

# General Terms and Conditions

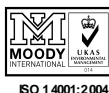
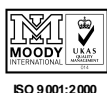
for Selection of Contractor for building

“.A.S.A. Servicii Ecologice SRL, Arad, Romania  
- degasing of landfill and gas utilisation”

Investor (or Client):

**S.C. .A.S.A. Servicii Ecologice S.R.L.**

Arad, March 2009



.A.S.A. Servicii Ecologice SRL  
310580 Arad  
Soseaua Centura Nord FN  
Jud. Arad

Raiffeisen Bank Arad  
Cont: RO48 RZBR 0000 0600 0259 6316  
Capital Social: 2.880.700 RON  
R. C.: J02/648/2002  
C. I.F.: RO14822567

## General Terms and Conditions for Selection of Contractor

**".A.S.A. Servicii Ecologice SRL, Arad, Romania - degassing of landfill and gas utilization"**

**S.C. .A.S.A. Servicii Ecologice S.R.L.** as the Client hereby announces the private tender for implementation of the project **".A.S.A. Servicii Ecologice SRL, Arad, Romania - degasing of landfill and gas utilisation "**, in harmony with the relevant Romanian legislation.

### **A. Subject of Tender**

A.1. The investor/client **S.C. .A.S.A. Servicii Ecologice S.R.L.** is searching for contractor/strategic partner (further SP) for degassing and utilization of gas at the landfill ASA Arad. The subject of the tender is binding the applicant to implement the building project of **".A.S.A. Servicii Ecologice SRL, Arad, Romania - degassing of landfill and gas utilization "** within the scope of the submitted offer, project documentation for the building permit based at the offer, and the attached Terms and Conditions for Selection of the Contractor.

A.2. The client is looking forward to get offer in 3 variants (like described further) and client is free to choose the final version of co-operation with SP, or divide the subject of tender and or order part(s) or components of offer/delivery from individual contractors.

A.3. Applicants can offer to client the whole delivery of tendered issue, or compact components of delivery only (e.g. degas system of LF, degas station, power co-generation unit)

Wished solutions/possibilities (to be offered by applicant to investor/client) are:

## Possibility 1: .A.S.A. Servicii Ecologice SRL investment, operation of degassing and .A.S.A. Servicii Ecologice SRL own energy production, sale of energy

Scheme of solution/possibility No.1

Re-cultivation by .A.S.A.

Purchase of equipment by .A.S.A., delivery from SP: turnkey, including project and engineering:

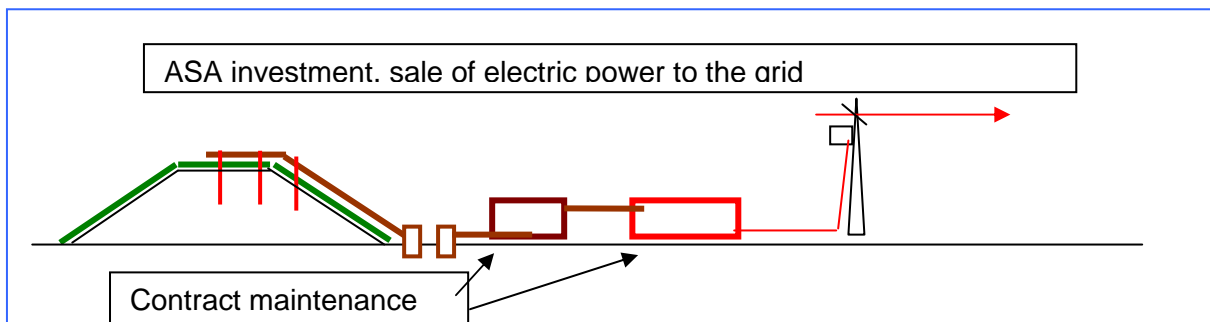
Degas collecting shafts at the landfill, including equipment

