



THE REPUBLIC OF MALAWI
KARONGA DISTRICT COUNCIL
CONTRACT AGREEMENT

PROCUREMENT REFERENCE NUMBER: KDC/GESD/W/MLARE MAT-WING/2022-23/07

This AGREEMENT is entered into between **Karonga District Council** whose address is **P.O Box 35, KARONGA**; (Hereinafter called "the Employer") and **FIDELIS BUILDING CONTRACTORS** whose address is **P/O Box 330 , Zomba**; (Hereinafter called "the Contractor").

- 1.0. Project Title: **Construction of Maternity wing at Mlare Health Centre in Karonga District.**
- 2.0. Project Location: **Mlare in Karonga Central Constituency.**
- 3.0. Total Contract Price: **K91,968,950.00, (Ninety One Million, Nine Hundred and Sixty Eight Thousand, Nine Hundred and Fifty Kwacha).**
- 4.0. The contractor has been briefed regarding the quality of work required and shall execute the works in accordance with the drawings and specifications attached to this contract and remedy any defects therein in conformity in all respects with the provisions of the contract.
- 5.0. The contractor agrees to complete the works within a period of **One hundred and ten (110) days** with effect from the date of signing this contract.

10.0. The Employer has accepted the Bid by the Contractor for the execution and completion of such Works and the remedying of any defects therein and agrees to pay claims upon certification of the work executed invoicing the procuring entity for every interim payment that arises during construction works for either by the following stages or calculated amount of works done.

Stage of completion	% of contract Value	Amount (MK)
6.1 Preliminaries and Mobilization	10	8,737,050,25
6.2 Up to Slab level	25	19,658,363.06
6.3 Super structure	30	29,487,544.60
6.4 Roofing stage, finishing	30	29,487,544.60
6.5 Retention Fee	5 %	K4,598,447.50
Total contract value =	100%	K91,968,950.00

6.0. The Contracting Authority shall retain from each payment due to the Contractor **5% as Retention Money** until Completion of the whole of the Works. On Completion of the whole of the Works, the amount retained shall be repaid to the Contractor when the Defects Liability Period has passed and all defects have been corrected or remedied by the Contractor before the end of the period.

7.0. The decision of the officer certifying quality of works as appointed by the Employer shall be final and conclusive. Therefore a works progress Certificate shall be issued by the Employer as required before any payment is made.

8.0. NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

9.1. In this Agreement, words and expressions shall have the same meanings as are respectively assigned to them in the Contract referred to.

9.2. The following documents shall be deemed to form and be read and construed as part of this Agreement, viz:

- (a) the General Conditions of Contract;
 - (b) the Special Conditions of Contract;
 - (c) the Schedule of Requirements;
 - (d) the Bid Submission Form and the priced Activity Schedule or priced Bill of Quantities submitted by the Contractor;
 - (e) the Employer's Notification to the Contractor of award of contract;
- and

9.3. In consideration of the payments to be made by the Employer to the Contractor as hereinafter mentioned, the Contractor hereby covenants with the Employer to execute and complete the Works and remedy any defects therein in conformity in all respects with the provisions of the Contract.

9.4. The Employer hereby covenants to pay the Contractor in consideration of the execution and completion of the Works 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.

10.0 This agreement may be terminated without obligation by Karonga District Council in any of the following circumstances:

- 8.1. When the agreement is fulfilled and accomplished as required herein;
- 8.2. When the contractor fails to execute the works as required;
- 8.3. When both parties mutually agree to terminate the contract before completion due to special or unforeseen circumstances.

79th

14th June

Signed by:.....

Name: **Paul Kalihombe**

Position: **District Commissioner**

Witnessed by:.....

Name: **Allan Chitete**

Position **DPW**

Witnessed by:.....

Name: Andrews Mhango

Position	DOF
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Signed by:.....

(for the Contractor)

Name: _____

Position:

Witnessed by:.....

Name: _____

Address:

