



Colonel. Dr. Eng. Mustafa Albreki  
Chief of Information Office  
Military Procurement Department



**Contract No. .... / .....**

On ....., this contract was concluded in .....city, between each of:

1/ ....., represented herein by ....., in his capacity as ....., hereinafter referred to as **First Party**.

To be notified for the purposes of this contract on the following address:

.....

....., First Party;

2/ ....., represented herein by ....., in his capacity, ....., by virtue of the official authorization dated ....., approved by the People's Bureau of the LIBYA, hereinafter referred to as **supplier, company, or Second Party**, as the context requires. To be notified for purposes of this contract on the following address:

a) Within the LIBYA:

.....

b) Outside the LIBYA:

.....

**Both parties have agreed to the following:**

**Article (1)**

**Definitions**

In this contract and its documents, the following words and expressions shall have the meaning set against each thereof, unless otherwise provided:

1- First party: .....

2- Second party: Company or supplier.

3- Supplies: All machines, equipment, spare parts, materials and furnishings of different types, and relevant drawings, design or explanative brochures, or anything related to the operation and maintenance, as well as any other items provided in this contract.

4- First party's bank: Any Libyan bank to be determined by the first party.

5- Second party's bank: Any foreign bank to be determined by agreement between both parties.

**Article (2)****Contract supplements**

The annexes of this contract, technical specifications and complete list of supplies and their prices, as well as the offers of the Second Party, and all mutual correspondences between both parties, preceding the conclusion of this contract shall be considered an integral part thereof, and in case of contradiction between their provisions and those of the contract, those of the contract shall prevail.

**Article (3)****Contract subject**

The second party undertakes to perform the supplies as per such quantities and prices agreed thereon in the annex No. (1) of this contract, and under such terms and conditions provided hereinafter.

**Article (4)****Contract execution period**

The Second Party undertakes to complete all supplies, subject of the contract, and to deliver the same within a period not exceeding ....., starting as of date of credit opening according to what is provided in the annex No. (2) of this contract. The feast days and holidays are counted in the said period. It may perform the supply on shipments within the following periods:

- 1- .....
- 2- .....
- 3- .....

**Article (5)****Contract price and payment terms****Firstly: Contract price**

The total price of the contract for the supplies decided by virtue of this contract is estimated to be an amount of (.....) only ..... Such a value is constant and not modifiable. It is agreed thereto that the contract price is calculated on basis of the actual supplies of materials and according to the items rates approved in the annex No. (1). Such prices include the freight, packing, packaging, bundling, numerating and marine insurance costs from export seaport to Libyan seaports, as determined by the first party.

**Secondly: Payment terms**

- a) The first party will, within sixty days as of date of receiving the letter of guarantee (L/G), provided in the article (7) of this contract, open an irrevocable, divisible and non-transferable to third party documentary letter of credit (L/C), at the second party's bank, shown in the annex No. (2) of this contract, which its data are considered necessary and binding both parties, with the contract total price. The second party may not claim for opening the credit before the expiry of the said period. The credit will be opened in one of the available currency with the exchange rate applicable on the opening date.

b) The payment from this credit shall be made at sight against the following documents, and with the rate of .....% thereof:

- 1- .....
- 2- .....
- 3- .....
- 4- .....
- 5- .....
- 6- .....
- 7- .....
- 8- .....
- 9- .....

**Article (6)**

**Prices**

The prices agreed thereon and indicated in this contract are considered final and constant, and not able for increase. It may not claim for any amendments in this contract price, nor in the items rates and prices, because of fluctuations in currency, or because of increase or decrease in market prices, production costs, workers wages, transport costs, or because of amendments in the taxes and duties or imposing new taxes or duties or for any other reasons.

The rates include in addition to the price all expenditures and expenses incurred on the supplier, second party, in order to execute the contract, including the packing, packaging, bundling, transporting costs and ports and quays revenues as well as the loading and discharge expenses, and other obligations ensuring the supplies or necessary to perform all required works.

**Article (7)**

**Final insurance**

In order to ensure the good execution by the second party of all obligations provided in this contract, the second party shall deposit at the first party, within a period of ....., as of date of contract signing, an unconditional guarantee( Stand by L/C) issued by LIBYAN FOREIGN BANK , with the same main currency agreed thereto in this contract, with a rate of 10% (ten percent) of its total price, as a final insurance. The value of the STAND BY L/C is payable in cash and immediately by just a written request made by the first party. Such STAND BY L/C shall remain valid with its full value as of date of its issue and until the expiry of three months as of the warranty period expiry provided in the article (10) herein. The offer is not binding the first party, unless after having deposited such Stand by L/C. the mentioned insurance (Stand by L/C) is considered a bond for contract execution, and to cover the penalties and damages, and any other amounts. the first party may claim the second party therefore by virtue of this contract.