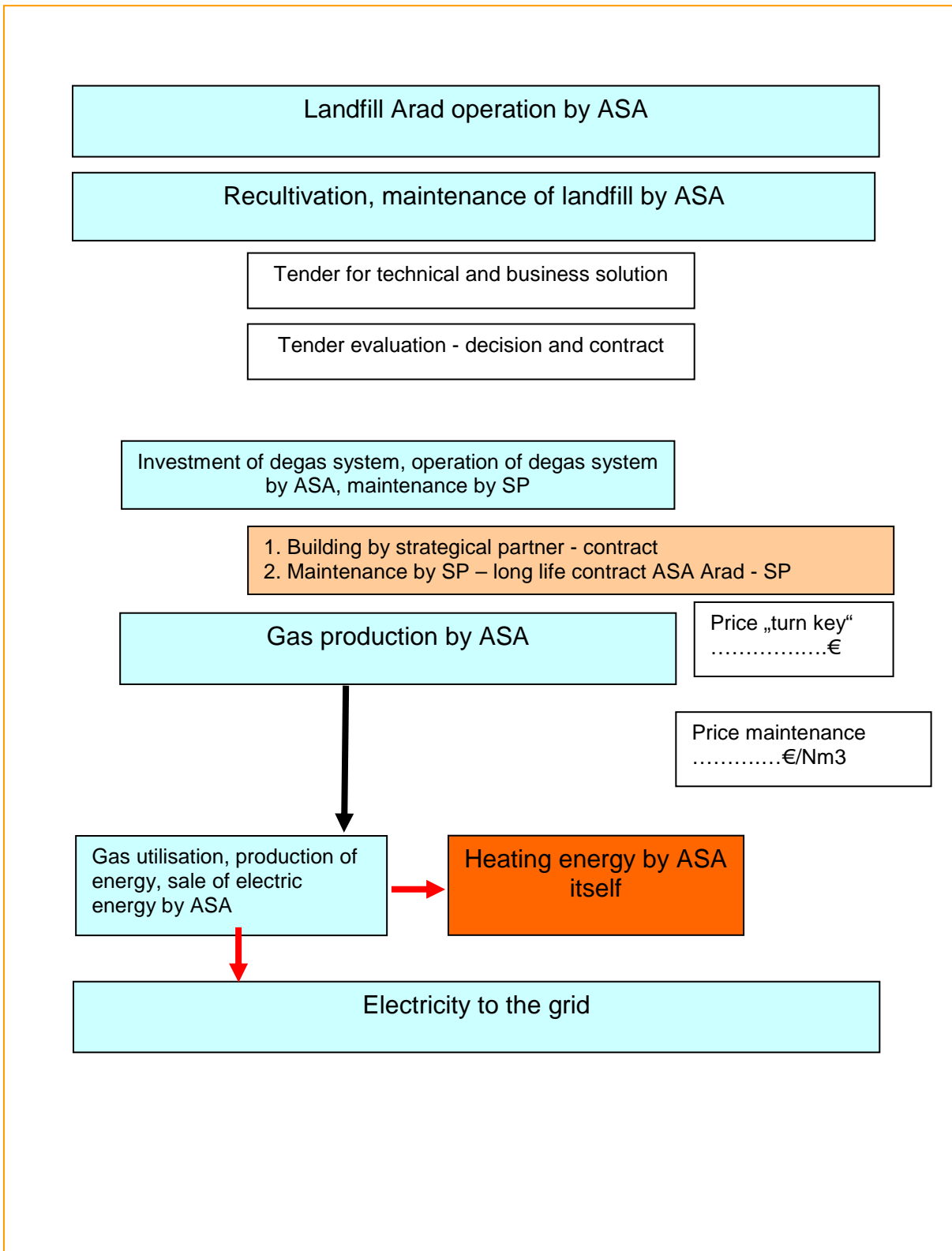
Collecting system (pipes from shafts, regulation and collecting shafts, condensate shafts)

Degas station incl. equipment, automatic safety system, measure and control system unit, automatically data control unit, on-line reporting to the ASA headquarters and SP maintenance centre

Co-generation unit including cooling system and heat exchanger

Power terminal (trafo station), connection to the electric power grid





## Possibility 2: .A.S.A. Servicii Ecologice SRL investment and operation, sale of gas to SP

Scheme of solution No. 2

Re-cultivation by .A.S.A.

Purchase of equipment by .A.S.A., delivery from SP: turnkey, including project and engineering:

Degas collecting shafts at the landfill, including equipment

Collecting system (pipes from shafts, regulation and collecting shafts, condensate shafts)

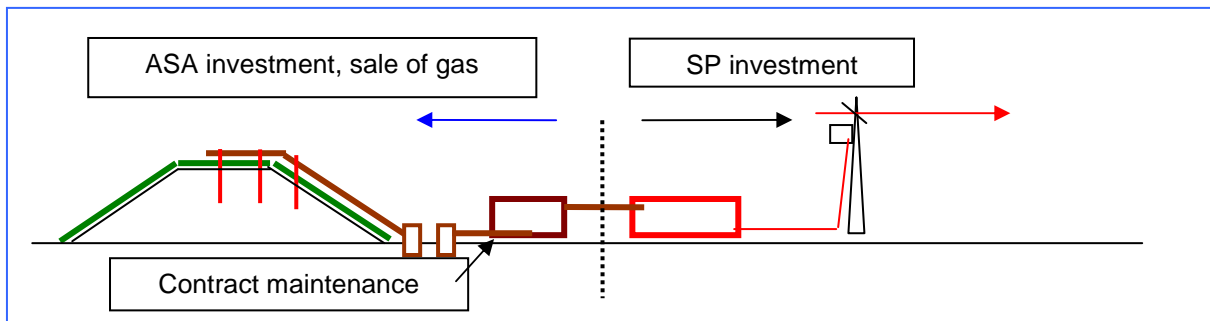
Degas station including equipment, automatic safety system, measure and control system unit, automatically data control unit, on-line reporting to the .A.S.A. headquarters and SP maintenance centre

Sale of gas by .A.S.A. to SP

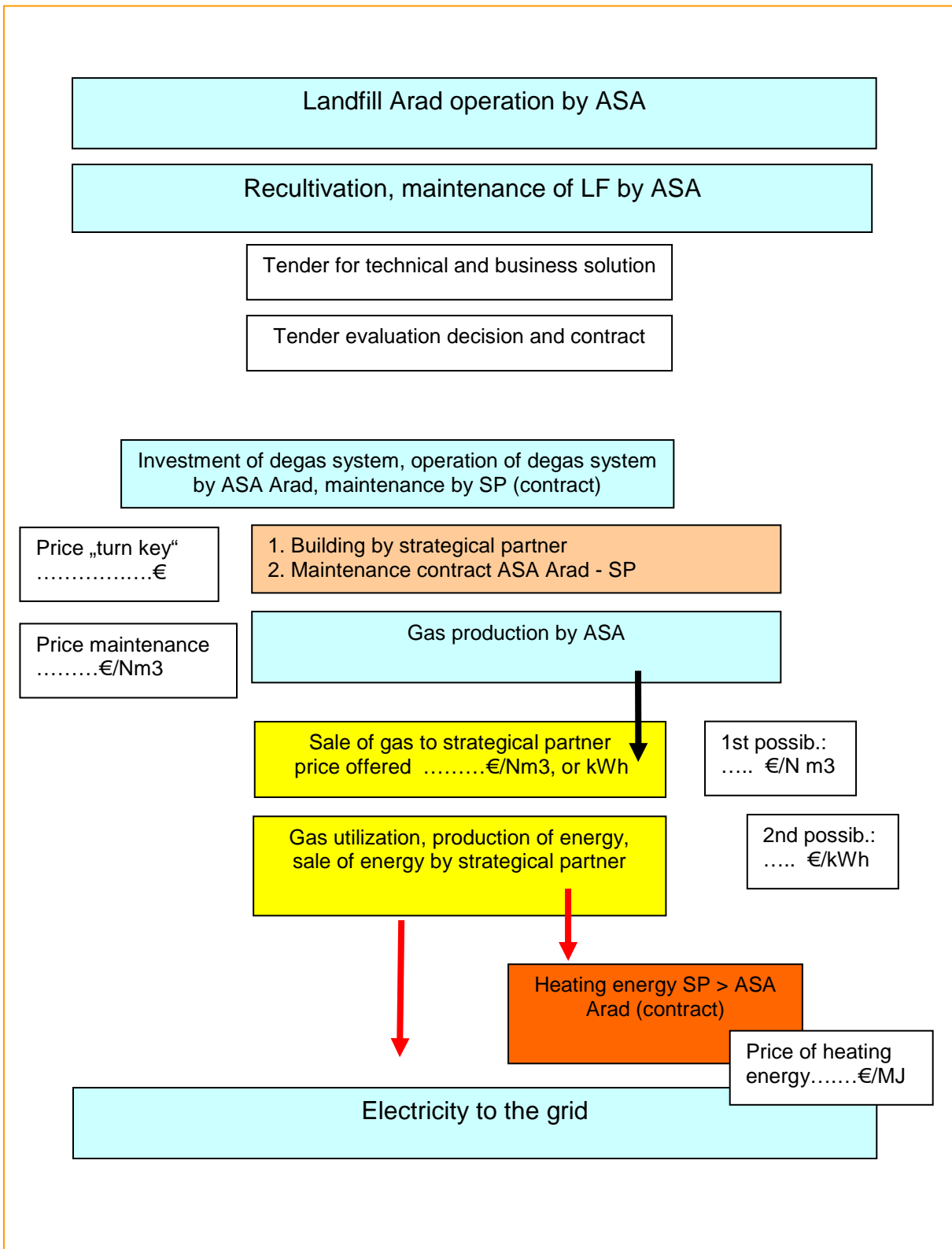
Investment by SP:

Co-generation unit including cooling system and heat exchanger

Power terminal (trafo- station), connection to the power grid



Contract for sale of gas for 5 or 10 years after start of operation. The applicant should offer the price for both variants of contract. .A.S.A. don't take any liability or guarantee for quality and quantity of landfill gas.



## Possibility 3: SP degassing equipment investment and operation, sale of energy (to the grid) by SP

Scheme of solution No. 3

Re-cultivation by .A.S.A.

Investment by SP:

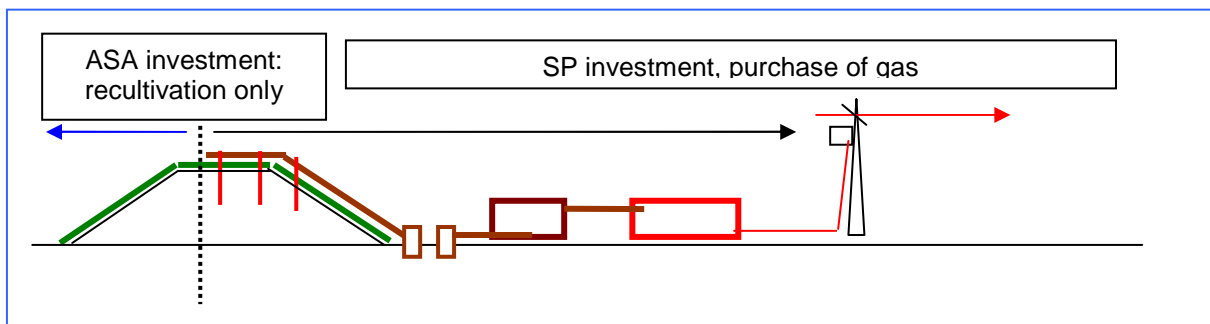
Degas collecting shafts at the landfill, including equipment

Collecting system (pipes from shafts, regulation and collecting shafts, condensate shafts)

