Approved by

ALTAN-OCHIR.M
CEO of Mongolia Telecom

SUPPLY AND INSTALLATION OF OTT SERVICE SYSTEM CONSISTING OF HARDWARE AND SOFTWAREMTC/201901004

ULAANBAATAR 2019

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INVITATION TO BIDS

Date: 26 June, 2019

Project reference No.: **MTC/2019/01004**

Name of the project: ***SUPPLY AND INSTALLATION OF OTT SERVICE SYSTEM CONSISTING OF HARDWARE AND SOFTWARE***

The ***Mongolia Telecom company*** now invites **all eligible** Bidders for supply and installation of *OTT SERVICE SYSTEM*

A complete set of bidding documents may be purchased by interested eligible Bidder, on the submission of the tender by online regarding to https://www.tender.gov.mn. The tender document's price is 50000 /fifty thousand /tugrik, it is nonrefundable fee.

Bids shall remain valid for 30 days after the bid opening date.

All bids must be accompanied by a bid security of 16.4 (sixteen million four hundred thousand) tugrik, or an equivalent amount in a freely convertible currency.

Foreign Bidders are allowed to submit the bid.

Bids must be delivered to the address below before **16:00**PMhours on 26July**, 2019** and will be -opened in the presence of the Bidder's authorized representatives at ***Mongolia Telecom company*** at **16:30** PM hours on 26 July**, 2019**.

Interested Bidders may obtain information at the address given below.

Attn: O. Chimegee
Mongolia Telecom company
Address: POB-1166
Peace avenue-1
Mongolia Telecom HQ
Ulaanbaatar-15160
Mongolia.
Tel: (976)70102213
Fax: (976) 70102204

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INSTRUCTIONS TO BIDDERS (ITB)

A. GENERAL

1. Scope of Bid

1.1. The Purchaser **indicated in the Bidding Data Sheet (BDS),** issues these Bidding Documents for the supply of Goods and Related Services incidental thereto as specified in Section V, Schedule of Requirements. The name and identification number of this procurement are **specified in the BDS.**

1.2. Goods and Related Services shall be one lot, unless otherwise **specified in the BDS.**

1.3. Successful Bidder shall supply the Goods and Related Services by the date and to the place in accordance with the Section V, Schedule of Requirements.

2. Source of Funds

2.1. The Purchase shall make payment for above mentioned the Goods and Related Services by funds **specified in the BDS**.

3. Fraud and Corruption

3.1. It is the government policy to require that Purchaser, as well as Bidders, Suppliers, Contractors, and Consultants under government, observe the highest standard of ethics during the procurement and execution of such contracts.

3.2. The Purchaser will inform to related legal authority according to procedure, in case of obtained following facts: real information that Bidders who is participating in the Bid or civil servant who engaged to the procurement process, one of them associated with corruption, fraud, deliberate negotiation, or intimidation terms are specified Law of Against Corruption, Law of Against Unfair Competition, and Criminal Law.

4. Eligible Bidders

4.1. A Bidder, and all parties constituting the Bidder, may have the nationality of any country, except case of the restrictions of foreign bidder specified in the Invitation to Bids based on decision according to Clause 9.3 of Public Procurement Law of Mongolia.

4.2. Bidders may be considered to have a conflict of interest with one or more parties in this bidding process, if they:

4.2.1 are upon a declaration of bankruptcy or liquidation, negotiation with lender for bankruptcy avoidance, or business operation ceased or under condition similar above mentioned in according to founded country's law;

4.2.2 are not paid tax, commission, and payment according to Mongolian law or founded country's law;

4.2.3 are legal entities that run dependent operation from Purchaser and their assets are wholly or partially State-owned;

4.2.4 are under a declaration of serious breach to perform any of their obligations under the contract or fraudulent practices in technical operation for the last 3 years, issued by court, or relevant authorities;

4.2.5 are associated, directly or indirectly, with a firm or any of its affiliates which have been engaged by the Purchaser to provide consulting services for the preparation of the design, technical specifications, and other documents to be used for the procurement of the Goods and Related Services to be purchased under this Invitation

for Bids;

4.2.6 are under a declaration of untruth full information in their Bids, issued by relevant authorities;

4.2.7 during last 3 years, are under a declaration of associated with corruption, fraud, deliberate negotiation, or intimidation terms are specified Law of Against Corruption, Law of Against Unfair Competition, and Criminal Law, issued by court;

4.2.8 are the legal owner of more than one Bidders which are participating in this Bid;

4.2.9 submitted alternative Bids, except alternative Bids allowed in **ITB Clause 14.** (But this clause not denies any Bidder to participate as subcontractor to more than one Bid, or submit proposal to more than single bid package of Bid.)

4.3. Bidders shall provide such evidence of their continued eligibility satisfactory to the Purchaser in writing according to from **ITB Sub-Clause 4.2.1 to 4.2.11.** Bidders shall deliver further evidence documents in case of wishes of Purchaser to clarifying proof.

5. Eligible Goods and Related Services

5.1. All the Goods and Related Services to be supplied under the Contract may have their origin in any country. Purchase shall make payment in case of buying the Goods and Related Services **specified in BDS Sub-Clause 1.1.**

5.2. The term "origin" specified **ITB Sub-Clause 5.1** means the country where the Goods have been mined, grown, cultivated, produced, manufactured or processed; or, through manufacture, processing, or assembly, another commercially recognized article results that differs substantially in its basic characteristics from its components. For purposes of this Clause, the term "Goods" includes commodities, raw material, machinery, equipment, and industrial plants; and "related services" includes services such as insurance, installation, training, and initial maintenance.

6. Joint Venture Partnership

6.1. Bids submitted by Joint Venture Partnership of two or more legal entity based on cooperation agreement shall comply with the following requirements, unless otherwise **specified in the BDS.**

(a) the bid, and in case of successful Bid, the Contract form, shall be signed so as to be legally binding on all partners;

(b) all partners of the Joint Venture Partnership shall be specified all duties respectively into cooperation agreement according to the execution of the Contract to supply the Goods and Related Services **specified in BDS Sub-Clause 1.1**;

(c) one of the partners shall be authorized to incur liabilities, in case of receiving payments and receiving instructions for and on behalf of any or all partners of the Joint Venture Partnership;

(d) one of the partners shall be authorized to be in charge of entire execution of contract including payment; and this authority shall be evidenced by submitting a power of attorney signed by legally authorized signatories of all the partners;

(e) a copy of the agreement entered into by the joint venture partners shall be submitted with the Bid.

B. CONTENTS OF BIDDING DOCUMENTS

7. Sections of Bidding Documents

7.1. The Bidding Documents consist of Parts 1, 2, and 3, which include all the Sections indicated below, and should be read in conjunction with any Addendum issued in accordance with ITB Clause 9.

PART 1 Bidding Procedures

Section I. Instructions to Bidders (ITB)
Section II. Bidding Data Sheet (BDS)
Section III. Evaluation and Qualification Criteria
Section IV. Bidding Forms

- Bid Form
- Price Schedules Form
- Bid Security Form
- Manufacturer's Authorization Letter Form

PART 2 Supply Requirements

Section V. Schedule of Requirements

PART 3 Contract

Section VI. General Conditions of Contract (GCC)
Section VII. Special Conditions of Contract (SCC)
Section VIII. Contract Forms

- Contract Form
- Performance Security Form
- Advance Payment Security Form

Attachment: Invitation to Bids

7.2. The Invitation for Bids issued by the Purchaser is not part of the Bidding Documents.

7.3. The Bidder is expected to examine all instructions, forms, terms, and specifications in the Bidding Documents. Failure to furnish all information or documentation required by the Bidding Documents may result in the rejection of the bid.

8. Clarification of Bidding Documents

8.1. A prospective Bidder requiring any clarification of the Bidding Documents shall contact the Purchaser in writing /the term "in writing" means communicated in written form (e.g. by mail, fax, telex) with proof of receipt/ at the Purchaser's address **specified in the BDS.** The Purchaser will respond in writing to any request for clarification, provided that such request is received no later than **specified in the BDS** prior to the deadline for submission of bids. The Purchaser shall forward copies of its response to all those who have acquired the Bidding Documents directly from it, including a description of the inquiry but without identifying its source.

8.2. Purchaser deem it necessary to amend the Bidding Documents as a result of a clarification, it shall do so following the procedure under **ITB Clause 9** and **ITB Sub-Clause 24.2**.

9. Amendment of Bidding Documents

9.1. At any time prior to the deadline for submission of bids, the Purchaser may amend the Bidding Documents by issuing addendum.

9.2. Any addendum issued shall be part of the Bidding Documents and shall be communicated in writing to all who have obtained the Bidding Documents directly from the Purchaser. Bidders shall inform in writing to the Purchaser about receiving amendment of Bidding Documents.

9.3. To give prospective Bidders reasonable time in which to take an addendum into account in preparing their bids, the Purchaser may, at its discretion, extend the deadline for the submission of bids, **pursuant to ITB Sub-Clause 24.2.**

C. PREPARATION OF BIDS

10. Cost of Bidding

10.1. The Bidder shall bear all costs associated with the preparation and submission of its bid, and the Purchaser shall not be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.

11. Language of Bid

11.1. The Bid, as well as all correspondence and documents relating to the bid exchanged by the Bidder and the Purchaser, shall be written in a language as **specified in the BDS.**

11.2. Supporting documents and printed literature that are part of the Bid may be Section I Instructions to Bidders in another language provided they are accompanied by an accurate translation of the relevant passages into the language **specified in the ITB Sub-Clause 11.1.**

12. Documents Comprising the Bid

12.1. The Bid shall comprise following:

(a) Bid Submission Form and the applicable Price Schedules in accordance with **ITB Clauses 13, 15**;

(b) Bid Security or Bid-Securing Declaration, in accordance with **ITB Clause 21**, if required;

(c) written confirmation authorizing the signatory of the Bid to commit the Bidder, in accordance with **ITB Clause 22**;

(d) documentary evidence in accordance with **ITB Clause 17** establishing the Bidder's eligibility to bid;

(e) documentary evidence in accordance with **ITB Clause 18** establishing the Bidder's qualifications to perform the contract if its bid is accepted;

(f) documentary evidence in accordance with **ITB Clauses 19**, that the Goods and Related Services conform to the Bidding Documents; and

(g) any other document **required in the BDS.**

13. Bid Submission Form and Price Schedule

13.1. The Bidder shall submit the Bid Submission Form using the form furnished in Section IV, Bidding Forms. This form must be completed without any alterations to its format, and no substitutes shall be accepted. All blank spaces shall be filled in with the information requested.

13.2. The Bidder shall submit the Price Schedules for Goods and Related Services, according to their origin as appropriate, using the forms furnished in Section IV, Bidding Forms

14. Alternative Bids

14.1. Unless otherwise **specified in the BDS,** alternative bids shall not be considered.

15. Bid Prices and Discounts

15.1. The prices and discounts quoted by the Bidder in the Bid Submission Form and in the Price Schedules shall conform to the requirements specified below.

15.2. All costs and items must be listed and priced separately in the Price Schedules, but the final contract price should be quoted **as specified in the BDS.**

15.3. The price to be quoted in the Bid Submission Form shall be the total price of the bid, excluding any discounts offered.

15.4. The Bidder shall quote any unconditional discounts and indicate the method for their application in the Bid Submission Form.

15.5. The terms EXW, CIP, and other similar terms shall be governed by the rules prescribed in the current edition of Inco terms, published by The International Chamber of Commerce, **as specified in the BDS.**

15.6. Prices shall be quoted as specified in each Price Schedule included in Section IV, Bidding Forms.

15.7. The Price Schedule shall include all taxes and other such levies and payable in accordance with law and regulations that are effective 14 days prior to the deadline for the submission of bids. The Bidder shall indicate the unit price, total price per item, the total amount and the expected countries of origin of the Goods and Related Services to be supplied under the Contract on the appropriate Price Schedule.

15.8. The Goods and Related Services are grouped into a single bid package or multi bid packages, **specified in ITB Sub-Clause 1.2 and related BDS**. If the Goods and Related Services divided into multi bid packages, Bidders have right to submit single bid package or multi bid package. The bid package shall not be divided into sub-packages for the purpose of bidding.

15.9. Prices indicated on the Price Schedule shall be entered separately in the following manner:

(a) For Goods to be offered from within Mongolia:

1. the price of the Goods quoted EXW (ex works, ex factory, ex warehouse, ex showroom, or off-the-shelf, as applicable), including all customs duties and sales and other taxes already paid or payable on the components and raw material used in the manufacture or assembly of the Goods;
2. any Purchaser's Country sales tax (VAT) and other taxes which will be payable on the Goods if the contract is awarded to the Bidder; and
3. the price for inland transportation, insurance, and other local services required to convey the Goods to their final destination (Project Site) **specified in the BDS**.

(b) For Goods to be offered from outside of Mongolia:

1. the price of the Goods, quoted CIP named place of destination, in the Purchaser's Country, or CIF named port of destination, as **specified in the BDS**;

2. any Purchaser's Country sales (VAT) and other taxes which will be payable on the Goods if the contract is awarded to the Bidder; and

3. the price for inland transportation, insurance, and other local services required to convey the Goods from the named place of destination to their final destination (Project Site) as **specified in the BDS**;

(c) For Goods manufactured outside the Mongolia, already imported:

1. the price of the Goods, including the original import value of the Goods; plus any mark-up (or rebate); plus any other related local cost, and custom duties and other import taxes already paid or to be paid on the Goods already imported;
2. the custom duties and other import taxes already paid (need to be supported with documentary evidence) or to be paid on the Goods already imported;
3. the price of the Goods, obtained as the difference between (1) and (2) above;
4. any Purchaser's Country sales (VAT) and other taxes which will be payable on the Goods if the contract is awarded to the Bidder; and
5. the price for inland transportation, insurance, and other local services required to convey the Goods from the named place of destination to their final destination (Project Site) **specified in the BDS**.