The first party has the right, at anytime, after having notified the second party, in writing any amounts from the final insurance, which the second party owes him, according to the provisions of this contract. In such a case, the second party shall replenish the insurance to the value it was before deduction, within ..... As of date of requiring the same from him by a registered letter. The first party may, just when requesting that without need to any justifications, warning, notification nor taking any other procedures, obtain from the bank these amounts even their value equal that of the STAND BY L/C total value. The right of first party shall not be affected by any objection from the second party nor from others. The STAND BY L/C shall not be suspended on any provision. If the second party delayed in satisfying such amounts deducted from the final insurance, then the first party may deduct them from the amounts due to him by virtue of this contract, or for any other reason,

whether such dues are at the first party or at others. If he has no dues and he is unable to fulfil them, despite his notification twice to do the same, then the first party may cancel the contract and seize the insurance or execute the contract on the second party account. The first party may deduct the due amounts by virtue of this contract or other. This is done by just sending a notice to the second party with registered mail without need to warning nor having recourse to courts nor taking any other procedures.

In all cases, the STAND BY L/C shall not be refunded to the second party unless after having notified that he has paid all his obligations towards .....

### **Article (8)**

#### **Inspection, control and supervision**

- 1- within maximum one month after signing the contract , both parties will sign an agreement with Libyan inspection company to perform the inspection of the delivers.
- 2- The rate of this company will be  $\pm 2\%$  from the total amount of the contract , and it will be on the coast of second party of the contract .
- 3- The second party shall notify the first party and the inspection company by the preparation of any quantity of supplies agreed thereon for shipment, so that the first party can inspect and test them before shipment. The notice shall be sent within a period not exceeding ..... days before date determined for shipment.
- 4- The first party's representatives has the right to take all procedures necessary to ascertain the conformity of supplies to the specifications, technical conditions, drawings and samples. He may also test the same, and if it is revealed that they are not fit or not in conformity of specifications, or they are inaccurate in any part thereof, then the second party shall replace them within a period not exceeding ....., as of date of notifying him by the first party representatives.
- 5- The first party's representatives shall have the right to enter the second party's factories in all suitable times for inspecting the supplies contracted thereon and to test them during and after the manufacturing operation, and to make remarks thereon. If the supplies or any part thereof are manufactured in sub-factories, then the second party shall give all facilities to perform the inspection and tests as if they are made in his factories.
- 6- The second party shall provide to the first party's inspectors, on his account, whether in his or his sub-suppliers' factories, the experts and necessary testing tools as well as electric materials, fuel, waters, storehouses, manpower and all necessary facilities to make the inspection and test more effective.
- 7- The first party's representatives will, after the inspection operation success, deliver to the second party a certificate of shipment approval.
- 8- It is agreed that the inspection, testing, surveillance, supervision and direction operations, performed by the first party's representatives according to the provisions of this article shall not release the second party from any obligation nor liability in connection with this contract, nor prejudicing any guarantees stipulated among its provisions.

### **Article (9)**

#### **Packing, packaging, bundling, numerating and loading**

- 1- The second party undertakes to pack, package, bundle, numerate and load supplies contracted thereon, in suitable and appropriate manner, according to the international trading rules and customs, where it shall ensure the safety of such supplies, form any defect or damage during the air, marine and land transport, such as water leakage, moisture, breaking or the likes. The second party undertakes in case of loading the supplies on marine vessels to comply with the specifications and terms provided in the annexes (4 and 5) herein.

- 2- Each item of supplies shall be given a number according to the order set by the second party. On each box or pack, and in a visible place thereon, a statement of its contents shall be written, such as equipment and items, provided it includes their numbers, specifications numbers, and anything helping its ascertaining and identification, and its gross and net weights, as well as all marks related to the said box or pack.
- 3- Packages or boxes numerating shall be as follows:
- 1) Contract number : .....
  - 2) Loading port: .....
  - 3) Arrival port: .....
  - 4) Consignor: .....
  - 5) Consignee: .....
  - 6) Pack or box number: .....
  - 7) Gross and net weights: .....
  - 8) Material and item name, unless it is confidential: ....., where it is enough to state a code thereof, in addition to the numbers, marks and signs which the second party sees necessary and obligatory as required by the type of supplies, in an annex enclosed with the contract. Each pack or box shall contain a list of its contents.

In case the equipment or part thereof cannot be put inside boxes or packs, nor in any other vessels or containers, then the second party will stick a card thereon containing the information above mentioned, provided it shall observe that such card shall be resistant against the weather conditions and handling works during transport.