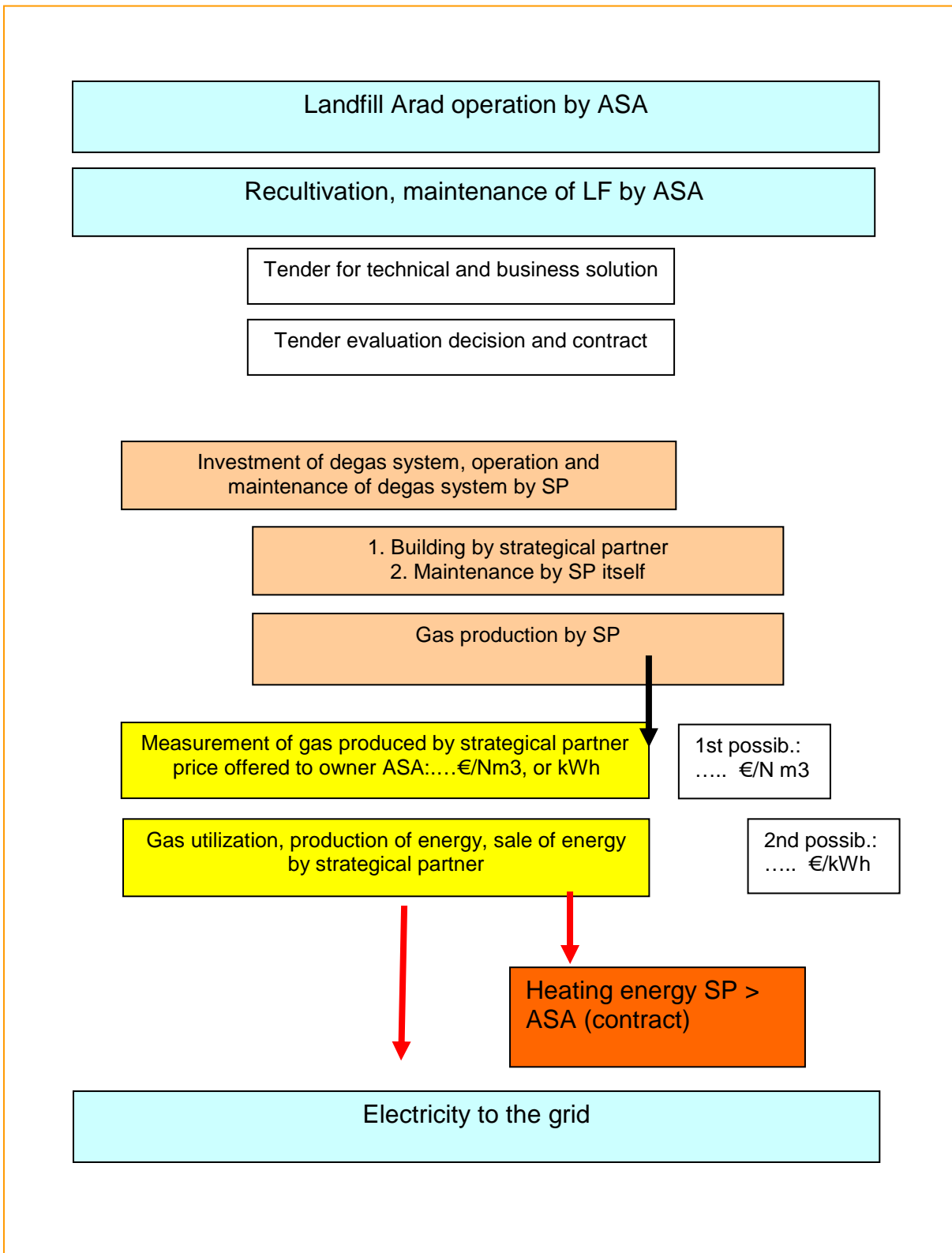
Degas station including equipment, automatic safety system, measure and control system unit, automatically data control unit, on-line reporting to the ASA headquarters and SP maintenance centre

Co-generation unit including cooling system and heat exchanger

Power terminal (trafo-station), connection to the power grid



Contract: for 5 or 10 years since start of operation (2 variants of price). .A.S.A. don't take any liability or guarantee for quality and quantity of landfill gas.



A.4. The offer is binding for the applicant until the decision about allocation of the order, but not longer than for 3 (three) months from the bid-submission date. All technical data, deadlines, prices and other data specified in the tender shall be deemed binding, but the applicant is invited to propose: all 3 alternative, or only alternative fitting to him, or other alternative in addition to the tendered data, which must be stated separately (see section C.4). The text of the tender can't be changed unilaterally by the applicant.

A.5. The interest of client is to get the best possible solutions:

- to have optimal and safe exploitation of landfill gas
- to get best economical effect /efficiency from degassing of landfill and utilization of landfill gas

**A.6. The contents of *business offer* by applicant:**

**A.6.1. Prognosis of landfill gas generation (quantity and quality) and way of landfill gas exploitation**

**A.6.2. Offered prices according to variants, optionally:**

**Var. 1:**

- Price of degas system at the landfill surface till degas (pump) station, technical description of this system
- Price of degas station, technical description of all parts offered, incl. emergency burner
- Price and technical specification of power unit, producer
- Price and technical description of terminal of electric power (technical adjustment of trafo-station existing)
- Conditions and price of maintenance of units offered / installed
- Conditions and price of operation of units installed (not obligatory information)

**Var. 2:**

- Price of degas system at the landfill surface till degas (pump) station, technical description of this system
- Price of degas station, technical description of all parts offered, incl. emergency burner
- Conditions and price of maintenance of units offered / installed
- Conditions and price of operation of units installed (not obligatory information)
- Price of gas paid to the client (ASA) in variants ..... **€uro/Nm3** or ..... **€uro/kWh** delivered to the grid (CO2 green credit not included)

