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M'MBELWA DISTRICT COUNCIL  
P.O. BOX 132  
MZIMBA MALAWI

All correspondence should be addressed to

The District Commissioner

## Contract Agreement

THIS AGREEMENT made the 13<sup>th</sup> day of December, 2021, between. **M'mbelwa District Council P.O. Box 132, Mzimba** (hereinafter "the Employer"), of the one part, and **LUSUNGU CONSTRUCTION of P.O. Box 381, Lilongwe** (hereinafter "the Contractor"), of the other part:

WHEREAS the Employer desires that the Construction of Njuyu EPA in **M'mbelwa District Council under GESD Funds** should be executed by the Contractor and has accepted the contract at a Contract sum of **MK 21,500,000.00 (Twenty-One Million Five Hundred Thousand Malawi Kwacha Only)**; for the execution and completion of the Construction within **60 days** from date of contract signing and the remedying of any defects therein,

The Employer and the Contractor agree as follows:

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Contract documents referred to.
2. The following documents shall be deemed to form and be read and construed as part of this Agreement. This Agreement shall prevail over all other Contract documents.
  - (a) the Letter of Acceptance
  - (b) the Bid Document
  - (c) the Particular Conditions
  - (d) the General Conditions of Contract, including appendix;
  - (e) the Specification
  - (f) the Drawings
  - (g) Bill of Quantities;<sup>1</sup> and

(h) any other document **listed in the PCC** as forming part of the Contract;

3. In consideration of the payments to be made by the Employer to the Contractor as specified in this Agreement, the Contractor hereby covenants with the Employer to execute the supply and delivery to remedy defects therein in conformity in all respects with the provisions of the Contract.

Subject to Deductions noted in this contract, the client agrees to pay the following amounts for each stage of work completed

<u>Stage of Completion</u>	<u>% of Contract Value</u>	<u>Total Amount MK</u>
i. Advance Payment	20%	4,300,000.00
ii. Mobilization	20%	4,300,000.00
iii. Substructure, Lintel, Roofing	20%	4,300,000.00
iv. Finishing Including Door/ Window Fixing and Drains	30%	6,450,000.00
v. Retention Fee	10%	2,150,000.00
Total Contract Amount	100%	<b>21,500,000.00</b>

4. The Employer hereby covenants to pay the Contractor in consideration of the execution and completion of the Supply and Delivery 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 to be executed in accordance with the laws of [Malawi] on the day, month and year specified above.

Signed by: EMMANUEL BAMBE  
DISTRICT COMMISSIONER

in the  
presence of:  
Witness, Name, Signature, Address, Date

Signed by: MAEYUS  
for and on behalf of LUSUNGU CONSTRUCTION

in the  
presence of: BROWN LUPAFYA  
Witness, Name, Signature, Address, Date



*AP*

