**Engineering, Procurement & Construction Contract (EPC)**

**SPARE SPM BUOY OF BŪTINGĖ TERMINAL**

**INSTALLATION OF TELEMETRY, INSTRUMENTATION & AUTOMATION AND**

**POWER SUPPLY SYSTEMS**

**ANNEX 30.20**

**PAYMENT SCHEDULE AND LIABILITY**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Rev.** | **1** | **2** | **3** | **4** | **5** |
| **Date** |  |  |  |  |  |

# ARTICLE 1.0. PAYMENT SCHEDULE

* 1. Fixed amount of the Contract shall be payed in milestones as indicated in Table 1 further herein:

Table 1 - Payment Schedule

| Milestone No | Description of milestone | Payable percentage, % | Payable milestone amount, EUR |
| --- | --- | --- | --- |
| 1 | Designing | 10 | XXX.XXX |
| 2 | Supply of materials | 20 | XXX.XXX |
| 3 | Mechanical completion | 60 | XXX.XXX |
| 4 | Submission of documentation | 10 | XXX.XXX |
|  | Total: | 100 | XXX.XXX |

* 1. Invoice shall be issued on the basis of approved Work Handover and Acceptance Statement and, if required, the Certificate on the Value of Performed Work and shall be submitted to the Owner for payment as soon as possible but in any case no later than in 3 (three) working days after approval of respective Work Handover and Acceptance Statement and in any case no later than by the 1st working day of next month. Where invoice is presented to the Owner before the approval by the Parties of the Handover and Acceptance Statement, the term of payment under such invoice shall be counted from the date of approval of the Handover and Acceptance Statement.

# ARTICLE 2.0. PAYMENT CONDITIONS

For each payment milestone documents indicated further herein shall be presented.

* 1. Milestone 1, 10 % (XXX,XXX EUR) shall be payable after receipt and approval of the design by the OWNER. Payment shall be made against invoice and Handover and Acceptance Statement issued by the CONTRACTOR and approved by the OWNER where such approval shall certify that respective milestone has been completed;
  2. Milestone 2, 20 % (XXX,XXX EUR) shall be payable after provision of all materials. Payment shall be made against invoice and Handover and Acceptance Statement issued by the CONTRACTOR and approved by the OWNER where such approval shall certify that respective milestone has been completed;
  3. Milestone 3, 60 % (XXX,XXX EUR) shall be payable after completion of construction/installation works. Payment shall be made against invoice and Handover and Acceptance Statement issued by the CONTRACTOR and approved by the OWNER where such approval shall certify that respective milestone has been completed;
  4. Milestone 4, 10 % (XXX,XXX EUR) shall be payable after receipt of documentation. Payment shall be made against invoice and Handover and Acceptance Statement issued by the CONTRACTOR and approved by the OWNER where such approval shall certify that respective milestone has been completed.

# ARTICLE 3.0. LIABILITY

* 1. The CONTRACTOR shall complete all work milestones listed in Article 1 hereof in compliance with the established deadlines and procedure, unless instructed by the OWNER otherwise.
  2. Maximum amount of liquidated damages in case of delays shall be limited to 100 % of fixed value of the Contract indicated in STC. The agreed liquidated damages for delays shall be paid by the CONTRACTOR only if the delay is attributable the fault of the CONTRACTOR.
  3. The CONTRACTOR agrees that all sums payable by the CONTRACTOR to the OWNER as liquidated damages for delays may be deducted by the OWNER from the amount payable to the CONTRACTOR hereunder provided that the CONTRACTOR has refused to pay such liquidated damages within thirty (30) days from the date of respective notice from the OWNER.
  4. Liquidated damages payable by the CONTRACTOR to the OWNER:

|  |  |  |
| --- | --- | --- |
| Description of delayed works | Number of calendar days in delay | Liquidated damages – amount per day |
| Designing | per each calendar day | 0.05 % of Contract value |
| Supply of materials | per each calendar day | 0.05 % of Contract value |
| Mechanical completion | per each calendar day | 0.1 % of Contract value |
| Submission of documentation | per each calendar day | 0.05 % of Contract value |

* + 1. In case of delay to perform designing works as scheduled, the Contractor shall pay liquidated damages to the Owner at the rate of 0.05 % of Contract value per each calendar day of delay until actual completion of such works;
    2. In case of delay to supply materials as scheduled, the Contractor shall pay liquidated damages to the Owner at the rate of 0.05 % of Contract value per each calendar day of delay until actual completion of such works;
    3. In case of delay to perform construction/installation works as scheduled, the Contractor shall pay liquidated damages to the Owner at the rate of 0.1 % of Contract value per each calendar day of delay until actual completion of such works;
    4. In case of delay to submit documentation as scheduled, the Contractor shall pay liquidated damages to the Owner at the rate of 0.05 % of Contract value per each calendar day of delay until actual completion of such works.