- 4) The second party will notify the first party immediately when supplies are loaded totally or partially by all shipments done, and the name of the carrying vessel of any other carrying means, its sailing date, date expected for arrival to the agreed port within the LIBYA. The second party undertakes to send to the first party two true copies of all shipping documents and packing lists by air mail, within two weeks, as of date of each shipment separately. Such papers can not replace the documents provided in the second paragraph of the article (5) of this contract.

### **Article (10)**

#### ***Guarantee and compliance with specifications***

1-The second party ensures that the supplies shall be in quite conformity to the specifications, and that they are of first class, regarding the industry quality, manufacturing specifications, or the purpose designed therefor, and that there are no invisible defects as a result of mistake in design, weakness in ores of operation. The second party ensures that the supplies and all its new parts and not used and that they are according to state-of-the-art international specifications.

2-The second party ensures the safety of supplies contracted thereon for a period of ....., as of date of receipt, against any defect, shortage or damage, provided they are not a result of mis-handling, mis-storing or misuse by the first party, and he shall ensure the good operation and maintenance of equipment required so.

The second party undertakes to remove on his expenses, within the defects warranty period, appearing as soon as possible , and in the manner satisfying the first party, by repairing such defects or by replacing such items or parts of supplies revealed not fit or defected, provided that when breakdowns repeated during the warranty period, then this shall evidence the weakness of design of a specific part in the machine, and therefore, the first party may request the change of equipment within a rescannable period to be determined by the first party.

The replaced supplies shall have the same contract warranty, provided it starts as of date of replacement or repairing.

3-The second party shall bear all expenditures and expenses incurred on such replacement or repairing, including the transport costs, freight, delivery and insurance. In both cases, returning it to the second party and back again to the first party. If the second party neglect the replacement or repairing required procedure, then the first party may make it on the expenses of the second party and under his responsibility.

4-The second party has the right to recover his defected supplies, if he requested so within two months as of date of receiving the substitute supplies.

5-Before a suitable time of the expiry of the warranty period provided in the paragraph (2) of this article, the second party shall notify the first party by the date of supplies inspection and final receipt. The first party shall determine a date therefor after the expiry of the warranty period, and notifying the second party thereby. If it is proved through inspection that all supplies were delivered according to the contract terms and specifications, agreed thereon, and that they are in good conditions, and can fulfil quite the purpose requested therefor, then they are accepted finally and minutes were written and the first party shall return the final insurance or the remaining thereof. But when it is proved that the second party did not execute some of his obligations, or did not do what is required from him during the warranty period, the receipt shall postponed and the warranty period shall be extended accordingly, until the re-inspection and final receipt is done.

### **Article (11)**

#### **Insurance of the Supplies**

The ..... Party undertakes to insure the supplies, equipment and machines on his account against all risks and defects, through one of the Libyan insurance companies in the period as from their shipment or transfer of their proprietorship to the First Party, whichever comes first, until the expiry of thirty days from their discharge as the port of arrival.

Furthermore the ..... Party undertakes to insure on his account against all risks that occur for any reason whatsoever during the installation, operation of the equipment and machines, by observing the provisions of Article (10) of this contract.

### **Article (12)**

#### **Delivery Date and Place**

The supply shall be carried out in lots in the dates stated in the time schedule signed by both parties and enclosed with this contract, annex No. (2), the preliminary delivery of the supplies shall be made within ..... during the dates decided for the delivery, the First Party may refuse the supplies, in full or partly, if it becomes evident to him that they are not compatible or they are in breach with the conditions and specifications agreed upon, and the Second Party shall recover on his account the refused supplies and undertakes to supply others in the date fixed by the First Party, all that without prejudice of his right in indemnity and in imposing the delay fine.

### **Article (13)**

#### **Delay Fines**

If the Second Party makes a delay in executing his obligations set forth in this contract from the fixed dates, a delay fine shall be due on him, for the period of the delay, at the rate of Five per Thousand from the contract value for each week or a part of it, and if the First Party considers that the delayed part will prevent, directly or indirectly, from taking full benefit from what has been supplied or the achieved work.



However if he considers that the delayed part will not cause anything of that the delay fine will be calculated from the value of the delayed part. So that the total fine will not exceed in all cases 10% (ten percent) from the total value of the contract. The delay fine becomes due once the delay occurs even if not resulting in any damage and with no need to warning or notice not to take any other measures. The First Party may deduct this delay fine from any amounts due to him at the Second Party. Moreover the fulfilment of the delay fines does not result in exempting the Second Party from the obligation to the continue the contract execution.

