reduction, allowance or fiscal benefit is available to the Subcontractor in the Contractor's country, the Contractor shall facilitate the Subcontractor's access to and benefit from such advantages.

This Contract (including the General Conditions and Special Conditions) is executed in two (2) identical original copies, one copy being retained by the Works Contractor and one copy being retained by the Subcontractor. Each page shall be initialed, and the final page shall be signed and stamped by both Parties.

WORKS CONTRACTOR
ELMAZAJ KONSTRUKSION Ltd.
The Administrator: Mr. Shkëlqim Elmazaj

SUBCONTRACTOR
COGREN Ltd.
The Administrator: Mr. Aldijon Beqiri

Translated from Albanian into English by Gjergji Mano