15.10. Prices quoted by the Bidder shall be fixed during the Bidder's performance of the Contract and not subject to variation on any account, unless otherwise **specified in the BDS.** A Bid submitted with an adjustable price quotation shall be treated as non responsive and shall be rejected, **pursuant to ITB Clause 31**. However, if in accordance with the **BDS,** prices quoted by the Bidder shall be subject to adjustment during the performance of the Contract, a bid submitted with a fixed price quotation shall not be rejected, but the price adjustment shall be treated as zero.

15.11. If allowed to submit Bid with an adjustable price quotation **specified in the BDS**, condition and method to adjust price shall be **specified in SCC**.

16. Currencies of Bid

16.1. The Bidder shall quote in the currency of the Mongolia the portion of the bid price that corresponds to expenditures incurred in the currency of the Purchaser's country, unless otherwise specified in the **BDS.** In case of foreign currency, the Purchase will convert all bid prices into Mongolian currency using the exchange rate as posted by the Central Bank of Mongolia on the tender announcing date and final payment will be transferred by Mongolian currency with exchange rate above mentioned.

17. Documents Establishing the Eligibility of the Bidder

17.1. The documentary evidence of the eligibility of Bidder if its bid is accepted shall establish to the Purchaser's satisfaction:

(a) copy of the State registration certificate, which indicates the place of registration, company's business profile and addresses, and
(b) attorney letter for signing on behalf of the Bidder if any;
(c) the related license to supply the Goods and Related Services **specified in the BDS.**

18. Documents Establishing the Qualifications of the Bidder

18.1. The documentary evidence of the Bidder's qualifications to perform the contract if its bid is accepted shall establish to the Purchaser's satisfaction:

(a) that, if **required in the BDS,** a Bidder that does not manufacture or produce the Goods it offers to supply shall submit the Manufacturer's Authorization using the form included in Section IV, Bidding Forms to demonstrate that it has been duly authorized by the manufacturer or producer of the Goods to supply these Goods in the Purchaser's Country;
(b) audited annual financial statements for the last number of years **specified in the BDS** witch auditor's report;
(c) technical capacity documents including the Bidder's the managerial and technical personnel capability and experience necessary to perform the Contract;
(d) the similar Goods and Related Services supplying contract experience including the Bidder's experience for supply s the similar Goods and Related Services for the last number of 5years **specified in the BDS**;
(e) that, if **required in the BDS,** in case of a Bidder not doing business within the Purchaser's Country, the Bidder is or will be (if awarded the contract) represented by an Agent in the country equipped and able to carry out the Supplier's maintenance, repair and spare parts-stocking obligations prescribed in the Conditions of Contract and/or Technical Specifications;
(f) documentary evidence of bidder has enough current assets to perform the contract (applicable capability to take loan and other financial source etc.,);
(g) Bidder's notification that no objection in case of Purchaser requests company balance statement from corresponding bank;
(h) information of Bidder participated in any lawsuit and dispute of court, last number of 3years **in specified in the BDS**;
(i) that, if subcontractor executes more than 10% of the Contract, documents establishing qualifications of subcontractor;

18.2. The bidder should comply minimum level of following requirements to win the award of contract to supply the Goods and Related Services **specified ITB Clause 1.1**:

(a) the similar Goods and Related Services supplying contract experience including the Bidder's experience for supply the similar Goods and Related Services for the last number of 3years **specified in the BDS**;
(b) average selling income of the bidder for the last number of 3years **specified in the BDS** must be no less the amount **specified in the BDS**;
(c) at least one main contractor experience to supply the Goods and Related Services under similar contract for the last number of years **specified in the BDS**;
(d) the proposal to provide the installation tools and additional accessories **specified in the BDS**. (owner, leasing, hiring etc.,)

18.3. Qualifications of each partner of Joint Venture Partnership shall be added to determine the Bidder passing all requirements **specified ITB Clause 18.2**. Each partner of Joint Venture Partnership must be comply no less 25%, and main company must be comply no less than 40% of minimum level of all requirements **specified in the ITB Sub-Clause 18.2**.If one of partners not passed above mentioned percent of requirements, the Purchaser shall reject the bid as non responsive.

18.4. That, if **specified in the BDS,** the Purchaser may grant a 10% margin of Preference in the evaluation of bids, offering goods of Mongolian origin, compared to bids offering such goods from abroad. Bidders applying for the preference shall provide all evidence necessary to prove that the Goods offered by them were manufactured in Mongolia.

19. Documents Establishing the Conformity of the Goods and Related Services

19.1. To establish the conformity of the Goods and Related Services to the Bidding Documents, the Bidder shall furnish as part of its Bid the documentary evidence that the Goods conform to the technical specifications and standards specified in Section V, Schedule of Requirements. The documentary evidence may be in the form of literature, drawings or data, and shall consist of following information:

a) a detailed item by item description of the essential technical and performance characteristics of the Goods and Related Services,

b) The Bidder shall also furnish a list giving full particulars, including available sources and current prices of spare parts, special tools, etc., necessary for the proper and continuing functioning of the Goods during the 3yearsperiod **specified in the BDS** following commencement of the use of the goods by the Purchaser.

(c) Standards for workmanship, process, material, and equipment specified by the Purchaser in the Schedule of Requirements, are intended to be descriptive only and not restrictive. The Bidder may offer other standards of quality, and/or catalogue numbers, provided that it demonstrates, to the Purchaser's satisfaction, that the substitutions ensure substantial equivalence or are superior to those specified in the Schedule of Requirements.

20. Period of Validity to Bids

20.1. Bids shall remain valid for the period **specified in the BDS** after the bid submission deadline date **prescribed in the ITB Clause 24**. A bid valid for a shorter period shall be rejected by the Purchaser as non responsive.

21. Bid Security

21.1. The Bidder shall furnish as part of its bid, a Bid Security or a Bid-Securing Declaration, if required, as **specified in the BDS**. The Bid Security shall be in the amount **specified in the BDS**.

21.2. The bid security shall be a bank guarantee issued by a reputable bank located in Mongolia or abroad, government bond, government authorized securities, in the form provided in Section IV of the Bidding documents. It shall be valid for 28 days beyond the bid valid period prescribed in **ITB Clause 20**.

21.3. Be submitted in its original form; copies will not be accepted.

21.4. In the case of the joint venture, the partner authorized to be in charge, shall furnish a bid security.

21.5. Any bid not secured in accordance here mentioned will be rejected by the Purchaser as non-responsive.

21.6. An unsuccessful Bidder's bid security will be discharged/returned not later than 28 days after the expiration of the bid valid period prescribed by the Purchaser, pursuant to ITB Clause 20.1

21.7. The successful Bidder's bid security will be discharged/returned upon the Bidder's signing the Contract according to ITB Clause 41, and furnishing the performance security, pursuant to ITB Clause 42.

21.8. The bid security may be forfeited:

(a) if a Bidder withdraws its bid during the bid valid period specified by the ITB on the Bid Form;

(b) if a Bidder does not accept the correction of errors pursuant to ITB Clause 32.2, and in case of ITB Clause 38.2

(c) in the case of a successful Bidder, if the Bidder fails:

1) to sign the Contract in accordance with ITB Clause 41; or

2) to furnish the performance security in accordance with ITB Clause 42.

22. Number of Copies and Signing of Bid

22.1. The Bidder shall prepare one original of the documents comprising the bid as described in ITB Clause 12 and clearly mark it "ORIGINAL." In addition, the Bidder shall submit copies of the bid, in the number **specified in theBDS** and clearly mark them "COPY." In the event of any discrepancy between the original and the copies, the original shall prevail.

22.2. The original and all copies of the bid shall be typed or written in indelible ink and shall be signed by a person duly authorized to sign on behalf of the Bidder. All pages of the bid, except for unchanged documents or printed literatures, shall be initiated by the person or persons signing the Bid.

22.3. The bid shall contain no interlineations, erasures or overwriting except as necessary to correct errors made by the Bidder or to conform to the technical specification, in which case such corrections shall be initialed by the person or persons signing the Bid.

D. SUBMISSION OF BIDS

23. Submission, Sealing and

23.1. Bidders may always submit their bids by Post or by representative of company.

Marking of Bids

23.2. Bidders shall enclose the original and each copy of the Bid in separate sealed envelopes, duly marking the envelopes as "ORIGINAL" and "COPY." These envelopes containing the original and the copies shall then be enclosed in one single envelope. The rest of the procedure shall be in **accordance with ITB Sub-Clauses 23.3 and 23.4**.

23.3. The inner and outer envelopes shall:

(a) bear the name and address of the Bidder;

(b) be addressed to the Purchaser **indicated ITB Sub-Clause 1.1,** and the address **specified in the BDS**;

(c) bear the specific identification of project name and project reference number indicated in **ITB Sub-Clause 1.1** and any additional identification marks as **specified in the BDS;**

(d) bear a warning 'DO NOT OPEN' before the time and date for bid opening, **in accordance with ITB Sub-Clause 28.1**

23.4. If all envelopes are not sealed and marked according to ITB Sub-Clause 23.3, the Purchaser will assume no responsibility for the misplacement or premature opening of the bid.

24. Deadline for Submission of Bids

24.1. Bids must be received by the Purchaser at the address and no later than the date and time **specified in the BDS**.

24.2. The Purchaser may, at its discretion, extend the deadline for the submission of bids by amending the Bidding Documents in **accordance with ITB Clause 9,** in which case all rights and obligations of the Purchaser and Bidders previously subject to the deadline shall thereafter be subject to the deadline as extended.

25. Late Bids

25.1. The Purchaser shall not consider any bid that arrives after the deadline for submission of bids, in **accordance with ITB Clause 24**. Any bid received by the Purchaser after the deadline for submission of bids shall be declared late, rejected, and returned unopened to the Bidder.

26. One Bid per Bidder

26.1. Each Bidder shall submit only one bid either by itself, or as a partner in a joint venture. A Bidder who submits or participates in more than one bid (except alternative bids **pursuant to ITB Clause 14** and subcontracting) will be disqualified.

27. Withdrawal and Modification of Bids

27.1. A Bidder may withdraw, substitute, or modify its Bid after it has been submitted by sending a written notice before the deadline for submission of bids.

27.2. All notices must be submitted in accordance with ITB Clauses 22 and 23 (except that withdrawal notices do not require copies), and in addition, the respective envelopes shall be clearly marked "WITHDRAWAL," "SUBSTITUTION," or "MODIFICATION;".

27.3. No bid may be withdrawn, substituted, or modified after the deadline for submission of bids.

27.4. Bids requested to be withdrawn in accordance with ITB Sub-Clause 27.2 shall be returned unopened to the Bidders.

27.5. Withdrawal of a bid during the interval between the deadline for submission of bids and the expiration of the period of bid validity may

result in the Bidder's forfeiture of its bid security, **pursuant to the ITB Clause 21**.

E. OPENING AND EVALUATION OF BIDS

28. Opening Bids

28.1. The Purchaser shall conduct the bid opening in public at the address, date and time **specified in the BDS**. Bidder's representatives and other interested ones can attend in opening of bids. In case of attendance, they shall sign a register evidencing their attendance.

28.2. First, envelopes marked "WITHDRAWAL" shall be opened and read out and the envelope with the corresponding bid shall not be opened, but returned to the Bidder. Next, envelopes marked "SUBSTITUTION" shall be opened and read out and exchanged with the corresponding Bid being substituted, and the substituted Bid shall not be opened, but returned to the Bidder. Envelopes marked "MODIFICATION" shall be opened and read out with the corresponding Bid.

28.3. All other envelopes shall be opened one at a time, reading out: the name of the Bidder and whether there is a modification; the Bid Prices, including any discounts and alternative offers; Only discounts and alternative offers read out at Bid opening shall be considered for evaluation.

28.4. The Purchaser shall prepare a record of the Bid opening that shall include, as a minimum:

a. the name of the Bidder and whether there is a withdrawal, substitution, or modification;

b. the Bid Price, per lot if applicable, including any discounts, and alternative offers if they were permitted. In case of more than single bid package, those information should be recorded by each bid package;

c. and the presence or absence of a Bid Security or Bid-Securing Declaration, if one was required.

29. Confidentiality

29.1. Information relating to the examination, evaluation, comparison, and post-qualification of bids, and recommendation of contract award, shall not be disclosed to bidders or any other persons not officially concerned with such process until publication of the Contract Award.

29.2. Any effort by a Bidder to influence the Purchaser in the examination, evaluation, comparison, and post-qualification of the bids or contract award decisions may result in the rejection of its Bid.

29.3. From the time of bid opening to the time of Contract Award, if any Bidder wishes to contact the Purchaser on any matter related to the bidding process, it should do so in writing.

30. Clarification of Bids

30.1. To assist in the examination, evaluation, comparison and post-qualification of the bids, the Purchaser may, at its discretion, ask any Bidder for a clarification of its Bid. No change in the prices or substance of the Bid shall be sought, offered, or permitted, except to confirm the correction of arithmetic errors discovered by the Purchaser in the

Evaluation of the bids, in **accordance with ITB Clause 31**.

31. Responsiveness of Bids

31.1. The Purchaser's determination of a bid's responsiveness is to be based on the contents of the bid itself:

(a) whether the Bidders are eligible, pursuant to the ITB Clause 4;

(b) bear the name and address of the Bidder;

(c) whether the documents have been properly signed;

(d) whether required Bid Security, Manufacturer's Authorization Letter and securities have been furnished;

(e) whether they are responsive according to other requirements;

(f) whether they are responsive with minimum qualification to perform contract.

31.2. A substantially responsive Bid is one that conforms to all the terms and conditions **specified in ITB Clause 31.1**.