**Var. 3:**

- Price of gas paid to the client (ASA Arad) in variants ..... **€uro/Nm<sup>3</sup>** or .....**€uro/kWh** delivered to the grid (CO<sub>2</sub> green credit not included)

**A.6.3. References of application to similar projects**

**B. Main tender dates / time schedule expected:**

- B.1. Bid invitation, tender publishing: 16.03.2009
- B.2. The time schedule of tender and works expected:
- Offers submission 30.04.2009
  - Offers evaluation 11.05.2009
  - Contract ASA Arad – SP: 20.05.2009
  - Technical support (by SP) to building permit documents: 01.06.2009
  - Building permit Re-cultivation + Degassing LF Arad 30.06.2009
  - Re-cultivation works ASA Arad contractor: 30.10.2009
  - Degas system building start 01.09.2009
  - Complete handing over of functional "**turnkey**" building 30.10.2009
- B.3. Deadline for submission of the bid: 30.04.2009
- B.4. Expected date of the Contract conclusion 20.05.2009
- B.5. Expected start of construction works: to be negotiated  
(Not sooner than after the building permit coming into force and not later than within 10 days from written notification of the Client – following the provisions of the Building Contract). The client expects the construction work will start between June 15<sup>th</sup>, 2009 and July 15<sup>th</sup>, 2009. Investor is entitled to change the date without any limitation.
- B.6. The planned completion date is on 30.10.2009. The completion date is the date of takeover of the building by the Client in compliance with the project documentation and the Work Contract. Afterwards the trial run of system will start; the expected trial operation of system is 6 Months.
- B.7. The tender price is contractual price of completed and taken over building in a condition suitable for operational approval and routine operation. The price shall be in the currency of the project location, exclusive VAT and the VAT as a separate item.
- B.8. The applicant shall prepare and submit the bid at its own costs.

### **C. Place and Method of Tender Submission**

C.1. The offer shall be submitted by: 30.04.2009 (at 12.00 a.m. at the latest)

C.2. Place of delivery:

#### **.A.S.A. Servicii Ecologice SRL**

310580 Arad, Soseaua Centura Nord, FN, Jud. Arad, Romania

Tel.: +40/749522792, Fax: +40/741718688,

e-mail: arad@asa-group.ro

in attention of: Mrs. Roxana Stoica, country manager.

C.3. Number of submitted offers: **2 in English language** (1 original and 1 copy) in a sealed envelope with stamp and signatures of authorized representatives of the tendering company, and optional electronic version of offer (PDF file e.g.) if possible.

C.4. All changes not respecting this tender and amendments of variants not respecting this tender must be listed separately at the end of the text of the offer as “**Alternatives**”.

C.5 The tender documents are free for applicant invited.

The tender invitation / documentation include:

- Geodetically measures/drawings with marked boundary of re-cultivation planed for 2009
- Situation of wells should be exploited – outside of re-cultivated area
- Typical drawings of re-cultivation sandwich with technical description of layers
- Typical drawings with watering of landfill body after re-cultivation
- Gas wells and expected location of degas equipment
- Situation of landfill and area interested (DWG drawing on request)

On request all applicants may see the materials for preparation of the project documentation of re-cultivation (for the building permit - in progress now), especially: project of building of landfill, geological survey and conditions of the locality, and gather information about the landfill body (amount of waste disposed, degassing wells – passive degassing now, placement and construction / building of wells, composition of waste etc) and building conditions.

**Applicants are free to visit the landfill site** and landfill equipment after request to Mrs Roxana Stoica – country manager of **.A.S.A. Servicii Ecologice SRL**, they are free to gather their own information about landfill gas generation (special measurements by themselves and calculation of expected performance wished) on the basis of

examination of the landfill / building site.

**Applicant should check the technical conditions** (inside and outside of the ASA Arad landfill site) and possibility (-ies) how to deliver and sell the electricity to the grid.

On the basis of agreement with the Client the applicants will have possibility to discuss the project solution with the local ASA Arad managers. All information from other parties that the Client is gathered by the applicants at their own risk.

The applicant shall include (into degassing system and exploitation) all wells at the area re-cultivated, and he is free to exploit all wells built up by operation of landfill (under construction now) under precondition NO COLLISION with landfill operation.