#### **Article (14)**

##### ***Boycott of Israel***

- 1) The Second Party declares that he is not resident in Israel nor bears the Israeli nationality nor have any link with it, nor owns any factory or establishment or branch in Israel, and that he does not participate in any establishment or company existing in Israel, nor have any agreement regarding the supply or manufacturing or assembling or licensing or technical assistance with any establishment or company existing in Israel nor with any person residing therein.
- 2) The Second Party declares and undertakes also that he does not operate nor will operate in any of these activities with Israel, whether by himself or through a broker or another representative, and that he does not contribute in any manner whatsoever in supporting the Israeli economy or military efforts. He declares also that he does not ship anything from these supplies onboard Israeli vessels or vessels berthing in Israeli ports or sailing from them, and in general he undertakes to observe all the provisions of laws and decisions pertaining with the boycott of Israel.
- 3) If it becomes evident to the First Party that the Second Party has breached his obligations set forth in clauses 1 and 2 of this article, he shall be entitled to claim the indemnity, if any, or any other rights to the First Party.

#### **Article (15)**

##### ***External and internal training***

***1- If the supplies are equipment or machines that require training of some national elements, then the second party is obligated to train a number of national elements according to what is mentioned in Annex (7), to the extent that the first party is satisfied and within the agreed limits.***

***2- Annex (7) shall specify the entity that bears the expenses of training national personnel at home and abroad, as well as the expenses of experts and trainers***

#### **Article (16)**

##### ***Foreign and Local Training***

- 1) If the supplies consist of equipment and machines that require the training of some national elements, the Second Party undertakes to train a number of national elements according to the stipulations in Annex (7) to the extent that satisfies the First Party and within the limits agreed upon.
- 2) Annex (7) determines the body that shall bear the expenses of training the national elements locally and aboard and the expenses of experts and trainers.

#### **Article (17)**

##### ***Representatives and agents and assignment of the contract***

Due to the confidential nature of the contract subject, the following matters are prohibited to the Second Party unless after obtaining a written approval from the First Party:

- 1) Using, regarding this contract or as a result of it, agents or representatives inside Libya or abroad. And the Second Party declares that the total value agreed upon in this contract and its details do not include any commissions for others in any manner whatsoever.
- 2) Vesting to others any obligations stipulated in this contract.

And in case the Second Party breaches any of these obligations or both of them, the First Party has the right to take all the procedures he sees fit including the cancellation of the contract and seizure of the letter of guarantees submitted by the Second Party with no need to recourse to court or taking any other legal measures, and this does not breach the right of the First Party in indemnities, if any. And in case of approval of the First Party to vest a part of the supplies to others the Second Party remains fully liable according to the stipulations of this contract for the acts of others as regard to the supplies.

### ***Article (18)***

#### ***Force Majeure and Exceptional Circumstances***

- 1) The force majeure and exceptional circumstances are the sudden events of which both parties have no interference and that cannot not be expected upon the conclusion of the contract and render the execution of the contract obligations, whether in full or partly, impossible, such as acts of God, war, insurrections, riots and marine blockade. However the atmospheric changes, rainfalls, ordinary floods or shortage of manpower or difficulties in transports and other matters that can be expected and which damages can be avoided in due time are not considered force majeure.
- 2) The party who is prevented by a force majeure to execute his obligations shall notify the Second Party in writing immediately after their occurrence with the reasons of delay supported by official documents, in this case neither party is deemed in failure in the fulfilment of his contractual obligations whenever the force majeure exists.
- 3) The dates determined in the contract shall be postponed to the extent lasted by the force majeure provided that the interruption of execution does not exceed six months, and if the period of interruption exceeds that period either party may agree on the procedures that may be taken to resume the fulfilment of the obligations resulting therefrom.

### ***Article (19)***

#### ***Amendment of the contract subject***

The First Party has the right in requesting an increase of the supplies and spare parts during the contract execution period with the same prices and conditions agreed upon, this shall be done by virtue of a contract or separate contracts, and the Second Party has no right to claim any indemnity for that.

### ***Article (20)***

#### ***Export Licenses***

The Second Party undertakes to obtain all the licenses and permits and all the procedures required for the export of the supplies agreed upon to Libya without any exceptions.

### ***Article (21)***

#### ***Spare parts***

The Second Party undertakes to provide the First Party with any quantity of spare parts pertaining with the equipment, machines and any devices required by the maintenance of the supplied machines and equipment for at least a period of (.....) as from signing the contract, and that this supply shall be made once it is ordered by the First Party and by virtue of a separate contract or contracts and according to the prices agreed upon by both parties.

## **Article (22)**

### **Taxes, Fees and Revenues**

The Second Party shall bear all the taxes, fees and revenues resulting from the execution of this contract and that are imposed by virtue of the Libyan regulations, such as:

- 1) Contract registration tax: .....to be borne by the ..... Party.
- 2) Stamp tax: ....., to be borne by the ..... Party.
- 3) Income tax on revenues: ....., to be borne by the ..... Party.
- 4) Customs fees and revenues: ....., to be borne by the ..... Party.