31.3. A substantially responsive bid is one which conforms to all the terms and conditions of the Tender Documents, especially conditions, pursuant to the ITB Clause 19 and Technical specifications, without material deviation. A material deviation is following:

(a) which affects in any substantial way the scope, quality or performance of the goods;

(b) which limits in any substantial way, inconsistent with the tender documents, the Purchaser's rights or the Bidder's obligations under the Contract;

(c) whose rectification would affect unfairly the competitive position of other Bidders presenting substantially responsive bids;

31.4. A bid determined as not substantially responsive will be rejected by the Purchaser and may not subsequently be made responsive by the Bidder by correction of the nonconformity.

32. Correction of Errors

32.1. Bids determined to be substantially responsive will be checked by the Purchaser for any arithmetic errors. Arithmetical errors will be rectified on the following basis:

(a) if there is a discrepancy between words and figures, the amount in word shall prevail;

(b) if there is a discrepancy between the total amount stated in the Bid Form and the sum of the total price per item, the sum of the total price per item shall prevail and the total amount will be corrected;

(c) if there is a discrepancy between the unit price and the total price per item that is obtained by multiplying the unit price and quantity, the unit price shall prevail and the total price per item will be corrected, unless in the opinion of the Purchaser there is an obviously gross misplacement of the decimal point in the unit rate, in which case the line item total as quoted will govern, and the unit rate will be corrected.

32.2 The corrected amount of bid, accepted by the Bidder, shall be deemed as a final one. If the Bidder does not accept the corrected amount of bid, its bid will be rejected, and the bid security may be forfeited, pursuant to the ITB Clause 21.8 (b).

33. Conversation to Single Currency

33.1. To facilitate evaluation and comparison, the Purchaser will convert all bid prices, expressed in the various currencies or in the currency not stated in ITB Clause 16, to MNT at the exchange rate as posted by the Central Bank of Mongolia on the tender announcing date.

34. Domestic Preference

34.1. Domestic preference shall not be a factor in bid evaluation, unless otherwise **specified in the BDS**.

35. Evaluation and Comparison of Bids

35.1. The Purchaser shall evaluate each bid that has been determined a responsive in **accordance with ITB Clause 31**.

35.2. To evaluate a Bid, the Purchaser shall consider the following:

(a) price adjustment for correction of arithmetic errors in **accordance with ITB Sub-Clause 32**;

(b) making an appropriate adjustment on the price by evaluating any other acceptable variations, deviations, **pursuant to the ITB Clause 31**;

(c) price adjustment due to discounts offered;

(d) adjustments due to the application of the evaluation criteria **specified in the BDS** from amongst those set out in Section III, Evaluation and Qualification Criteria;

(e) adjustments due to the application of a margin of preference **specified in the BDS**.

35.3. The Purchaser will evaluate and compare bids on the basis of a Bid Package or a combination of Bid Packages or as a total of all Bid Packages in **accordance with ITB Clause 35.2**.The Purchaser shall award the Contract to the Bidder whose offer has been determined to be the lowest evaluated bid.

36. Post-qualifications of the Bidder

36.1. The Purchaser shall determine to its satisfaction whether the Bidder that is selected as having submitted the lowest evaluated and substantially responsive bid is qualified to perform the Contract satisfactorily.

36.2. The determination shall be based upon an examination of the documentary evidence of the Bidder's qualifications submitted by the Bidder, **pursuant to ITB Clause 18**.

36.3. An affirmative determination shall be a prerequisite for award of the Contract to the Bidder. A negative determination shall result in disqualification of the bid, in which event the Purchaser shall proceed to the next lowest evaluated bid to make a similar determination of that Bidder's capabilities to perform satisfactorily.

37. Purchaser's Right to Accept Any Bid, and Reject Any or

37.1. The Purchaser reserves the right to accept or reject any bid, and to annul the bidding process and reject all bids at any time prior to contract award, without thereby incurring any liability to Bidders.

All Bids

F. AWARD OF CONTRACT

38. Notification of Award

38.1. Prior to the expiration of the period of bid validity, the Purchaser shall notify the successful Bidder, in writing, that its Bid has been accepted. The letter shall indicate the contract price. The contract price is the tender price, in which reflected adjustment and discounts (including conditional discounts).

38.2. The notification of award will constitute the formation of the Contract, subject to the Bidder furnishing the Performance Security in accordance with ITB Clause 42 and signing the Agreement in accordance with ITB Clause 41.

39. Purchaser's Right to Vary Quantities at Time of Award

39.1. At the time the Contract is awarded, the Purchaser reserves the right to increase or decrease the quantity of Goods and Related Services originally specified in Section V, Schedule of Requirements, provided this does not exceed the percentages **specified in the BDS,** and without any change in the unit prices or other terms and conditions of the bid and the Bidding Documents.

39.2. At lease 5 working days after sending notification of award to all bidders, the successful Bidder shall sign the Contract.

40. Signing of Contract

40.1. At the time of notification of award, the Purchaser will send the successful Bidder the Contract Form provided in those Bidding Documents, incorporating all agreements between the parties.

40.2. Within number of days **specified in the BDS** and at lease 5 days after of receipt of the Agreement, the successful Bidder shall sign, date, and return it to the Purchaser.

40.3. Upon the successful Bidder's furnishing the performance security, the Purchaser shall sign the Contract **pursuant to ITB Sub-Clause 39.2**

41. Performance Security

41.1. Within twenty one (21) days of the receipt of notification of award from the Purchaser, the successful Bidder, if required, shall furnish the Performance Security in accordance with the SCC, using for that purpose the Performance Security Form **included in the BDS**.

41.2. The Performance Security shall be issued by:

(a) a bank located in Mongolia or a first class foreign bank through a correspondent bank located in Mongolia, or
(b) a foreign first class bank acceptable to the Purchaser,

41.3. Failure of the successful Bidder to comply with the requirements of **ITB Clause 42.1** shall constitute sufficient grounds for cancellation of the award and forfeiture of the Bid Security.

SECTION II. BIDDING DATA SHEET (BDS)

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C. Preparation of Bids..... 19
D. Submission and Opening of Bids..... 21
E. Opening and Evaluation of Bids..... 22

SECTION II. BIDDING DATA SHEET (BDS)

The following specific data for the goods to be procured shall complement, supplement, or amend the provisions in the Instructions to Bidders (ITB). Whenever there is a conflict, the provisions herein shall prevail over those in ITB.

ITB Clause Reference	**A. General**
ITB 1.1	The Purchaser is: ***Mongolia Telecom*** ***Peace Avenue – 1*** ***Ulaanbaatar-15160*** ***Mongolia***
ITB 1.1	The name and identification number of the open competitive bid are: ***"Supply and installation of OTT service system consisting of hardware and software МЦХ/201901004"***
ITB 2.1	Source of funds: "***Mongolia Telecom's investment***"
	B. Contents of Bidding Documents
ITB 8.1	For ***Clarification of bid purposes*** only, the Purchaser's address is: ***Attn: Mrs. Chimegee*** ***Room: 309*** ***3rd Floor*** ***Peace avenue-1*** ***Mongolia Telecom HQ*** ***Ulaanbaatar, 15160*** ***Mongolia*** ***Tel: (976) 70102213*** ***Fax: (976) 70102204*** ***Web: http://www.telecommongolia.mn***
ITB 8.1	Bidders can require any request for clarification, provided that such request is received no later than ***"5"*** *(five)* working days prior to the deadline for submission of bids.
	C. Preparation of Bids
ITB 11.1	The language of the bid is: "Mongolian" or ***"English"***
ITB 12.1 (g)	The Bidder shall submit the following additional documents in its bid: - Copy of Company Registration Certificate - Company Introduction - Audited financial statements for the years 2017, 2018 in the official currency of the company as submitted to the appropriate tax agencies. Each member of a partnership shall submit above statements. - Notification of compliance of clauses 4 and 5 in Instructions to Bidders

	Following documents shall be submitted to prove compliance of technical requirements: 1. Detailed description of network topology and system architecture of proposed OTT service System 2. Support in de tailed technical specifications and technical documents of Equipment and Software 3. Detailed price quotation (Bill of Quantity) indicating unit prices for each hardware, software, license, installation, testing, commissioning, training, freight, insurance and others. Failing to provide a detailed BOQ will lead to the refusal of the bid. 4. Detailed description and supporting documents such as recommendation of previous purchasers proving experience of supplying OTT or related OTT service system to ICT companies in the past five years; 5. Compliance list of proposed OTT system to the requirements specified in Purchaser's technical specifications, and reference page number describing such compliance in technical documents shall be indicated in compliance list; 6. Certificate of origin (Goods and software); **7.** Certificate of original copyright ownership of proposed OTT System Solution or related OTT System for the required system (distributor or reseller rights for such OTT solution or related OTT system shall not be accepted); 8. Valid license for any third-party software such as operating system, database etc. need to be provided if part of the overall OTT system solution 9. All third-party software and hardware license prices shall be inclusive in the total bidding price 10. Manufacturer's authorization 11. Human resource **Project manager**: At least 8 years of professional experience, experience of implementing, attending, and managing of similar projects **Software developer**: bachelor or higher degree in computer science or software engineering, at least 3 years of working experience in the field of OTT service system
ITB 14.1	Alternative Bids ***"shall not be"*** considered
ITB 15.5	The Inco terms edition is. ***"Inco terms 2010".***
ITB 15.9 (b) (1)	For Goods to be offered from outside of Mongolia the price quoted **CIP** named place of destination, in the Purchaser's Country
ITB 15.9 (b) (3)	Place of Destination: Mongolia Telecom Headquarter in Ulaanbaatar Peace Avenue - 1 Mongolia Telecom Headquarter Chingeltei District Ulaanbaatar-15160

	Mongolia
ITB 15.10	The prices quoted by the Bidder ***"shall not"*** bead jus table.
ITB 16.1	The currency of the bid: ***Mongolian Tugriks.*** If Bidder offers a bid in US dollars, the official Bank of Mongolia exchange rate announced on the day of bid announcement shall be used.
ITB 18.1 (a)	Manufacturer's authorization & Certificates of Origin required for each equipment and software license
ITB 18.1 (b)	Audited annual financial statements with audit report for the years 2017 and 2018.With Conclusion of audit.
ITB 18.1 (c)	Documents evidencing high capability and experience of the Bidder's managerial and key technical personnel to perform the Contract:***"required"***
ITB 18.1 (d)	Detailed description and supporting documents such as recommendation of previous purchasers evidencing experience of successful supplying OTT system or related OTT system to ICT companies in the last five years. To provide recommendation or official letter of successful completion of each contract. At least one new contract for supply of OTT system or related OTT system with a minimum value not less than the amount of proposed bid need to have been signed during the last five years, and proving documents shall be submitted.
ITB 18.1 (e)	After sales service is: ***"required"***
ITB 18.2 (a)	Average selling income: at **least** 4 billion MNT as a total for the last two years
ITB 18.2 (b)	Minimum experience years: 5 ***years***
ITB 18.2 (c)	"Not required"
ITB 18.4	Domestic preference ***"shall be not" considered***
ITB 19.1.(b)	Least term of continuous usage and support of spare parts: **10 years**
ITB 20.1	The bid validity period shall be ***"30"***days.
ITB 21.1	Bid ***"shall include"*** a Bid Security issued by bank or surety included in Section IV Bidding Forms; The amount of the Bid Security shall be **16,400,000.00 (**sixteen million four hundred thousand tugrigs**) Mongolian Tugriks**, or a US Dollar equivalent based on the official Bank of Mongolia exchange rate announced on the day of bid announcement. **Valid period of the Bid Security shall be until the end of September 23, 2019.**
	D. Submission of Bids
ITB 23.3 (b)	For bid submission purposes, the Purchaser's address is: Attn: O. Chimegee Room:309

	3rd Floor Peace avenue-1 Mongolia Telecom Headquarter Ulaanbaatar-15160 Mongolia
ITB 23.3 (c)	The inner and outer envelopes shall bear the following additional identification marks: (a) bear the words bidding documents of ***"Supply and installation of OTT system consisting of hardware and software MTC/201901004"*** **Purchaser:** Mongolia Telecom Room:309 3rd Floor Peace avenue-1 Mongolia Telecom Headquarter Ulaanbaatar-15160 Mongolia **Bidder:** Name, official address of the bidder
ITB 24.1	The submission of the tender by online regarding to https://www.tender.gov.mn The deadline of submission of bids: ***"16:00 PM hours on July 26, 2019".***
	E. Opening and Evaluation of Bids
ITB 28.1	The bid opening shall take place at: Room : Meeting room 3rd floor Peace avenue-1 Mongolia Telecom Headquarter Ulaanbaatar-15160 Mongolia. The bid opening date and time: Date: ***"July 26, 2019"*** Time: ***"16:30PM hours".***
ITB 34.1	Domestic preference ***"shall not"*** be a bid evaluation factor.
	Supplier shall furnish to the Purchaser the performance guarantee in the amount of **5%** of the contract price.

SECTIONIII.BIDDINGFORMS

1	Bid form and Price schedules	24
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6	Current contract commitments / work in progress	29
7	Financial capabilities	30
8	Personnel capabilities	31

1. BID FORM AND PRICE SCHEDULES

[…. .. .., 2019]

TO*:* _____

1. We ***[Name of Bidder]***, the undersigned, offer to supply and deliver ***[Description of the Goods and Related Services]*** in conformity with the said Bidding Documents, for the sum of ***[Total Bid Amount in Words and Figures]***.

2. We undertake, if our Bid is accepted, to complete delivery of all the items specified in the Contract within *number of days* **specified Clause 1.6 of Section V, Schedule of Requirements**, in accordance with the Contract Execution Schedule provided in the Technical specifications.

3. We agree to abide by this Bid for the period of *number of days* **specified in ITB Clause 20** from the date fixed for **bid opening**, and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

4. Until a formal Contract is prepared and executed, this bid, together with your written acceptance thereof in your Notification of Award, shall constitute a binding contract between us.

Name of Bidder _____

Signature of authorized person to sign Bid _____

Name and title of authorized person to sign Bid _____

Address

_____

2. PRICE SCHEDULE FOR GOODS TO BE OFFERED FROM OUTSIDE OF MONGOLIA

Name of Bidder _____
IFB Number/Contract number _____

Page of_

Item	Description	Country of origin	Quantity	Unit Price FOB Port of loading (specify Port)[a b]	Unit Price CIP Final destination/Port of Entry[b]	Total CIP Price per item (cols. 4x6)	Customs, Value Added and other taxes	Total Price of delivery to final destination per item[c]	Total amount
1	2	3	4	5	6	7	8	9	10
Total bid amount									

Signature of Bidder _

Note. In case of discrepancy between UNIT PRICE and TOTAL PRICE PER ITEM, the unit price shall prevail. In case of discrepancy between the total bid amount stated in the bid form and the sum of the total price per item, the sum of the total price per item shall prevail and the total bid amount stated in the bid form will be corrected.

3. BID SECURITY FORM
(A BANK GUARANTEE)

TO: MONGOLIA TELECOM

WHEREAS ***[Name of Bidder]*** (hereinafter called "the Bidder") has submitted its bid for the supply delivery and installation of ***[Insert Brief Description of the Goods and Related Services, ITB number]*** (hereinafter called "the Bid").

KNOW ALL PERSONS by these present that WE ***[Name of the bank]*** (hereinafter called "the Bank") are bound unto ***[……]*** (hereinafter called the Purchaser) in the sum of ***[Amount of the Guarantee]***, for which payment well and truly to be made to the said Purchaser, the Bank binds itself, its successor and assigns, by these presents.

THE CONDITIONS of this obligation are:

1. if the Bidder withdraws its bid during the period of bid validity specified by the Bidder on the Bid Form; or

2. if the Bidder, having been notified of the acceptance of its bid by the Purchaser during the period of bid validity:

   (a) fails or refuses to execute the Contract Form, when requested;
   (b) fails or refuses to furnish the Performance Security, in accordance with the Instructions to Bidders; or
   (c) does not accept the correction of errors pursuant to Instructions to Bidders;

we undertake to pay to the Purchaser up to the above amount, according to, and upon receipt of, its first written demand, without the Purchaser having to substantiate its demand, provided that in its demand the Purchaser will note that the amount claimed by it is due to it owing to the occurrence of one the above-stated conditions, specifying the occurred condition or conditions.

This guarantee will remain in force up to and including 28 days after the period of bid validity, and any demand in respect thereof should reach the Bank not later than such date.

Yours truly,

Signature of Authorized Representative of the bank _____

Name and title of authorized person to sign Bid _____

Stamp of the bank

Date_____

Address

_____

4. MANUFACTURER'S AUTHORIZATION

[The Bidder shall require the Manufacturer to fill in this Form in accordance with the instructions indicated. This letter of authorization should be on the letterhead of the Manufacturer and should be signed by a person with the proper authority to sign documents that are binding on the Manufacturer. The Bidder shall include it in its bid, if so indicated in the ***BDS.****]*

Date: *[insert date (as day, month and year) of Bid Submission]*
Project Reference No.: *[insert number of bidding process]*
Alternative No.: *[insert identification No of this is a Bid for an alternative]*

To: *[insert complete name of Purchaser]*
WHEREAS
We *[insert complete name of Manufacturer]*, who are official manufacturers of *[insert type of goods manufactured]*, having factories at [insert full address of Manufacturer's factories], do hereby authorize *[insert complete name of Bidder]* to submit a bid the purpose of which is to provide the following Goods, manufactured by us *[insert name and or brief description of the Goods]*, and to subsequently negotiate and sign the Contract.

Signed: *[insert signature(s) of authorized representative(s) of the Manufacturer]*
Name: *[insert complete name(s) of authorized representative(s) of the Manufacturer]*
Title: *[insert title]*
Duly authorized to sign this Authorization on behalf of: *[insert complete name of Bidder]*
Dated on _____ day of _____ , _____ *[insert date of signing]*

5. DETAILS OF SIMILAR CONTRACTS

Name of Bidder or partner of a Joint Venture

Use a separate sheet for each contract.

1.	Number of contract	
	Name of contract	
	Country	
2.	Name of Purchaser	
3.	Purchaser address	
4.	Special features relevant to the contract for which the Bidding Documents are issued	
5.	Contract role (check one) ☐Prime Supplier ☐ Subcontractor ☐ Partner in a Joint Venture	
6.	Amount of the total contract/subcontract/partner share (in specified currencies at completion, or at date of award for current contracts) Currency Currency Currency	
7.	Equivalent amount US$ Total contract: $_____; Subcontract: $_____; Partner share: $_____;	
8.	Date of award/completion	
9.	Contract was completed _____ months ahead/behind original schedule (if behind, provide explanation).	
10.	Contract was completed US$ _____ equivalent under/over original contract amount (if over, provide explanation).	
11.	Special contractual/technical requirements.	
12.	Indicate the approximate percent of total contract value (and US$ amount) of the Goods undertaken by subcontract, if any, and the nature of such Goods.	

6. CURRENT CONTRACT COMMITMENTS / WORK IN PROGRESS

Name of Bidder or partner of a Joint Venture

Bidders and each partner to an Joint Venture bid should provide information on their current commitments on all contracts that have been awarded, or for which a letter of intent or acceptance has been received, or for contracts approaching completion, but for which an unqualified, full completion certificate has yet to be issued.

Name of contract	Purchaser, contact address/tel./fax	Value of Contract (current US$ equivalent)	Estimated completion date	Average monthly invoicing over last six months (US$/month)
1.				
2.				
3.				
4.				
5.				
etc.				

7. FINANCIAL CAPABILITIES

Name of Bidder or partner of a Joint Venture

Bidders, including each partner of a Joint Venture, shall provide financial information to demonstrate that they meet the requirements stated in the BDS for ITB Clause 18.1 (f). Each Bidder or partner of a Joint Venture shall complete this form. If necessary, separate sheets shall be used to provide complete banker information. A copy of the audited balance sheets shall be attached.

Banker	Name of banker	
	Address of banker	
	Telephone	Contact name and title
	Fax	Telex

Summarize actual assets and liabilities in US$ equivalent (at the rates of exchange current at the end of each year) for the last number of years **specified in the BDS**.

Financial information in Mongolian currency equivalent	Actual: Last number of years specified in the BDS					Projected: Next two years	
	5	4	3	2	1	1	2
1. Total assets							
2. Current assets							
3. Total liabilities							
4. Current liabilities							
5. Profits before taxes							
6. Profits after taxes							

Specify proposed sources of financing, such as liquid assets, unencumbered real assets, lines of credit, and other financial means, net of current commitments, available to meet the total construction cash flow demands of the subject contract or contracts as indicated in the BDS for ITB Clause 18.1 (f).

Source of financing	Amount (US$ equivalent)
1.	
2.	
3.	
4.	

Attach audited financial statements—including, as a minimum, profit and loss account, balance sheet, and explanatory notes—for the period stated in the BDS for ITB Clause 18.1 (f) (for the individual Bidder or each partner of a Joint Venture).If audits are not required by the laws of Bidders' countries of origin, partnerships and firms owned by individuals may submit their balance sheets certified by a registered accountant, and supported by copies of tax returns,

8. PERSONNEL CAPABILITIES

Name of Bidder

For specific positions essential to contract management and implementation (and/or those specified in the Bidding Documents, if any), Bidders should provide the names of at least two candidates qualified to meet the specified requirements stated for each position. The data on their experience should be suppliedseparately.Bidders may propose alternative management and implementation arrangements requiring different key personnel, whose experience records should be provided.

1.	Title of position
	Name of prime candidate
	Name of alternate candidate
2.	Title of position
	Name of prime candidate
	Name of alternate candidate
3.	Title of position
	Name of prime candidate
	Name of alternate candidate
4.	Title of position
	Name of prime candidate
	Name of alternate candidate

SECTION IV. SCHEDULE OF REQUIREMENTSCONTENTS

1	Bill of Goods and Schedule of Delivery	33
2	Goods Manufactured outside the Purchaser's Country, to be imported	34

1. Bill of Goods and Schedule of Delivery

Item	Name of goods	Q/ty	Measurement unit	CIP Ulaanbaatar	Inco terms condition			
					Shortest period of supply	Latest period of supply	Final period of installation and final acceptance	Bidder's proposed time
1	**OTT system** ***consisting of hardware and software***		Piece		45 calendar days	60 calendar days	90 calendar days	
2								
3								
4								
5								

2. Price Schedule: Goods Manufactured outside the Purchaser's Country, to be imported

1	2	3	4	5	6	7	8	9
Line Item N°	Description of Goods	Country of Origin	Delivery Date as defined by Inco terms	Quantity and physical unit	Unit price CIP *[insert lace of destination]* in accordance with ITB 14.8(b)(i)	CIP Price per line item (Col. 5x6)	Price per line item for inland transportation and other services required in the Purchaser's country to convey the Goods to the in final destination specified in BDS	Total Price Line item (Col. 7+8)
[insert number of the item]	*[insert Name of good]*	*[insert Country of origin of the Good]*	*[insert quoted Delivery Date]*	*[insert number of units to be supplied*	*[insert unit Price CIP per unit]*	*[insert total CIP price per line item]*	*[insert the corresponding price per line item]*	*[insert total Price of the line item]*
							Total Price	

V General Technical Requirements of OTT/IPTV service system

1. INTRODUCTION

This Specification applies to the Supply and installation of OTT/IPTV service system consisting of hardware and software (OTTS hereinafter) that will be used by Mongolia Telecom Company (MTC hereinafter).

The Contractor shall furnish a turn-key system, including the following elements and services: i) the design, ii) the hardware and the software, iii) the installation, the integration, the start-up and the acceptance tests, iv) the tools, test equipment and spares, v) the operation and maintenance manuals, vi) the as-built documentation, vii) the personnel training, viii) the technical support and ix) the maintenance, repairs and operational supervision during the initial, one-year warranty period. Consequently, it is paramount that the equipment being offered follows the applicable standards and is compatible with future expansions, facilitating the required future physical and functional interfaces.

1.1. Type of Services

MTC is offering the following services:

International calling service

The services we offer include international voice, IP transit and messaging.

Fixed broadband, TV and voice

Our fixed line services include broadband, TV offerings and voice. We offer high-speed connectivity through our next-generation network ('NGN'). We offer fixed and a suite of converged communication services to support the growing needs of our business customers who range from small home offices to large multi-national companies.

Call inquiry services

1900-1109 "National Inquiry service" provides variety types of referral services throughout all over Mongolia.

MIP70 service

We offer MIP70 prepaid service which based on SIP /Session Initiation Protocol/ technology. Customers are available to get the service where internet and charged as domestic calling charge.

Convergence

Our converged offers, which combine mobile, fixed and content services, provide simplicity and better value for customers. They also increase customer loyalty and lower churn. We market these converged bundles.

1.2 BRIEF INTRODUCTION ABOUT COMPANY

Mongolia Telecom Company provides services in Ulaanbaatar city, 23 aimags and districts, approximately 250 soums, and employs over 850 employees.

We are the number one or two mobile operator in most of our operations and we are Europe's largest NGN provider.

Vision

To become a leading and competitive company providing telecommunication and information technology services with wide-ranging options.

Mission

We shall connect every telecommunication

Values

Customer:Local and reliable users with multiple years of relationship

Brand name:The initial telecommunication company "Mongolia Telecom" brand

Community:Senior, middle-aged, and young generation loyal community with extensive experiences that dedicate their minds and skills to the company

Responsibility:Social responsibility to provide affordable services to everyone throughout the country by meeting the unique needs of Mongolia

1.3. Market research of OTT/IPTV platform

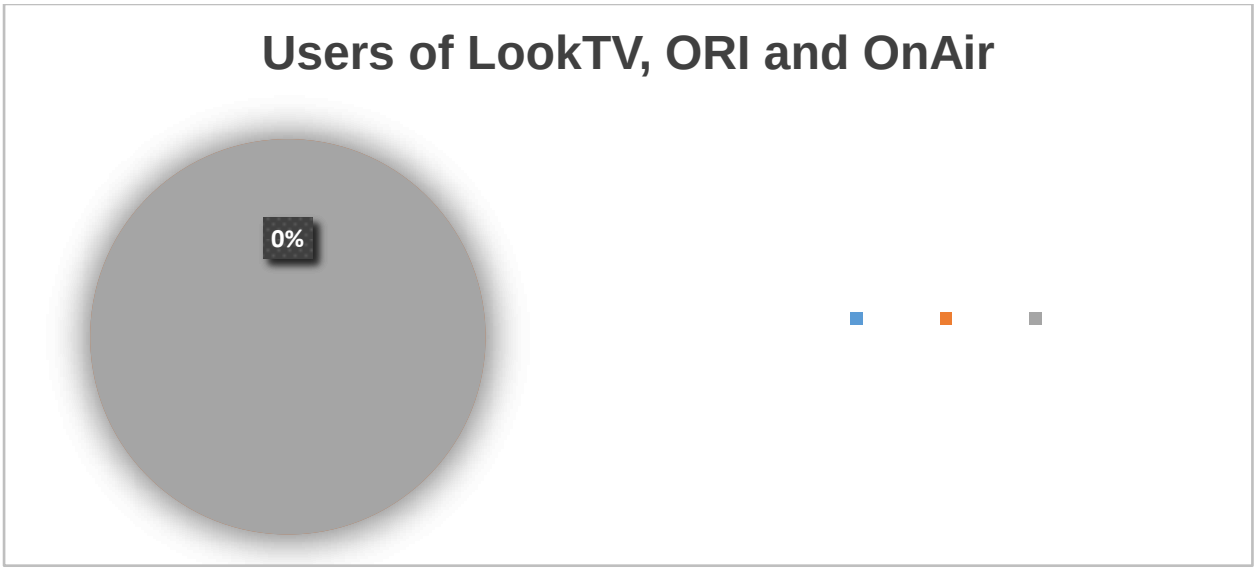
Worldwide

The European telecommunications industry is highly competitive, with many alternative providers giving customers a wide choice of suppliers. In each of the countries in which we operate, there are typically three or four mobile network operators ('MNOs'), such as Vodafone, who own their own network infrastructure, as well as several resellers that "wholesale" network services from MNOs.