C.6 The applicant is only allowed to use the submitted materials solely for the tender preparation purposes and shall not give them to any third person (except for subcontractor tenders preparation) or reproduce them.

C.7 After completion of the tender all materials shall be returned to the Client together with the tender documents

C.8 The Client is not obliged to accept technical alternatives proposed by the applicant. However, alternative technical solutions may be attached separately to the tender as supplements, including the pricing of the tendered solution and the proposed alternatives.

**D. General Terms and Tender Conditions**

D.1. The tender is not public.

D.2. The Client has the right to:

- ◆ **Accept none of the submitted offers, cancel the tender at any time without giving the reason for the cancellation, or renew the tender at any time**
- ◆ **Close the negotiations concerning the Delivery, Building or Maintenance Contract with the selected company if an agreement about terms and conditions of the contract cannot be reached**
- ◆ **Order the Work from any other applicant off-hand**
- ◆ **Order individual parts of the project from different applicants and become coordinator of the works, or entrust the coordination to one of the selected contractors**

D.3. The applicant for the Contract(s) shall bear all costs for preparing of the bid.

D.4. The Client hereby agrees not to use the submitted bids for any purpose than for conclusion of the Contract and implementation of the Work.

D.5. By submitting the bid the representatives of the applicant explicitly confirm the following:

- To be authorized for implementation of the building works and activities specified in the tender conform to Romanian law and business conditions
- To fully respect the terms and conditions of the tender as specified in these Terms and Conditions for Selection of Building Contractor.

Unless the applicant is fully authorized to implement all tendered works he shall have the works implemented by subcontractor(s) holding the appropriate authorizations.

D.6. The applicant shall appraise all the required works following the received documentation for the building permit on the basis of experience with similar projects implemented by him in the past. The guideline will be his own draft of technical solution which should be delivered to client with his offer.

D.7. The applicant guarantees that the contractual price of the building, including the prices of the individual buildings and items, shall include all necessary building works, including works not explicitly mentioned but inherent in the technical solution and technologically inevitable, usual, or necessary or needed for the building completion (use of materials, connections, mechanization, labor, power, communications, partial technological operations, test fillers, first fillers, connections, funding of manufacture etc.) The price of delivery of equipment (solution 1 and 2 only) should include bill of quantities of units in aggregated items.

D.8. The bid shall be prepared on the basis of the project documentation for the building permit (in progress the re-cultivation part of project, technical reports, drawings documentation – the technological part should be drafted by applicant). If the offer includes any alternative technical or technological solution then the alternation needs to be justified. If the alternative doesn't meet the requirements of the tender the alternative shall not be considered.

D.9. The applicant shall check completeness of the materials and inform the Client immediately about any discovered incompleteness in the form of written supplement to the tender.

D.10. On discovery of a discrepancy in the project documentation the applicant shall inform the Client about that in an official way Specification of the technical solution outlined in the documentation may be consulted with the client If a detailed project documentation of the building or parts are needed for the work implementation then the applicant shall provide it in the context of the tender, taking this into account in the tender price. The additional documentation shall be submitted for approval to the Client.

D.11. The applicant shall become acquainted with the condition of the building site, including the location of the existing infrastructure, access to the building site, supply of power and water, using of roads and fields (clay pit!) necessary for implementation, and other circumstances that might affect the completion deadline, the quality of the building works, and/or the price of the work.

Ignorance or forget of some parts of delivery in the offer (bid) shall not constitute a reason for later increase of the price, decrease of the quality, decrease of the guarantee, or any other additional claims of the contractor.

D.12. The applicant agrees to accept all binding Romanian and European technical standards applied to the project and to implement the work in compliance with the standards, including all applicable regulations and decrees, especially local, related to the subject of the tender.

D.13. The applicant shall submit with offer the following materials as supplement to the tender:

- **The trading certificate or other authorization for its business activity**
- **A copy of its registration, including a confirmation of no change in the data since the registration date**
- **A reference list of building adequate to the order (A.6.3)**
- **Alternatives (if any)**

## **E. Terms and Conditions for conclusion of the Contract**

E.1. The future Work Contract will be concluded between the **Client** and the **Contractor** (referred to as applicant). The Client can close more partial contracts regarding matter of this tender, he is free to buy different parts of this issue by different contactors. The contract should include/accept building implementation conditions as specified in the tender, offer project, and official approval of the building project (building permit, water management authority approval, EIA conditions - if necessary, etc).