He shall not enjoy any exemption except as stipulated in these regulations, moreover the Second Party shall bear all the taxes, fees and revenues imposed on the contract and its execution abroad.

## **Article (23)**

### **Contract Confidentiality**

The Second Party undertakes to treat this contract as a document with a high secrecy nature and it is absolutely not allowed to disclose the information of this contract and its contents nor diffusing them or confirming them or disclosing them to any one, in any form whatsoever, unless to the extent required by the circumstances of execution of this contract and in the narrowest possible range allowed by the laws and regulations in the country of the Second Party.

## **Article (24)**

### **Contract Cancellation**

**Firstly:** the First Party has the right to cancel the contract if the Second Party breaches seriously one of his core obligations, and the First Party has the right to cancel the contract, in particular in the following cases:

- 1) If the Second Party makes a delay in the supply or showed a slowness in its progress so that the First Party deems that he will not be able to complete it in due time.
- 2) If he withdraws from the execution of his obligations or waives them.
- 3) If he becomes insolvent or declares his bankruptcy or enters into preventive reconciliation with his creditors.
- 4) If he breaches any of the contract terms or neglects any core obligation and did not remedy this within fifteen days as from the date of requesting him to do that by a letter with an acknowledgment receipt.
- 5) If it has been proved that he has, by himself or through his employees, made use of cheat, fraud and manipulation in executing the contract.
- 6) If he breaches any of his obligations related with guarantee.
- 7) If it has been proved that the supplier has, by himself or through others, whether directly or indirectly, bribed one of the general employees or by collusion with any of them, to harm the First Party
- 8) If he commits any infringement for which the contract provisions stipulate the right of the First Party in cancelling the contract.

**Secondly:** the contract will be cancelled and the final bond will be seized by a registered letter with acknowledgment of receipt to be sent by the First party to the Second Party with no need to recourse to court nor to take any other legal measure.

**Thirdly:** it is agreed that the contract cancellation will not prejudice the right of the First Party in claiming the delay fines and other indemnities resulting from the damages sustained by him as a result of the breach of the Second Party of any obligation set forth in this contract.

**Article (25)*****Observance of right of others in Invention, Privilege or Monopoly***

The Second Party undertakes to observe the rights of others regarding the invention, privilege or monopoly, and shall bear all the damages sustained by the Second Party as a result of the breach of the Second Party of this obligation.

**Article (26)*****Validity of the Libyan Laws and the Judicial Competence***

This contract shall be subject, in its interpretation and execution, to the provisions of the laws in force in Libya, which courts shall be competent to examine all the disputes resulting from this contract.

**Article (27)*****Announcements, Notices and Correspondences***

Both parties agreed that the announcements, notices and correspondences addressed to either parties regarding this contract to his address in Libya stipulated at the beginning of this contract are deemed valid and producing all their legal effects until notifying the other party in writing with the change in this address.

**Article (28)****Contract Effectiveness**

This contract shall not be in force unless after the approval of the competent bodies in Libya and notifying the Second Party in writing with the approval.

**Article (29)*****Copies of the Contract***

This contract is written in Arabic Language in ..... articles, and was written in ..... original copies, ..... copies were handed over to the Second Party to work accordingly and the remaining copies to the First Party.

***First Party***

Name: .....

Capacity: .....

Signature: .....

***Second Party***

Name: .....

Capacity: .....

Signature: .....

## CONTRACT ANNEXES

The following data and lists are considered annexes to this contract:

- 1) Bill of quantities and prices lists
- 2) Contract execution program
- 3) Final bond form
- 4) Vessel specifications and conditions
- 5) Packing specifications and conditions form
- 6) Spare parts
- 7) Provision of experts and the related time schedule
- 8) Specifications certificate form
- 9) Any other conditions that may be required by special types of supplies.





**Annex No. (2)****Contract Execution Program**

Contract No: .....

Contract date: .....

Contract value: .....

Contract execution Period: .....

Company address: .....

Company bank address: .....

Company account number: .....

Port of loading: .....

Port of Arrival: .....

The supply starts on: .....

And expires on: .....

The supply shall be carried as follows:

| <b>Shipment No.</b> | <b>Shipment Value</b> | <b>Date of shipment from the L/C opening date</b> | <b>Shipment No.</b> | <b>Shipment Value</b> | <b>Date of shipment from the L/C opening date</b> |
|---------------------|-----------------------|---|---------------------|-----------------------|---|
| 1                   |                       |   | 13                  |                       |   |
| 2                   |                       |   | 14                  |                       |   |
| 3                   |                       |   | 15                  |                       |   |
| 4                   |                       |   | 16                  |                       |   |
| 5                   |                       |   | 17                  |                       |   |
| 6                   |                       |   | 18                  |                       |   |
| 7                   |                       |   | 19                  |                       |   |
| 8                   |                       |   | 20                  |                       |   |
| 9                   |                       |   | 21                  |                       |   |

Date: .../.../.....