In fixed, there is usually one national incumbent (typically the former state owned operator), who is generally required to offer wholesale access to its network at regulated prices to resellers, while most markets will also have one or two cable or satellite operators. In some markets, the uncompetitive wholesale access terms offered by incumbents and the slow pace of NGN infrastructure rollout has seen the emergence of alternative fiber builders, who are looking to capitalize on the growing customer demand for gigabit speeds by offering attractive wholesale access terms to resellers. In addition, there are an increasing number of over-the-top operators that provide internet-based apps for content and communication services.

Market size of Mongolia

Few over-the-top operators that provide internet-based apps are playing in the market at the moment. Internet based apps are just developing in Mongolia, currently stable operators will be named as OnAir and Look TV.



Source: Active users of OTT market in Mongolia, 2019

1.4. Target Market

Purpose:

We are a communications technology company responsible and we are optimistic about how technology and connectivity can enhance the future and improve people's lives. We believe that the opportunities and promise of a better digital future should be accessible to all and are committed to ensuring that the more vulnerable are not left behind on the journey towards that future. Through our technology, we will work to bridge the divides that exist and help people to contribute equally and fully to society.

Goals:

- ✓ Stream Live TV and contents in HD format
- ✓ Keep the leading company for investing in advanced technology
- ✓ Promise good quality and better service to our customer
- ✓ Better service standard enable after sale service for increasing loyalty customers
- ✓ Provide trendy and demanded contents to our customers

2.WORK SCOPE OF THE BIDDING

Required scope of work as following;

1. The supply of the new hardware and software of OTT/IPTV service system according to the conditions of technical specifications
2. Installation of the new hardware and software of OTT/IPTV service system at the defined locations and therefore, they have to be inspected and tested for further constant normal operation of them.

3. Integrate the full operation of all the functions, perform the integration of the various servers; Stream server, Catchup server, VOD server, Data Storage Server, Billing server and Printing service etc.
4. Organize the training (Factory and on-site)
5. Support the hardware and software of OTTS.

6. OTT/ IPTV service system covers the following branches in Mongolia:

6.1 Our company has the local area network and separated billing as well, and it includes 4 operational branches in the city of Ulaanbaatar and 23 branches in 23 provinces across the country. These branches are connected via LAN and VPN of the company. The requested OTTS has to be managed by and meet our current network and services. The OTTS will be installed in the headquarters, and branches will work on client-server principles.

6.2 In order to create new OTT/IPTV service system, Mongolia Telecom provided the eligible bidder with the technical requirements for the OTT/IPTV service system based on our market research (size and capacity) and service specification.

6.3 The bidder must offer a complete integrated end to end solution.

Ulaanbaatar (capital of Mongolia)

No	Name of Site	Location
1	Head office	Headquarter
2	Central region office	
3	West region office	
4	East region office	
5	South region office	

OTT/ IPTV service system covers the following branches in Rural:

Covered provinces (aimag)

No	Name of Site	Location
1	Darkhan office	Darkhanaimag

3. OTT PRODUCTS AND SERVICES

Based on our customer research and market research, we aim to provide following services and product.

1. Live TV
    - 80 SD channel
    - 20 HD channel
2. VOD TV /catch –up stream/

- 40 channel

3. Product

We aim to provide bundle service including OTT service to customers for convergent billing.
Target customers:

- MTC subscribers
- Other mobile operating subscribers
- Mongolian citizen who lives in abroad

Bundle/Package:
The system must offer a flexible Product management module that allows MTC to define specific bundles of content and services to different target groups or respond on market demands.

- Standard
- Middle
- Large

By Interest:

- Domestic Live TV
- News channels
- Kids channel
- Science and Education channel
- Movie channel
- Entertainment channel
- Sport channel

Easy to use/User friendly

- QR available for payment
- Display payment history

4. Support Ads and Banner area
   - Text ad
   - Banner area
   - Short video
5. VOD

   Ability to group VoD (movies and series) in multiple packages in a multilayer structure

   - Domestic movie content
   - Foreign movie content
   - All movies content

LIVE TV STRUCTURE

We aim to stream total of 135 LIVE TV channels in future, which described in the table based on our content research of Mongolia. Number of total

	Format	OTT/IPTV
Mongolia /Domestic Live TV/	SD	80
	HD	5

	Subtotal	85
Foreign Live TV	SD	30
	HD	20
	Subtotal	50
Total channels		135

4. TECHNICAL REQUIREMENTS

Mongolia Telecom plan to offer IPTV OTT Services to their subscribers, It includes TV channels and Video on Demand. Mongolia Telecom has an infrastructure in 17 cities to provide TV Services by 80channels. The offered system shall meet the following requirements:

a. Live TV

DVB-T2 system issued 80 channels by Live stream from 2017 permanently.

This is based on DVB-T2 IRDs provide an IP output that will be used for the IPTV OTT Service

System supports multiple profiles and Adaptive bit rate

TV channels

	Input		Output		
		IP	HD	SD	Assumption
HD	20	4-8 Mbps	20	20	4 Mbps
SD	60	2-3 Mbps		60	1.5-2 Mbps

b. Interactive TV

Interactive TV (Catch up TV, Pause TV, Replay TV and Cloud PVR) infrastructure for 40 channels for 7 days.

Storage Capacity to "record" the channels must be included in the Setup.

c. Video on Demand

Mongolia Telecom has a Movies and Series catalogue of 12 TB. Storage capacity should be part of infrastructure

d. Content Protection

Content protection including the part of the proposal

e. End user devices

Set-top box is optional

Applications for use on Tablet, Phone, PC/Mac, Apple TV, Fire TV, Smart TVs

For Android, IOS, future development such as HUAWEI

f. Role out /Content delivery/

The first phase of the project should support 5,000 users
System must be prepared and easily to expand to support more users in second and following stages. System must be prepared and easily to expand support other cities

g. Management System

OTT/IPTV Management System includes all functions to manage the OTT / IPTV Service

- Content management for Live TV, Movies, Series, Music and Apps
- EPG for live channels and access to Catch up TV, Pause TV, Replay TV and Cloud PVR
- Customer management / CRM
- Flexible Product management (GUI selection per product, subscription packages, various periods, payment plans)
- Subscription management
- Access management per device type
- Reseller management
- Reporting Services
- System and Service settings
- Controls presentation of the Service in the User Interface
- Seamlessly integrated with SD, HD Set-top boxes

h. API

OTTS can integrate MTC convergence billing system with cloud platform using open APIs. OSS management interfaces:

- Metadata (genre, category, country, rating, studio, licensor, provider)
- VOD asset (create, update, remove, add to group, add to platform)
- Live asset (create, update, remove, associate with EPG item)
- EPG item (create, update, remove, add to group, add to platform)

- Package (create, update, remove, add asset to package)
- Service (Catch-Up, NPVR)
- Banner/Ad (create, update)
- Resource (picture, stream, resource group, deploy)
- Even logger (get device events)

i. Trans coder/Encoder

The hardware equipment or software required for encoding / trans coding of input TV signals depends on the input source used. For instance, cable, satellite and terrestrial signals need to be encoded into IP and trans coded into different bitrates.

TV channels can be trans coded into H.264 and H.265. Based on the number of HD and SD channels, the trans coding capacity can be calculated resulting in the number of trans coding equipment. Trans coder will be support for GPU cards . Trans coder Software supports the following:

- Generate DASH or HLS from an IP input stream
- Supports the additional Interactive TV software (including Catch up TV, Pause TV, Replay TV, Cloud PVR)
- Covers DRM for the IPTV OTT Devices, based on Widevine, Play Ready and Fairplay (depending on the device)
- Storage for the different features to be defined

j. System features

- **General functions and Settings**
  - Branded Login Page
  - Secure login - two step authentication
  - Forgot Password support via email and text message (presented on login screen)
  - View subscription
  - Parental control
  - Recommendation engine
  - Left to Right GUI
  - Casting
  - Socia lTV - Share on Face book
  - TV Anywhere
- **Live TV**
  - Channel UI Groups
  - Multiple views channels (Numerical, Alphabetical, List, Icons)
  - Favourites
  - Report problem with audio and or video
  - Pause TV, Replay TV, Catch up TV, Time shift and Cloud PVR

- Catch up TV via Program Guide and dedicated Catch up TV screen
- Multi language support
- Subtitle Support
- Access to TV Guide while watching TV
- Radio Channels

- **TV Guide**
  - Horizontal and Vertical presentation
  - Access to Catch up TV
- **Movies**
  - Stores/Packages and Categories
  - Multi language support
  - Subtitle Support
  - Play, Fast Forward, Pause, Rewind
  - Movie resume on different devices
  - SVoD, TVoD, Avod
  - Off-line viewing
  - Search
- **Series**
  - Multi layer Presentation (Serie Categories - Serie)
  - Series, Seasons, Episodes
  - Multi language support
  - Subtitle Support
  - Play, Fast Forward, Pause, Rewind
  - Off-line viewing
  - Movie resume on different devices
- **Music**
  - Stores/Packages and Categories
  - Albums - Songs
  - Radio channels
- **Apps (for Android Set-top box)**
  - Packages and Categories
  - Install and use App
  -
- **Set-top boxes**
  - Set top boxes (Android AOSP, like Teller HD)
  - Set-top box Google certified Android TV, like Teller HD)
  - Set-top box (Linux, like Amino, Entone, Mag250)
- **Apps**
  - IOS Tablet & Phone
  - **Apple TV**
  - Android Tablet & Phone
  - Universal Windows Platform (UWP)
  - Samsung Tizen

- LG Web OS 3.0
- WebTV
- Amazon Fire TV
- Roku

- **Players**
  - Video JS player
  - Google Shaka player
  - JW Player
  - Exo player
  - Bitmovin
  - IOS native player
  - Android native player
- **Middleware – Cloud TV IPTV OTT Management System (IMS)**
- **Multiple Deployments and Services (multi-tenant)**
  - Deployment for individual Operator
  - Multiple individual Operators
  - Multiple Operators connected to One Content Provider
  - System users per module (CMS, CRM, UI Toolkit, IMS IQ)
  - Multi Currency
  - Import /export meta data content
  - Import / export subscriber data
  - Business Connector (API's) to interface with third party OSS and BSS
  - Nokia IQ
  - Microsoft Dynamics
  - CRM.com
  - Module SDK (integration external module in GUI)
  - Hosting
  - Cloud based
  - On Premise
- **Content Management System**
  - Media manager to be able to manage the requirements related to the content provided by the Content Providers
  - Live TV (individual channels, UI Groups and Commercial Packages)
  - Integrated Control Trans coder
  - EPG
  - Channel events (on screen events)
  - Create your own TV Channel (Channel Playlist
  - Movies (individual Movies and Packages)

- Series (Series, Seasons, Episodes), multilevel Presentation, Packages)
- Movie/Series API (Data input via API)
- Music
- Radio
- Third party Apps (on Android STB)
- Private market place Apps for Android Devices

- **User Interface Toolkit**
  - User Interfaces Templates
  - Branding (Background, logo, text for support pages)
  - Styling (Color scheme, Font)
  - Select supported languages
  - Configure Main menu
  - Host name management per CRM incl configuration login page UI
- **Customer Relationship Management (CRM)**
  - Product management
  - Select Content Packages
  - Subscription detail (length, payment period)
  - Select UI
  - Select number of concurrent devices per subscriber (5000 max)
  - Subscriber Management
  - Stock Management
  - Reseller and Dealer management (multi level)
  - Pre-payment
  - Post payment
  - Real-time Customer Count and Status Count for all sales channels
  - Advertisements (banners and ticker tape)
  - Web shops integration
  - Woo commerce
  - Shopify
  - Open Cart
  - Big Commerce
  - Presto Shop
  - Amazon
- **Reports and Analytics (big data analysis)**
  - Usage
  - Content
  - Location
  - Hardware
  - Network

- OS used
- System Health
- Advertisements
- Financials
- Content Delivery

- **Optional**
  - Access to Big Query database to generate reports with BI tools
- **Trans coding**
  - Cloud Trans coding
  - On Premise Trans coding (Software only)
  - On Premise Trans coding (dedicated hardware + software)
- **Interactive TV (Catch up TV including Pause TV and Replay TV, Cloud PVR)**
- **Content Protection**
  - Stream Protection Shield (Tokenizing Solution)
  - DRM (Wide vine, Play ready, Fair play)
  - DRM/ Asset Management System
- **Content Delivery**
  - Streaming Software
  - Streaming Servers (hardware + software)
  - CDN (Content Delivery Network)

5. Bidding requirement

a. The system shall be offered with adequate hardware and software including tools and utilities to operate and monitor system effectively.
b. Graphical UI designed to be intuitive and easy-to-use, both in English and Mongolian languages must be supported.
c. The system provided that secured with different levels of administrative access and provision for backup, restoration and high availability with critical spares.
d. The system shall handle all types of services in compatibility with the existing system.
e. The system shall support new features that possible incorporated within the project period.
f. The license of offered operating system shall be issued to Mongolia Telecom according to MTC technical requirements.
g. Licenses of all other Software products shall be issued to Mongolia Telecom as per the license.
h. In case of any necessary freeware software used in the system, the vendor shall carry out the integration for any future upgrades/updates of the freeware.
i. Implementation group shall provide a team structure and members experience in that field.
j. Project implementation schedule should be provided.