E.1.2. The place of the building implementation shall be the **locality ASA Arad landfill site**, like specified in the project documentation, in the cadastral area of the town of Arad, Romania.

E.1.3. The deadlines of completion of partial works and of the building as a whole shall be specified in the Work Contract.

E.2. Documents for the Contract conclusion:

E.2.1. In the case of selection for implementation of the order the applicant agrees to conclude (close) the Work Contract (Building Contract) according to:

- Contents of the tender
- Project documentation
- Statements and approvals, especially including the building permit, unless the approvals changes the terms and conditions of delivery of the work
- The relevant technical standards and special regulations
- The Romanian norms and law should be fully respected

E.3. Terms and conditions of building implementation  
Special contract with terms and conditions of the building and delivery (and services) will be offered by applicant, including payment conditions

E.4. We propose monthly installments and final payment

E.4.1. The Client will pay the Contractor in the form of monthly installments, corresponding to the contract and monthly performances, with 10% deduction, and the final payment. The preconditions of the monthly payments include examination of the stage of the building works carried out in the course of the respective month and issue of an examination protocol endorsed by the Client.

E.4.2. The deadline for the monthly installments will be 15 days from the date of the examination protocol and receipt of the monthly invoice (the first payment is

conditioned with commencement of the works and each following monthly payment is conditioned with compliance with the agreed schedule of progress of the building works). In the case of the Contractor's delay in implementation of the scheduled works the payment deadline of the respective monthly payment shall be postponed by the number of days of the delay in the case of the first month.

Any further delay may be considered breach of the Contract and may generate the procedure related to breach of the Contract as specified therein.

E.4.3. The final balance invoice – tax invoice – shall be issued by the Contractor after proper completion of the building and confirmed takeover of the work by the Client. Within 15 days from receipt of the final balance invoice the Client shall have performed its check and in another 10 days the invoice shall be paid out.

For covering costs of any faults or incompleteness the Client shall keep a reserve (retained payment) in the amount of 10% of the invoiced value of the work as a whole, V.A.T. exclusive for the warranty period of 36 months after taking over by the client.

E.4.4. After 12 months the minimum 10% retainer from the final invoice may be reduced to 5% reserve for potential defects to be discovered in the warranty period. The retained sums shall not bear interest. The Client may pay the 5% retained sum if the Contractor provides an adequate bank guarantee for the sum and for the warranty period.

E.4.5. Potential comments to the documentation and Building Contract proposal may be included in a supplement to the tender.

## Final Provisions – confirmation of the Tender:

- ◆ We hereby confirm to be familiar with the complete terms and conditions of the present tender proceeding and with the terms and conditions of the contract conclusion.
- ◆ We hereby further confirm to have become acquainted with the building site and local condition, traffic and other visible or expected circumstances that might affect the completion deadline, the price and/or the quality of the work before calculating the tender price.
- ◆ Neither the Client nor the supervisor of the Client shall take responsibility for guarding of the building site, night watching, or for potential damage on the building site.
- ◆ We hereby further confirm to be authorized to perform the tendered activities and to only subcontract entities having the appropriate authorizations. We confirm to possess sufficiently qualified labor and other means for implementation of the tendered tasks within the agreed deadlines.
- ◆ The Contractor hereby agrees to provide for the required material tests before their supply and use for the building. Tests will be performed - implemented by the authorized company at contractor own costs. The attests shall be submitted to the building supervisor of the Client immediately after their acquisition and on time with a view to the progress of the building works, including the necessary documentation of the required control tests and revisions.
- ◆ The company hereby agrees not to employ labor not having the relevant work permit for the purpose of the building in question.

Date.....

.....  
Company seal and signature of authorized representative

**Supplement to be delivered by applicant with technical and business offer:**

- 1) Trading authorization as of E.13.
- 2) Annual balance sheets of the company for the past 3 years, including auditor's statements
- 3) Reference list as of E.13.
- 4) Schedule of works offered by applicant (preliminary draft only)
- 5) Alternatives (if any)
- 6) Potential comments as of F.4.5.

Arad, on 16.03.2009

Roxana Stoica, country manager

on behalf of

S.C. .A.S.A. Servicii Ecologice S.R.L.