L/C No: .....

The beneficiary was notified on: .....

To: .....

We would like from you to take your measures regarding the opening of a confirmed, irrevocable and non-transferable letter of credit, the beneficiary shall bear the confirmation charges in favor of:.....

.....

his address:.....

at the bank: .....

with an amount of: .....

in letters: .....

Provided that payment shall be made at sight of the following documents and a percentage of .....% from it.

1 ..... 2.....

3 ..... 4.....

5 ..... 6.....

7 ..... 8.....

9 ..... 10.....

the remaining .....% shall be paid .....

1 ..... 2.....

the following remarks shall be observed:

L/C term :.....months as well as shipment.

The price includes the cots and freight

And the value represents products as per the contract No. ....../.....

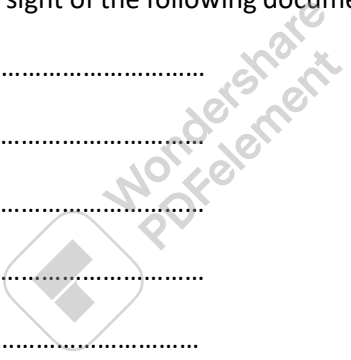
Shipping .....

Shipment is to be made at .....

From .....port to ..... port

Transshipment is not allowed

Origin of goods .....





The expenses of opening the L/C in Libya shall be borne by:

.....

The expenses of opening the L/C abroad Libya shall be borne by:

.....

Partial shipment is allowed

The goods are insured at .....company

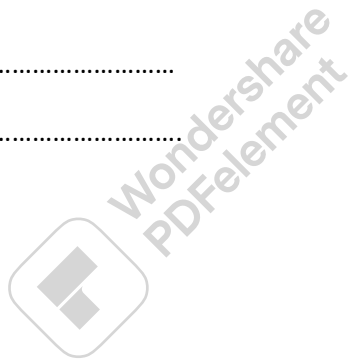
We authorize you to debit the value from our account at you bank and to provide us with the debit note with a percentage of .....%

Other conditions:

1..... 2.....

3..... 4.....

5.....



**Annex No. (3)****Stand by L/C****Performance pond**

FROM:-

TO:-Libyan foreign bank

UNDER OUR FULL RESPONSIBILITY AND INDEMNITY, YOU ARE KINDLY REQUESTED TO ADVISE THE FOLLOWING TEXT OF STAND-BY L/C ADDING YOUR CONFIRMATION;

BY ORDER AND FOR THE ACCOUNT OF “.....“ WE HEREBY OPEN OUR IRREVOCABLE AND CONFIRMED STAND-BY LETTER OF CREDIT NO ..... FOR AN AMOUNT NOT EXCEEDING ..... IN FAVOUR OF ..... TO COVER ..... AS PER ..... ON... .. DTD.....

+ THIS STAND-BY L/C IS PAYABLE AT LIBYAN FOREIGN BANK COUNTER, S AGAINST BENEFICIARY, S FIRST SIMPLE DEMAND IN WRITING.

+ THIS STAND-BY L/C IS ALSO RENEWABLE / EXTENDABLE UPON BENEFICIARY, S FIRST SIMPLE DEMAND.

ANY REFERENCE IN THE STAND-BY L/C TO TEXT, CODES, DATES ETC, RELATING TO A CONTRACT, PROFORMA INVOICE AND / OR ANY OTHER DOCUMENTS SHOULD NOT AFFECT OUR LIABILITIES TOWARDS YOU UNDER OUR UNDERTAKING TO PAY YOU ITS AMOUNT ON YOUR FIRST SIMPLE DEMAND ACCORDING TO S/B L/C TERMS AND CONDITIONS.

THIS STAND-BY L/C IS VALID AT LIBYAN FOREIGN BANK, S COUNTER UPTO..... AFTER WHICH DATE , AND IN THE ABSENCE OF YOUR INSTRUCTIONS WITHIN ITS VALIDITY WILL BE AUTOMATICALLY CONSIDERED AS NULL AND VOID, EVEN IF THE ORIGINAL DOCUMENTS IS NOT RETURNED TO US.

+ PARTIAL DRAWINGS ARE ALLOWED UPON YOUR RECEIPT OF BENEFICIARY, S INSTRUCTIONS.

+ THIS STAND-BY LETTER OF CREDIT IS SUBJECT TO THE UCP OF THE ICC PARIS REVISION 2007, PUBLICATION NO 600.

BANK TO BANK INFORMATION:

+ WE AGREE TO PAY ALL YOUR COMMISSIONS AND CHARGES UPON RECEIPT OF YOUR CLAIM IN YOU, RE A/C WITH THE BANK OF YOUR CHOICE.

+ IN REIMBURSEMENT:

WE HERBY UNDERTAKE TO COVER YOU AS PER YOUR INSTRUCTIONS UPON RECEIPT OF YOUR AUTHENTICATED MESSAG CLAIM OR IN WRITING BY CREDITING YOUR ACCOUNT WITH THE BANK OF YOUR CHOICE , NOTWITHSTANDING ANY COTESTATION , DISPUTE , PRECUTIONARY GARNISHEE ATTACHEMENT ORDER BY APPLICANT OR ANY OTHER PARTY AND WITHOUT RECOURSE TO ANY LEGAL OR JUDICIAL PROCEEDINGS.

PLEASE ADVISE BENEFICIARY ADDING YOUR CONFIRMATION.

+ THIS TLX / SWIFT ARE TO BE TREATED AS AN OPERATIVE INSTRUMENT AND NO MAIL CONFIRMATION WILL FOLLOW.

## Annex No. (4)

### **Vessel Specifications and Conditions**

The Second Party undertakes the fulfillment of the following specifications in the vessel or vessels that he appoints to ship the cargo or cargoes subject of this contract:

- 1) The vessel shall be seaworthy before the start of the marine voyage subject of this contract and also registered at Lloyds or any other recognized authority and with a grade of (.....) or any other similar grade.
- 2) The age of the vessel shall not exceed 15 years, and in case the vessel age exceeds this limit the carrier shall bear the additional insurance due on the vessel old age, as well as the additional insurance due to the insurance on the commodity agreed to be shipped, according to the latest amendments issued by the underwriters association in London pertaining with the additional fees for the vessel old age at the time of executing this contract.
- 3) All the vessel certificates shall be valid and in force throughout the charter party period or the period of voyage subject of this contract.
- 4) The vessel holds and empty space shall be in clean state upon the start of the voyage or upon the delivery in case of agreement on time basis, they shall be completely free from living or death insects or any other products harmful to the cargo to be shipped, provided that a deratification certificate shall be onboard valid until the end of the voyage.
- 5) The vessel shall be insured in a comprehensive insurance for the body, crew and indemnity for others, moreover the owners shall declare the non-existence or any restraints or privilege on the vessel in the favor of any other body.
- 6) The vessel shall fully equipped, in terms of the appropriate number of holds, openings, and the number of winches that are required to load the good and its discharge provided to be in good state upon the loading and it shall remain in that state until the completion of the discharge or the period of charter party.
- 7) The vessel shall be appropriate in terms of length and draft according to the potentialities of the loading and discharge ports and the arrival ports fixed in this contract.
- 8) The vessel shall not be included in the lists of Arab boycott to Israel, provided that its crew shall not enter or pas near Israeli ports for any reason whatsoever, nor to call at any South African port for any reason whatsoever.
- 9) The vessel shall have all the provisions and equipment required to fix and fasten the commodities according to its type subject of this contract in particular those to be loaded onboard the vessel.
- 10) In case it is necessary to ship pressed goods on the vessel its holds shall be equipped with the required fixing partitions.
- 11) The holds covers shall be tightly closed, in good state and that shall be tightly closed to prevent from the seawater and rainwater leakage.
- 12) The vessel shall be equipped with the navigational certificates and equipment set forth by Suez Channel authority upon its passage.
- 13) The vessel owner shall have agents appointed by him in all loading and discharging ports and he shall undertake to provide the required amounts to cover the expenses usually borne by the owners towards their agents.

**Annex No. (5)**

**Packing Specifications and Conditions Form**

Contract No. .... dated .....

We declare that the goods will be packed in the manner that suits their airfreight, and that each parcel the following data will be stamped on its two opposite sides:

.....

and on the other sides the following will be stamped:

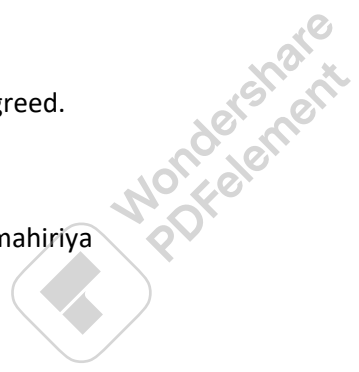
A) Number of boxes: .....Gross Weight: .....

B) Box Number ..... Net Weight

Any Libyan seaport or airport will be agreed.