6. Bidder's experience

k. Shall provide full company profile and establishment history of the company.
l. Shall submit authorization letter and acceptance certificate from the server manufacturer to supply, implement, and provide support to Mongolia Telecom under the tender.
m. The Bidder Company must have implemented and developed Software Development and Services for a minimum period of last 5 years.

7. Installation, testing and commissioning of system

n. The installation and commissioning of the complete new hardware and software shall be carried out with minimum disturbance. The contractor shall make all necessary arrangements including supply of additional equipment without disturb and interrupt at services of current customers.
o. The contractor shall be fully responsible for timely and proper installation, testing and commissioning of the entire system.
p. The contractor shall submit among offer with the comprehensive swapping plan to give clear idea as to how the job shall be carried out without service interruption.
q. The service interruption during the cut-over of the network shall not exceed three hours.
r. The contractor shall cooperate with Mongolia Telecom engineers during installation, testing and commissioning of the system. The purpose of engaging Mongolia Telecom's engineers is giving them firsthand knowledge about the system.
s. The contractor shall engage the experienced people in the installation, testing and commissioning of the offered system. The contractor shall provide sufficient data of all personnel who shall be engaged, including their experiences. Mongolia Telecom shall have full authority to reject and ask the contractor to arrange experienced personnel if experiences of the proposed personnel are insufficient.
t. The contractor shall provide root-level access for administration of database system.

7.1. Provisional acceptance test

7.1.1 Acceptance testing of Hardware and each module of application software shall be carried out as they are delivered, installed and ready for putting into operation. After successful completion of the provisional acceptance testing of each subsystem (hardware/software modules), the Provisional Acceptance Certificate shall be issued.

The Bidder shall propose tests

a) to verify the Technical specification requirements
b) for detection of errors
c) any other tests as found necessary by the vendor

7.1.2 During the provisional testing, besides the above following conditions shall also be executed.

i. All hardware specified in the contract shall be fully functional.
ii. Errorless functioning of each software module of the system
iii. User interfaces and report layouts as expected

7.1.3 The following technical documents shall be provided to Mongolia Telecom.

i. Installation Manual
ii. Interconnection details including scripts if used.
iii. Functional description of the entire system.
iv. Data dictionary, table structure and their relationship
v. System operational and maintenance manuals
vi. Users guides for all types of users in the system.
vii. Operational manuals in cases of Emergency.

7.1.4 All documents shall be in paper and electronic media.

7.1.5 After completion of the Provisional Acceptance Testing, Mongolia Telecom will issue the Provisional Acceptance Certificate or Rejection Letter within fourteen (14) days from the date of completion of the Provisional Acceptance testing is handled to MTC. If all the tests are successfully performed or if only some minor deficiencies are noticed, the Provisional Acceptance Certificate will be issued with the condition that the minor deficiencies will be cleared within one month from the date of issuance of the certificate.

7.1.6 Issuance of Provisional Acceptance Certificate will not prejudice any claim with respect to any defect or malfunction, which may subsequently develop during the warranty period.

7.1.7 Mongolia Telecom will put the system for commercial operation after completion of the Provisional Acceptance Testing provided the acceptance testing is completed successfully as per Mongolia Telecom requirements.

7.1.8 Mongolia Telecom has the right in case of unsatisfactory performance, interconnectivity or integration between software packages, computer systems and/or with workstations to reject partly or all of the System.

7.1.9 Any discovered ‘bugs’ or problems will be corrected expeditiously by the Bidder and issue formal notification no later than 7 days after correction of the problem.

7.1.10 If, in any case, Mongolia Telecom causes any delays in the system implementation process, the contractor shall not be deemed responsible for that.

7.2 Stabilization Period

7.2.1 Upon successful completion of the Provisional Acceptance Tests and issuance of the Provisional Acceptance Certificate shall commence within the Stabilization Period of thirty (30) days, the stabilization period shall be considered successfully completed if each of the following requirements is met during forty-five (45) consecutive days. Mongolia Telecom will issue a certificate to certify successful completion of stabilization period.

i. The service availability of offered system shall be more than 99.9% of the stabilization period.
ii. No single outage of the offered modules shall exceed duration of one hour due to equipment failure or software malfunction.
iii. Major faults or any fault affecting all the customers shall be rectified within 24 hours.

iv. Minor faults, not affecting the network service, reported to the supplier during this period shall be rectified within one week.
v. The supplier's support team shall provide regular O&M reports on daily, weekly and monthly basis during the stabilization period. The contents and format of such reports shall be prepared by the supplier and approved by Mongolia Telecom before start of the Provisional Acceptance Testing.
vi. Completion of specified reports and their generation.

7.3 Acceptance Testing

The contractor shall provide the acceptance test procedure for approval before the delivery Mongolia Telecom shall have the authority to approve or reject during the acceptance test procedure and to include in its discretion any other test in the acceptance test procedure either to test the requirements within the Mongolia Telecom's Technical Specification and/or to clarify doubts on the integrity of the equipment under test. During Acceptance testing the Mongolia Telecom's Acceptance Test team and also make necessary arrangements for such test including the tools and test equipment required for the tests.

Mongolia Telecom will issue the Final Acceptance Certificate after the supplier fulfills the following requirements.

7.3.1 Successful completion of stabilization period.

Successful implementation of all the technical requirements of Mongolia Telecom's tender Specification and other obligations as per the contract.

Clearance of all deficiencies from the Provisional Acceptance Testing and pending faults (support issues).

The Final Acceptance Certificate shall not be issued until the supplier fulfills all above requirements.

7.4 Performance statistics report

After each testing, Contractor shall provide details performance statistics report with documentation to Mongolia Telecom.

7.5 Testing Compliance to Technical Requirement

The standard features/facilities and the services, other than those required to meet the Mongolia Telecom Technical Specification, shall be listed and shall also be provided. The detailed technical specification of the standard featured facilities and the services shall be provided along with the bid.

The Bidder shall also give details of the other features/ facilities and the services that can be made available by the offered equipment.

The Bidder shall include in the proposal the detailed technical information, drawings and functional descriptions of the offered equipment to support the Compliance to Mongolia Telecom technical requirements.

7.6 Warranty and Maintenance Service.

A. After issuance of the final acceptance certificate (FAC) of the supplied system, initial 1 year shall be warranty and maintenance period.

B. The warranty shall cover repair and/ or replacement of the hardware and Software product. Only genuine items produced by the original manufacturer shall be used for repair or replacement. The Warranty Period for replacement Software products shall be identical to the initial warranty period for the defective Software product unless otherwise specified.
C. During the warranty period, the supplier shall also provide software support for the products supplied under this bid.

7.6 Warranty service.

7.6.1 Regular monitoring of the performance of the system (Hardware, Software) and reporting to Mongolia Telecom, via remote access from supplier's location or keeping supplier's expert (two persons) at the site of billing system in warranty period.

7.6.2 Technical support for maintenance of hardware and software through supply of information through documents, telephone or email.

7.6.3 Repair and/or replacement of defective equipment and software. The supplier is required to maintain a local stock of critical spares in adequate quantity so that the operation of the system is not affected due to turn around time of repair, replacement of faulty equipment.

7.6.4 Provide services of the experts on immediate basis within 48hrs of reporting in case of major problems.

7.6.5 Provide onsite system diagnostic services in case or critical issue won't be resolved within 48 hours.

7.6.6 Upgrade hardware and software to new version / releases, if required for solving the problems.

7.6.7 The supplier shall obtain prior approval from Mongolia Telecom for any change in version of hardware and software before the shipment of the upgrade.

7.6.8 Provide at no additional cost to Mongolia Telecom all product documentation, updates and new software releases within the warranty period. The updated releases shall be compatible to system platform, database, application and freeware if used. The supplier shall also provide software patches to resolve software bugs, errors etc. in the system.

7.6.9 Provide at no additional cost to Mongolia Telecom customization of the software products if in course of operation it is noticed that some features do not function as per Mongolia Telecom's technical specifications.

7.6.10 Assist in development and customization of reports based on available data in the system

7.6.11 Provide maintenance service for newly delivered hardware including repair or replacement of faulty items without any cost to Mongolia Telecom.

7.7 The Supplier has to depute the experienced personnel for one year which is aforementioned warranty services period. The warranty period shall be extended and payment shall be withheld in case of related services are not satisfied by Mongolia Telecom. The warranty period shall be considered successfully completed only in case of all the repairs and support issues raised during the period are fully resolved to the satisfaction of Mongolia Telecom.

7.8 Full support of the solution through user acceptance and sign off, as well as for a subsequent one-year warranty period, as part of the initial deliverable.

7.9 The option is to extend full support for the solution for a period of five years.

7.10 Software and application maintenance services needed to implement the required enhancements for a total period of five years.

7.11 Application of necessary quality processes during the initial development as well as post production support and maintenance.

7.12 24x7 support.

7.13 Secure, remote access support.

8 Patent Rights

8.6 The Supplier shall indemnify the Mongolia Telecom against all third-party claims of infraction of patent, trademark or industrial design rights arising from use of the goods (equipment and software) or any part thereof in Mongolia.

8.7 The Supplier represents and warrants that the Software product as delivered does not infringe any Intellectual Property Rights held by any third party and that it has all necessary rights, or at its sole expense shall have secured in writing all transfers of rights of Intellectual Property Rights and warranties set forth in the contract, and for Mongolia Telecom exclusively to own or exercise all Intellectual Property Rights as provided in the contract.

9 Software Licenses

9.6 The Supplier shall provide software licenses for all the software products including third party software supplied under the contract. The licenses shall be issued in the name of Mongolia Telecom by the manufacturer of the Products. The License document shall be delivered along with the software products and documentation.

9.7 The Bidder shall clearly mention all applicable software license fees in unit price as well as total price. This will be considered during evaluation.

9.8 Mongolia Telecom reserves right to reallocate equipment from one place to another within Mongolia.

10 Software support

10.6 The Supplier shall provide at least 1 year of maintenance period after successful implementation of the software in Mongolia Telecom. Implementation shall be deemed successful after the Final Acceptance Test (FAT) at Mongolia Telecom.

10.7 The Supplier shall provide technical support services for the provided system during the Warranty and Maintenance Period.

10.8 In case of any problem in the system, the supplier shall commence “on site” or remote support, on-line diagnostics and “debugging” support within two hours of notification for the same by Mongolia Telecom.

10.9 Any type of problem shall be solved within a maximum of 48 hours. In case of high level support from abroad, the problem shall be solved within a week.

10.10 Mongolia Telecom shall provide required access in database only to the supplier for the testing and the resolution of support issue. The Bidder shall quote for software support service and it will be considered for evaluation purpose.

11 Product upgrade service

11.6 The Supplier shall offer the latest versions of the software.

11.7 In case of new release or version upgrade of the supplied software, the vendor shall provide detail information in written format to Mongolia Telecom within 3 months of release date or version upgrade date in the country of origin of the product without any cost.

11.8 Similarly Mongolia Telecom shall also be provided full access rights in supplier's official website where proper release information will be available.

11.9 If newer version of supplied software is released, the Supplier shall provide new release of software and documentation within 30 days of their availability in Mongolia and no later than 12 months after they are released in the country of origin of the Product without any additional cost of the software and any applicable licenses during maintenance period.

12 Training, Documentation

The Bidder is required to provide following trainings to the Mongolia Telecom's engineer's. The hands on training shall be conducted at the site of Mongolia Telecom or Bidder's authorized training center.

A local training program that insures that the client's operations team is prepared to operate and support the systems and solution. Required training:

i. Training covering the use and administration of the management system
ii. Training covering the use and administration of the monitoring system
iii. Training covering the of hardware system
iv. User–group forums available
v. Training manuals

12.1 Training details:

Training shall be categorized into following parts:

i. Offered hardware and application administration Training
ii. Application software users training

12.1.1 Offered hardware and application Administration Training

Duration of the Training: 5 working days
No of Candidates: Two
Advance and General Level training shall be provided by Mongolia Telecom engineers on offered hardware and application software covering at least following topics;

i. Installation, configuration and monitoring of the offered Hardware and Application Software.
ii. Creation of products using the management system
iii. Operation, Administration and Maintenance of application software on offered OS.
iv. Troubleshooting and performance tuning
v. Backup and recovery of the system.

The details of training shall be finalized during contract negotiation.

12.1.2 Training for software engineers

Duration of the Training: 5 working days
No of Candidates: Two

Mongolia Telecom shall send senior engineers for this training. The training details for Senior Engineers shall be finalized during negotiation. After training, these engineers shall be responsible for the management of the project and operation and maintenance of the systems. Therefore, the training course for these engineers shall include general overview of the systems, new IT and network technologies and technical management aspects of installation and testing, key system parameters related to performance measurement, operation and maintenance and planning of the system.

12.2 Training cost

12.2.1 The Bidder shall quote the price for the training mentioned in the Clauses 12.1.1, 12.1.2 separately.

12.2.2. Detailed breakdown of training cost showing cost of each of the components indicated above shall be provided. The training cost shall be considered for evaluation of the bid.

13. Documentation

Suitable documentation must be provided for all the software and hardware provided by the supplier. Documents must be industry standard and should bring out all aspects of working of software and network.

13.1.Documentation that is provided in an electronic format, such as MS Word, PDF, ODF, or similar

13.2.Documentation that is cross-referenced according to a consistent naming and numbering convention.

13.3.Documentation that is in standard formats with flow charts and data flow diagrams.

13.4.The part of source code of the proposed systems and solution, for internal use.

13.5. A vendor provided update log when the documentation is updated

13.6. Business requirements documentation.

13.7. Systems requirements documentation

13.8. Functional documentation

13.9. Technical documentation

SECTION VI. GENERAL CONDITIONS OF CONTRACT

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GENERAL CONDITIONS OF CONTRACT

1. Definitions

1.1. In this Contract, the following terms shall be interpreted as indicated:

(a) "The Contract" means the agreement entered into between the Purchaser and the Supplier, as recorded in the Contract Form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.

(b) "The Contract Price" means the price payable to the Supplier under the Contract for the full and proper performance of its contractual obligations.

(c) "The Goods" means all of the equipment, machinery, and/or other materials, which the Supplier is required to supply to the Purchaser under the Contract.

(d) "The Services" means those services ancillary to the supply of the Goods, such as transportation, insurance and installation, provision of technical assistance, training, and other such obligations of the Supplier covered under the Contract.

(e) "The Purchaser" means the organization purchasing the Goods, as named in the Special Conditions of Contract.

(f) "The Supplier" means the individual or firm supplying the Goods and Services under this Contract.

(g) "The Project Site", where applicable, means the place or places named in the Special Conditions of Contract.

(h) "Day" means calendar day.

2. Use of Contract Documents and Information; Inspection and Audit

2.1. The Supplier shall not, without the Purchaser's prior written permission, disclose the Contract, or any provision thereof, or any specification, drawings, patterns, sample or information furnished by or on behalf of the Purchaser in connection therewith, to any person other than a person employed by the Supplier in the performance of the Contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.

2.2. The Supplier shall not, without the Purchaser's prior written consent, make use of any document or information specified in Clause 2.1 above, except for purposes of performing the Contract.

2.3. Any document, other than the Contract itself, specified in Clause 2.1 above, shall remain the property of the Purchaser and shall be returned (in all copies) to the Purchaser, on completion of the Supplier's performance under the Contract, if so required by the Purchaser.

2.4. The State Professional Inspection Authority (SPIA) shall have the right to inspect the Supplier's accounts and records relating to the performance of the Contract and to have them audited by SPIA.

3. Change Orders

3.1. The Purchaser may at any time, by a written notice to the Supplier, make changes within the general scope of the Contract in any one or more of the following:

(a) drawings, designs or Technical specifications, where Goods to be furnished under the Contract are to be specifically manufactured for the Purchaser; or

(b) the method of shipment or packing; or

(c) the place of delivery.

3.2. Upon notification by the Purchaser of such change, the Supplier shall submit to the Purchaser an estimate of costs for the proposed change (hereinafter referred to as the Change) within 10 days of receipt of notice of the Change, and shall include an estimate of the impact (if any) of the Change on the delivery dates under the Contract, as well as a detailed schedule for the execution of the Change, if applicable.

3.3. The Supplier shall not perform Changes in accordance with Clause 3.1 above until the Purchaser has authorized a Change Order in writing on the basis of the estimate provided by the Supplier as described in Clause 3.2 above.

3.4. Changes mutually agreed upon as a Change shall constitute a part of this Contract, and the provisions and conditions of the Contract shall apply to Change.

4. Contract Amendments

4.1. Subject to Clause 3, no variation in or modification of the conditions and terms of the Contract shall be made except by written amendment signed by the parties.

5. Subcontracts

5.1. The Supplier shall not subcontract all or any part of the Contract without first obtaining the Purchaser's approval in writing of the subcontracting and the sub-Supplier.

5.2. The Supplier guarantees that any and all sub-Suppliers of the Supplier for performance of the Contract will comply fully with the terms of the - Contract applicable to such part of the work under the Contract.

6. Country of Origin

6.1. The Goods to be supplied under the Contract may have origin of any countries.

6.2. For purposes of this Clause, "origin" shall be considered to be the place where the Goods were mined, grown or produced. Goods are produced when, through manufacturing, processing or substantial and major assembling of components, a commercially recognized new product - results that is substantially different in basic characteristics or in purpose or utility from its components.

7. Inspection and Tests

7.1. The Purchaser or its representative shall have the right to inspect and/or to test the Goods to confirm their conformity to the Technical specifications. The Special Conditions of Contract and/or the Technical specifications shall specify what inspections and tests the Purchaser requires and where they are to be conducted. The Purchaser shall notify the Supplier in writing of the identity of any representatives retained for these purposes.

7.2. The inspections and tests may be conducted on the premises of the Supplier or its sub-Supplier(s), at point of delivery and at the Goods' final destination. Where conducted on the premises of the Supplier or its sub-Supplier(s), all-reasonable facilities and assistance, including access to drawings and production data, shall be furnished to the inspectors at no charge to the Purchaser.

7.3. Should any inspected or tested Goods fail to conform to the Technical specifications, the Purchaser may reject them, and the Supplier shall either replace the rejected Goods or make all alterations necessary to meet the requirements of the Technical specifications, free of cost to the Purchaser.

7.4. The Purchaser's right to inspect, test and, where necessary, reject the Goods after the Goods' arrival in Mongolia shall in no way be limited or waived by reason of the Goods' having previously been inspected, tested and passed by the Purchaser or its representatives prior to the Goods' shipment from the country of origin.

7.5. Nothing in this Clause shall in any way release the Supplier from any Warranty or other obligations under the Contract.

8. Packing

8.1. The Supplier shall provide such packing of the Goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the Contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing case size and weights shall take into consideration, where appropriate, the remoteness of the Goods' final destination and the absence of heavy handling facilities at all points in transit.

8.2. The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the Contract, including additional requirements, if any, specified in the Special Conditions of Contract and in any subsequent instructions ordered by the Purchaser.

9. Delivery and Documents

9.1. The Supplier shall make delivery of the Goods in accordance with the terms specified in the Technical Specifications. The Goods supplied shall conform to the standards mentioned in the Technical specifications, and when no applicable standard is mentioned, to the authoritative standards appropriate to the Goods' country of origin. Such standards shall be the latest issued by the concerned institution. The details of shipping and/or other documents to be furnished by the Supplier are specified in the Special Conditions of Contract.

9.2. For purposes of the Contract, "CIP", "EXW", "FOB", "FCA", "CIF", and other trade terms used to describe the obligations of the parties shall have the meanings assigned to them by the International Chamber of Commerce, Paris, in the current edition of its publication commonly referred to as INCOTERMS.

10. Patent and Intellectual Property Rights

10.1. The Supplier shall indemnify the Purchaser against all third-party claims of infringement of patent, trademark, industrial design rights or intellectual property rights arising from use of the Goods or any part thereof.

11. Performance Security

11.1. Within 21days of receipt of the notification of Contract award, the Supplier shall furnish to the Purchaser the performance security in the amount specified in the Special Conditions of Contract.

11.2. The proceeds of the performance security shall be payable to the Purchaser as compensation for any loss resulting from the Supplier's failure to complete its work under the Contract. The Supplier shall cause the validity period of the performance security to be extended for such period(s) as the contract performance may be extended pursuant to Clause 16.2.

11.3. The performance security shall be denominated in a currency of the Contract, or in a freely convertible currency acceptable to the Purchaser, and shall be in the form of a bank guarantee, issued by a bank acceptable to the Purchaser.

11.4. The performance security will be valid until by the Purchaser evaluate the Contract and receive the goods, work, and service.

12. Insurance

12.1. All Goods supplied under the Contract shall be fully insured against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery, in the manner specified in the Special Conditions of Contract.

13. Quality and Warranty

13.1. The Supplier warrants that the Goods supplied under the Contract are new, unused, of the most recent or current models and those they incorporate all recent improvements in design and materials. The Supplier further warrants to the Purchaser that all materials, equipment and supplies furnished by the Supplier or its sub-Suppliers for the purpose of the Goods will be new, merchantable of the most suitable grade, and fit for their intended purposes.

13.2. This Warranty shall remain valid for 12 months after the Goods have been delivered and commissioned or for 18 months after the date of shipment from the port of loading in the country of origin, whichever period concludes earlier, unless specified otherwise in the Special Conditions of Contract.

13.3. The Purchaser shall promptly notify the Supplier in writing of any claim arising under this Warranty.

13.4. Upon receipt of such notice, the Supplier shall, with all reasonable speed, repair or replace the defective Goods or parts thereof, with no cost to the Purchaser.

13.5. Without prejudice to Clauses 13.2 and 13.4 above, the Supplier shall promptly correct, at no cost to the Purchaser, any defect in any work of correction performed pursuant to Clauses 13.2 and 13.4 above, upon receipt of written notice of defect within 12 months from acceptance of the corrected defect.

13.6. If the Supplier, having been notified, fails to remedy the defect(s) in accordance with the Contract, the Purchaser may proceed to take such remedial action as may be necessary, at the Supplier's expense. The Supplier's Warranty pursuant to this Clause 13 is without prejudice to any

other rights or remedies, which the Purchaser may have against the - Supplier under the Contract.

14. Payment

14.1. The method and conditions of payment to be made to the Supplier under this Contract shall be specified in the Special Conditions of Contract.

14.2. The Supplier's request(s) for payment shall be made to the Purchaser in writing, accompanied by an invoice describing, as appropriate, the Goods delivered and Services performed, and by documents submitted pursuant to Clause 9, and upon fulfillment of other obligations stipulated in the Contract.

14.3. After submission of an invoice by Supplier, the Purchaser shall make the payment in accordance to SCC.

14.4. The currency or currencies in which payment is made to the Supplier under this Contract will be made in the currency or currencies specified in the Bid Form.

15. Prices

15.1. Prices charged by the Supplier for Goods delivered and Services performed under the Contract shall not vary from the prices quoted by the Supplier in its bid, with the exception of any change in price resulting from a Change Order issued in accordance with Clause 3, or if applicable, adjustments authorized in accordance with the price adjustment provisions specified in the Special Conditions of Contract.

16. Extensions in the Supplier's Performance

16.1. The Supplier shall make delivery of the Goods in accordance with the Schedule of Requirements, pursuant to the Technical specifications.

16.2. The Supplier may claim extension of the time limits as set forth in the Schedule of Requirements in case of:

(a) changes in the Goods ordered by the Purchaser pursuant to Clause 3;

(b) delay of any materials, drawings or services which are to be provided by the Purchaser (services provided by the Purchaser shall be interpreted to include all approvals by the Purchaser under the Contract);

(c) Force Majeure pursuant to Clause 22; and

(d) delay in performance of work caused by orders issued by the Purchaser.

The Supplier shall demonstrate to the Purchaser's satisfaction that it has used its best endeavors to avoid or overcome such causes for delay, and the parties will mutually agree upon remedies to mitigate or overcome such causes for delay.

16.3. Notwithstanding Clause 16.2 above, the Supplier shall not be entitled to an extension of time for completion unless the Supplier, at the time of such circumstances arising, immediately has notified the Purchaser in writing of any delay that it may claim as caused by circumstances pursuant to Clause 16.2 above.

17. Liquidated Damages

17.1. If it is not prescribed different in the Clause 23, if the Supplier fails to deliver any or all of the Goods or to perform the Services within the period(s) specified in the Contract, the Purchaser shall, without prejudice to its other remedies under the Contract, deduct from the Contract Price, as liquidated damages, a sum equivalent to the percentage specified in the Special Conditions of Contract of the delivered price of the delayed Goods or unperformed Services for each week or part thereof of delay until actual delivery or performance, up to a maximum deduction of the percentage specified in the Special Conditions of Contract. Once the maximum is reached, the Purchaser may consider termination of the Contract pursuant to Clause 18, Termination for Default.

18. Termination for Default

18.1. The Purchaser may, without prejudice to any other remedy for breach of Contract, by written notice of default sent to the Supplier, terminate the Contract in whole or in part:

(b) if the Supplier fails to deliver any or all of the Goods within the time period specified in the Contract, or any extension thereof granted by the Purchaser, pursuant to Clause 16; or

(c) if the Supplier fails to perform any other obligation(s) under the Contract; and

(d) if the Supplier, in either of the above clauses 18.1.(a), 18.1.(b), does not cure its failure within a period of 10 days (or such longer period as the Purchaser may authorize in writing) after receipt of a notice of default from the Purchaser specifying the nature of the default(s);

(e) if the Supplier, in the judgment of the Purchaser has engaged in corrupt or fraudulent practices in competing for or in executing the Contract.

18.2. In the event the Purchaser terminates the Contract in whole or in part, pursuant to Clause 18.1 above, the Purchaser may procure, upon such terms and in such manner as it deems appropriate, goods similar to those undelivered, and the Supplier shall be liable to the Purchaser for any excess costs for such similar goods. However, the Supplier shall continue performance of the Contract to the extent not terminated.

19. Termination for Insolvency

19.1. The Purchaser may at any time terminate the Contract by giving written notice to the Supplier, without compensation to the Supplier, if the Supplier becomes bankrupt or otherwise insolvent. Notwithstanding the above, such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the Purchaser.

20. Termination for Convenience

20.1. The Purchaser may, by written notice sent to the Supplier, terminate the Contract, in whole or in part, at any time for its convenience. The notice of termination shall specify that termination is for the Purchaser’s convenience, the extent to which performance of work under the Contract is - terminated, and the date upon which such termination becomes effective.

20.2. The Goods that is complete and ready for shipment within 30 days after the Supplier's receipt of notice of termination shall be purchased by the Purchaser at the Contract prices and on the Contract terms. For the remaining Goods, the Purchaser may elect:

(a) to have any portion thereof completed and delivered at the Contract prices and on the other Contract terms; and/or

(b) to cancel the remainder and pay to the Supplier an agreed amount for partially completed Goods and for materials and parts previously procured by the Supplier for the purpose of the Contract, together with a - reasonable allowance for overhead and profit.

21. Resolution of Disputes

21.1. The Purchaser and the Supplier shall make every effort to resolve amicably by direct informal negotiation any disagreement or dispute arising between them under or in connection with the Contract.