Great Socialist People's Libyan Arab Jamahiriya

*Signature of the supplier*



**Annex No. (6)****Spare Parts**

The Second Party undertakes, by virtue of this declaration, to provide the First Party with any quantity of spare parts pertaining with the equipment, machines and materials and with any other equipment required by this contract for a period of at least ten years as from the date of signing this contract, and that this supply will be executed right after the submission of the First Party of his application in this regard and by virtue of separate contract or contracts and according to the prices that will be agreed upon by both parties.

**First Party****Second Party**

**Annex No. (7)**

**Provision of experts and trainers and the related time schedule**

The Second Party undertakes to provide experts and trainers for the purpose of supervising the installation and operation of the machines and equipment subject of this contract, and to train the national elements, as a good training, according to the following:

- Number of experts:.....
- Their specializations: .....
- Their qualifications: .....
- Period required for training: .....
- Number of nationals appointed for training: .....
- Total number of training hours: .....
- Training abroad (Outside Libya): .....
- Training locally (In Libya): .....
- Expenses of the experts and the bearing body: .....
- Expenses of the delegated persons and the bearing body: .....
- Other data: .....

**First Party**

**Second Party**

.....

.....

**Annex No. (8)****Specifications Certificate Form**

With reference to our invoice No. ....dated on .....amounting to ..... and the contract No. ....dated .....

- A) The products mentioned in the above-mentioned invoice are conform to the best international technological developments, with a quality of the highest criteria of such type of goods from United Kingdom.
- B) They are manufactured from the best types of products and from premium first class manufacture.
- C) And that before starting the loading of these products we have carried out the inspection and were found serviceable and conform to the specifications, catalogue and samples as stated in the order.

.....

**Signed / The Supplier**







الموضوع : - متابعة طلب عرض  
التاريخ / ذي القعدة / 1443 هـ  
الموافق 19/06/2022 م  
الرقم الأشاري: أ.م.ع/126/ 406

إلى / الملحقية العسكرية الإيطالية

سيادة المحق العسكري

تهدي إدارة المشتريات العسكرية تحياتها إلى الملحقية العسكرية الإيطالية بطرابلس وإلى شخصكم الكريم. وإحفاً لكتابنا إليكم رقم أ م ع/126/771 بتاريخ 2021/12/05م، وإشارة إلى عرض شركة ليوناردو رقم AD-DV/202206/10/163 المؤرخ في 2022/06/10م لذات الموضوع والذي تضمن القواعد والأساسات التعاقدية والتعاملات المالية والضرائب والتكاليف المصرفية وإلى غير ذلك. ولغرض أن نكون أكثر وضوحاً في هذا الجانب فإننا وتقريباً لوجهات النظر بين الجانبين فيما يتعلق بالقواعد والأساسات التعاقدية والتي ذكرنا في طلبنا إلى شركة ليوناردو بأنها ستكون وفق لائحة العقود الإدارية للدولة الليبية فإننا نرسل لكم نسخة إلكترونية من مسودة العقد وذلك لإحالتها إلى شركة ليوناردو لدراستها بالتوازي مع دراستنا للعرض الفني/المالي المقدم منهم.

شاكرين لكم حسن تعاونكم ...

المرفقات/

النسخة الإلكترونية من مسودة العقد

اللواء  
المختار ميلاد النفاصة  
مدير إدارة المشتريات العسكرية





**Ministero della Difesa**

**Dipartimento del Procurment Militare**

---

oggetto: riguardo richiesta offerta

data: 19/06/2022

prot.n. 406/126

**Al Addettanza Militare italiana**

**Spett.le Addetto Militare**

Il Dipartimento del Procurement Militare manda i suoi saluti Al Addettanza Militare italiana a Tripoli.

A seguito della nostra lettera n. 771/126 datata il 05/12/2021, in riferimento all'offerta della Società Leonardo n. AD-DV/202206/10/163 datata il 10/06/2022 che include le regole e le basi contrattuali, transazioni finanziarie, tasse, costi bancari.

Allo scopo di essere più chiari su questo aspetto, e per concordare le opinioni tra le due parti in merito alle regole e le basi contrattuali, in conformità all'elenco dei contratti amministrativi dello Stato libico di cui abbiamo precedentemente accennato nella nostra richiesta alla società Leonardo, pertanto Vi alleghiamo la bozza di contratto per inoltrarla alla Società Leonardo per studiarla parallelamente al nostro studio dell'offerta tecnico/finanziaria da loro presentata.

Grazie per la vostra collaborazione

Allegati/

copia elettronica della bozza di contratto

**Gen. Almokhtar Milad Alnaghasa**

**Direttore Dipartimento del Procurment Militare**