21.2. If, after thirty (30) days from the commencement of such informal negotiations, the Purchaser and the Supplier have been unable to resolve amicably a Contract dispute, either party may require that the dispute be referred for resolution by arbitration by the mechanism described in the Special Conditions of Contract. The award shall be final and binding on the parties.

22. Force Majeure

22.1. In the event that the Supplier or any of its sub-Suppliers or the Purchaser is delayed in performing any of their respective obligations under the Contract, and such delay is caused by Force Majeure, including but not limited to war, civil insurrection, fires, floods, epidemics, earthquakes, quarantine restrictions and freight embargoes, such delay may be excused as provided in Clause 16, and the period of such delay may be added to the time of performance of the obligation delayed.

22.2. If a Force Majeure situation arises, the Supplier shall promptly notify the Purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the Purchaser in writing, the Supplier shall continue to perform its obligations under the Contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the Force Majeure event.

23. Assignment

23.1. The Supplier shall not assign, in whole or in part, its obligations to perform under the Contract, except with the Purchaser's prior written consent.

24. Contract Language

24.1. The Supplier hereby represents that it has sufficient knowledge of the in English language to fully understand the Contract. The Contract and all documentation related hereto shall be in this language, except if otherwise specifically agreed in writing between the parties.

24.2. The Supplier shall bear all costs of translations to language, specified in Clause 24.1, and all risks of the accuracy of such translation.

25. Taxes and Duties

25.1. The Supplier shall be entirely responsible for all taxes, stamp duties and other such levies imposed outside of Mongolia.

26. Headings

26.1. Headings, whether of Clauses or of other parts of the Contract, are for reference only and are not to be construed as part of the Contract.

27. Performance

27.1. Failure of either party to insist waiver upon strict performance by the other party of any provision of the Contract shall in no way be deemed or construed to affect in any way the right of that party to require such performance.

SECTION VII. SPECIAL CONDITIONS OF CONTRACT

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SPECIAL CONDITIONS OF CONTRACT

1.	**Definitions *(GCC Clause 1*)**	1.1.(e)	The Purchaser is**:** ***Mongolia Telecom company*** ***POB-1166*** ***Peace avenue-1*** ***Mongolia Telecom Headquarter*** ***Ulaanbaatar-15160*** ***Mongolia*** ***Tel:976-70102213*** ***Fax:976-70102204*** ***www.telecommongolia.mn***
2.	**Inspections and Tests (*GCC Clause 7)***	7.0	1. Supplier shall notify the Purchaser delivery and installation of the Goods by the date in accordance with the terms specified in the Contract. 2. Purchaser shall make factory test before supplying the Goods. Supplier shall get permission to supply the Goods by getting certificate from Purchaser after made factory test. 3. Supplier shall bear all costs related to it.
3.	**Delivery and Documents *(GCC Clause 9)***	9.0	Technical documents are required for delivery and installation of Goods.
		9.3	"For Goods supplied from outside of Mongolia (For example, CIP): Upon shipment, the Supplier shall notify the Purchaser and Insurance Company by fixed communication the full details of the shipment, including the Bill of Lading, Packing List,Contract number, description of Goods, quantity, the vessel, number and date, port of loading, date of shipment, port of discharge, etc. The Supplier shall mail the following documents to the Purchaser, with a copy to the Insurance Company: 1) The Supplier's invoice showing Goods' description, quantity, unit price, and total amount. 2) One copy of The Bill of Lading, 3) One copy of Packing list identifying contents of each package; 4) Insurance certificate; 5) Manufacturer's warranty certificate; 6) Quality certificate, issued by the nominated inspection agency, and the Supplier's factory inspection report; and 7) certificate of origin. The above documents shall be received by the Purchaser one week before arrival of the Goods at the port or place of arrival and, if not received, the Supplier will be responsible for any consequent expenses."
		9.4	For Goods from within the Mongolia (EXW): 1) copies of the Supplier's invoice showing Goods' description, quantity, unit price, and total amount; 2) delivery note, railway receipt, or truck receipt; 3) Manufacturer's or Supplier's warranty certificate; 4) inspection certificate issued by the nominated inspection

agency, and the Supplier's factory inspection report; and
5) certificate of origin.

The above documents shall be received by the Purchaser one (1) week before arrival of the Goods and, if not received, the Supplier will be responsible for any consequent expenses."

4. Performance Security ***(GCC Clause 11)***	11.1	The amount of performance security shall be **5** percent of the Contract Price.
5. Warranty ***(GCC Clause 13)***	13.0	This Warranty shall remain valid for 18 months after the Goods have been commissioned. If any defects occur, the Supplier will be responsible for all the expense during the period of warranty.
6. Payment ***(GCC Clause 14)***		The method and conditions of payment to be made to the Supplier under this Contract as follows:

14.4 "For Convergent Billing System supplied from outside of Mongolia, the Purchaser will pay to the Supplier as follows:

1. **Advance Payment**: **30** percent of the Contract Price shall be paid within 30 days of signing of the Contract, and upon submission of claim and an unconditional bank guarantee issued by a Bank which is acceptable to the Purchaser for the equivalent amount valid until the Goods are delivered and in the form provided in the bidding documents or another form acceptable to the Purchaser.
2. **On Delivery:** **30**percent of the Contract Price shall be paid within 30 days upon arrival of Goods, confirmed inspection of Goods delivery and receipt of invoice issued by the Contractor.
3. **On Installation:** After technical inspection group's report of final acceptance test and signing of final acceptance certificateforsuccessfulconvergent billing system installation, **35**percent of the Contract Price shall be paid within 10 days upon receipt of invoice issued bytheContractor.
4. **Final Payment:** After ending of 12 months warranty and maintenance period as specified in the contract, **5**percent of the - Contract Price shall be paid within 10 days upon receipt ofinvoice issued by the Contractor.

14.5 For Goods supplied from within Mongolia, the Purchaser will pay to the Supplier as follows:

1. **Advance Payment**: **30** percent of the Contract Price shall be paid within 30 days of signing of the Contract, and upon submission of claim and an unconditional bank guarantee issued by a Bank which is acceptable to the Purchaser for the equivalent amount valid until the Goods are delivered and in the form provided in the bidding documents or another form acceptable to the Purchaser.

2. **On Delivery:** **30** percent of the Contract Price shall be paid within 30 days upon arrival of Goods, confirmed inspection of Goods delivery and receipt of invoice issued by the Contractor.

3. **<u>On Installation:</u>** After technical inspection group's report of final acceptance test and signing of final acceptance certificate for successful convergent billing system installation, **30** percent of the Contract Price shall be paid within 10 days upon receipt of invoice issued by the Contractor.

4. **<u>Final Payment:</u>** After ending of 12 months warranty and maintenance period as specified in the contract, **10** percent of the - Contract Price shall be paid within 10 days upon receipt of invoice issued by the Contractor.

7.	**Liquidated Damages *(GCC Clause 17)***	17.1	Applicable rate of liquidated damages: **0.5 %** of Contract Price Total amount of Liquidated Damages: no more than **25%** of the contract price.
8.	**Resolution of Disputes*(GCC Clause 21)***	21.0	Arbitration entity shall be detailed in the Special Condition of Contract related to General Condition of Contract. If supplier not the Mongolian entity, we advising to choose international orbiter judge. For example, the arbitration court, who selected in accordance to the formal mechanisms of the rules of arbitration of the International Chamber of Commerce in Geneva/Switzerland, shall observance rules thereof to resolve disputes. The arbitration's country shall be defined, and arbitration's resolution shall be deemed as a final one, and two Parties must follow. The Purchaser may select, Arbitration Rules (1976 or 1980) of the United Nations Commission on International Trade Law (UNCITRAL), or Arbitration Rules and Conciliation Rules of International Centre for Settlement of Investment Disputes (ICSID), or Settlement Dispute Rules of ICSID etc and other similar rules, for resolving disputes.

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1. CONTRACT FORMS

APPROVED BY	ACCEPTED BY	
PURCHASER	SUPPLIER	(Investing organization's authorized person)
_____	_____	_____
(Signature)	(Signature)	(Signature)
_____	_____	_____
(Title & Name)	(Title & Name)	(Title & Name)
(Stamp)	(Stamp)	(Stamp)

["Project reference No/Contract Name"] Contract
Contract Reference №

..... City/Aimag

THIS CONTRACT made the day of , 20, between _____*(Name of Procuring Entity)*_____of MONGOLIA (hereinafter "the Purchaser") of the one part and *(Name of Supplier)* of*(City and Country of Supplier)*_____(hereinafter "the Supplier") of the other part.

1. The purpose of this contract is to define the general duties and responsibilities of the Purchaser and Supplier, and regulate their relations based on the supplying Goods in accordance to law of Mongolian citizens and other legislation.

2. The Purchaser is desirous that certain goods be provided by the Supplier, viz., (*Brief Description of Goods and Related Services, as identified in the Bid Form and Price Schedule*)(hereinafter "the Goods") and has accepted a bid by the Supplier for the provision of those Goods in the sum of _____(*Contract Price in Words and Figures*)_____(hereinafter "the Contract Price").

3. The Purchaser shall investigate the supplying of Goods by state budge the amount of MNT_____, by provincial budget the amount of MNT_____, and by own investment the amount of MNT_____.

4. The Supplier shall make delivery of the Goods (*Brief Description of Goods and Related Services, as identified in the Bid Form and Price Schedule*) between _____Month____Day_____Year and _____Month____Day_____Year.

5. The Contract shall consist of following documents:

   (a) Notification of Award;

   (b) Other related documents;

(c) Bid Form and Price Schedules;

(d) Special Conditions of Contract; and

(e) General Conditions of Contract;

(f) Technical specifications and delivery schedule;

(g) Investment Schedule;

This Contract sets forth the entire contract and agreement between the parties pertaining to the supply of the Goods described herein and supersedes any and all earlier verbal or written agreements pertaining to the supply of the Goods

This Contract shall prevail over all other Contract documents. In the event of any discrepancy or inconsistency within the Contract documents, then the documents shall prevail in the order listed above.

6. The Supplier shall bear provision of the Goods and the remedy of defects them in complying of any condition of the Contract, and based on payment of Purchaser accordance to the Contract.

7. The Purchaser hereby covenants to pay the Supplier, in consideration of the provision of the Goods 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.

8. Any notice under this Contract shall be in the form of letter, telex, cable or facsimile.

PURCHASER REPRESENTED BY:

[Title & Name]
*[Signature]*_____

STAMP

[Purchaser's address]
[Phone/Fax number]
[Corresponding bank name, account no]

SUPPLIER REPRESENTED BY:

[Title & Name]
*[Signature]*_____

STAMP

[Supplier's address]
[Phone/Fax number]
[Corresponding bank name, account no]

2. PERFORMANCE SECURITY FORM (A BANK GUARANTEE)

TO: ***(Name of Procuring entity)***

WHEREAS ***[Purchaser name]*** hereinafter called "the Supplier", has undertaken to supply ***[Brief Description of Goods and Related Services]*** in pursuance of Contract No._____dated, __ hereinafter called "the Contract";

AND WHEREAS it has been stipulated by you in the Contract the Supplier shall furnish you with a Bank Guarantee by a recognized Bank for the sum specified therein as security for compliance with the Supplier's performance obligations in accordance with the Contract;

AND WHEREAS we have agreed to give the Supplier a Guarantee; THEREFORE WE hereby affirm that we are Guarantors and responsible to you, on behalf of the Supplier, up to a total of ***[Amount of the Guarantee in Words and Figures]*** and we undertake to pay you, upon your first written demand declaring the Supplier to be in default under the Contract, and without cavil or argument, any sum or sums as specified by you, within the limit of ***[Amount of Guarantee]*** as aforesaid, without your needing to prove or to show grounds or reasons for your demand or the sum specified therein.

Any amendments and modifications of conditions of contract between Purchaser and Supplier, or goods to be supplied, or bidding documents shall not alter the Bank's obligations, and these amendments and modifications shall not be submitted to the Bank.

This guarantee is valid until a date 28 days from the date of issue of the Certificate of Completion of works.

Signature of Authorized Representative of the bank _____

Name and title of authorized person to sign Bid _____

Stamp of the bank

Date_____

Address _____

3. SECURITY FORM FOR ADVANCE PAYMENT (A BANK GUARANTEE)

Bank Guarantee for Advance Payment

*[**Name of purchasing entity**]*

To ***[Purchaser name]*** hereinafter called "the Purchaser" WHEREAS ***[Name of Supplier]*** hereinafter called "the Supplier" has undertaken, in pursuance of Contract No. _____dated, _____ to supply ***[Brief Description of Goods and Related Services]*** hereinafter called "the Contract";

AND WHEREAS it has been stipulated by you in the said Contract that the Supplier shall furnish you with a Bank Guarantee by a recognized Bank for the sum specified therein as security against an advance payment in accordance with the Contract;

AND WHEREAS we have agreed to give the Supplier a Guarantee; THEREFORE WE hereby affirm that we are Guarantors and responsible to you, on behalf of the Supplier, up to a total of ***[Amount of the Guarantee in Words and Figures]*** and we undertake to pay you, upon your first written demand declaring the Supplier to be in default under the Contract, and without cavil or argument, any sum or sums as specified by you, within the limit of ***[Amount of Guarantee]*** as aforesaid, without your needing to prove or to show grounds or reasons for your demand or the sum specified therein.

Any amendments and modifications of conditions of contract between Purchaser and Supplier, or goods to be supplied, or bidding documents shall not alter the Bank's obligations, and these amendments and modifications shall not be submitted to the Bank.

This Guarantee shall remain valid and in full effect from the date of the advance payment received by the Supplier under the Contract until above mentioned similar payment to be repaid to purchaser from the day of supplier made advance payment in accordance to condition of contract.

Yours truly,

Signature of Authorized Representative of the bank _____

Position and name _____

Stamp of the bank

Date_____

Address _____