ANNEX №2

CONTRACT PRICE, PAYMENT, QUANTITY OF WORK

(“Established on 2025/...../..... between the “GOVERNOR’S OFFICE OF THE CAPITAL CITY OF ULAANBAATAR (GOCCUB)” and “.....” partnership)

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1. CONTRACT PRICE

1.1. The Total Contract Price has been determined on a LUMP SUM basis, taking as its source the Feasibility Study ("FS") of the "First Ring Road" prepared and verified by the Employer. A consolidated summary of the Total Contract Price is as follows:

Table 1. 1. Total contract price

№	Cost Item	Total Cost (MNT)
1	Contractor's Contract Price	**2,731,964,228,903.65**
2	Employer's Supervision Cost	**24,767,772,310.15**
	Total Cost	**2,756,741,263,209.36**

Note: The total amount payable by the Employer to the Contractor shall not exceed the amount specified below.

Table 1. 2. Contract Price of the Contractor's Works

№	Cost Item	Total Cost (MNT)	Percentage of payment
1	Road and Road Structures	390,044,496,839.00	165,810.23
2	Bridges and Bridge Structures	1,401,041,540,314.24	595,591.06
3	Tunnel	386,309,417,827.72	164,222.42
4	Water, Heating, Stormwater Drainage, and Sewerage	26,124,396,596.00	11,105.63
5	Electrical Networks, Substation, Lighting, and Telecommunications	115,488,947,732.11	49,095.04
6	Communication, Surveillance, Management and Tolling System	11,518,223,650.00	4,896.46
7	Landscaping	21,827,876,343.14	9,279.16
8	**DIRECT COST TOTAL (1+2+3+4+5+6+7)**	**2,352,354,899,302.21**	**1,000,000.00**
9	Technical and Technological Supervision, Consulting Services Costs	71,760,909,370.92	
10	Designer's Supervision	1,531,315,683.00	
11	Contingency Costs	64,631,651,957.35	
12	Value-Added Tax (VAT)	234,158,160,112.54	
13	Contribution to the Normative and Regulatory Fund	7,527,292,477.63	
	TOTAL COMPETITIVE PRICE (8+9+10+11+12+13)	**2,731,964,228,903.65**	

Note: The prices shown in Table 1.1 and Table 1.2 shall be subject to competition based on the bid prices submitted by the tender participants.

*The contingency amount may be reallocated to the Contract Price, in accordance with the laws and regulations of Mongolia, for the execution of additional works that are technologically indispensable but not included in the Feasibility Study (FS) or this Contract. If the contingency is not utilized as provided by the laws and regulations of Mongolia, it shall remain with the Employer.

**The Contract Price of the Contractor's Works shall be deemed inclusive of all costs related to the Contractor, including but not limited to management expenses, Contractor's profit, occupational health and safety (OHS) costs, contributions to the norms and normative fund, engineering measurements, surveys and investigations, technical and technological supervision of the project, consultancy services, all insurance, value-added tax (VAT), customs duties, and any and all payments, fees, and charges required under applicable laws, regulations, and rules for the execution and implementation of the Project.

1.2. The Employer shall calculate and pay the Interim Payment based on the names, types, and quantities of the Works determined by the approved detailed design and measurements verified by the competent authority, by applying the "Percentage of Payment" specified for each Work (item) under the Contract, without altering such percentages.

1.3. The Percentage of Payment is expressed in units of 1,000,000.00.

1.4. In the event that, due to a genuine requirement to select a technically essential and more optimal option, the Parties mutually agree to execute additional Works (items) not expressly listed under Clause 8 of this Annex, such additional or excess Works shall be carried out without altering the total Contract Price for the Contractor's Works. In such case, the adjustment shall be made by reallocating and offsetting the "Percentage of Payment" of other Works, so that the additional or excess Works are incorporated within the total scope of the Works.

1.5. Any modification referred to under Sub-Clause 1.4 shall be incorporated into the design documentation on each occasion, based on the Employer's instructions and in accordance with the Contract Conditions.

1.6. The contingency funds shall be expended only for the purposes stipulated under the laws of Mongolia, including the following:

a) Works for which the quantities of the approved design drawings and execution drawings exceed those stipulated in the Contract, or works deemed technologically essential but not included in the Feasibility Study ("FS") or the Contract;

b) Additional works and operational expenses arising from unforeseen events or force majeure circumstances;

c) Correction of budgetary calculation errors identified after approval of the FS and design drawings;

d) Any costs incurred due to modifications of construction materials or structural components, made with the approval of the design author;

e) Variations arising from amendments to the project design documents;

f) Other works and services executed at the Employer's request for any reason.

2. ADVANCE PAYMENT

2.1. In the event that an advance payment is to be made, the Parties shall mutually agree upon and submit to the Employer the specific works to be financed by such payment, including the description, type, quantity, budget, and schedule of performance.

2.2. The advance payment guarantee shall be issued in accordance with Article 43 of the Law of Mongolia on Procurement of Goods, Works, and Services with State and Local Funds, and the Order No. A/252 of the Minister of Finance dated 25 December 2023.

3. PAYMENT TERMS

3.1. If the Contractor has duly executed the Works specified under Clause 8 of this Annex in accordance with the approved design documents, and such execution has been verified by the Employer through certified performance documentation, the Employer shall be obliged to make full payment to the Contractor for the respective Works.

3.2. The costs for technical supervision, consultancy services, and Value Added Tax (VAT) shall be calculated based on the percentage and proportion of the Direct Cost of Works (as set forth in Table 1.2, Item 8) corresponding to each Interim Payment Certificate (IPC) and shall be paid to the Contractor accordingly.

3.3. The Contractor shall complete and put the Project into operation in its entirety within the period stipulated in Annex 5 of this Contract.

3.4. If otherwise provided in the Financing Agreement, the payment terms of the Contract shall be governed by the Financing Agreement.

4. CONTRACT PRICE ADJUSTMENT

4.1. The Parties have mutually agreed that no adjustment or modification shall be made to the Contract Price on account of fluctuations in the market price of fuel or Goods. The Contractor acknowledges and accepts sole responsibility for the risk of price fluctuations.

4.2. The "Proportion of Payment" allocated to each Work (or Work Item) shall serve solely as a mechanism for determining the amount of Interim Payments. It shall not affect the overall Contract Price.

5. INTERIM PAYMENTS

5.1. The Contractor shall prepare and submit applications for Interim Payments to the Employer in accordance with the provisions of the Contract.

5.2. In calculating the percentage of completed Works, the Contractor shall determine the proportion of each Work Item, based on the approved design drawings, in relation to the total Works. The percentage of completed Works thus determined shall be weighted against the Total Contract Price, and the Contractor shall submit the corresponding application for Interim Payment.

5.3. For the purpose of certification of payment, the Contractor shall prepare and submit to the Employer the execution drawings and all related supporting documents, including construction and financial records, necessary to verify the actual performance of the Works and to substantiate the Works claimed for payment.

6. WORKS

6.1. The Contractor shall execute the Works in accordance with Annex No. 1 [Employer’s Requirements] to this Contract and ensure that the Works meet a high standard of quality. The provisions on payment set out in this Clause shall apply to the Works prepared and executed for the purpose of performance.

Prior to the commencement of construction works under the Project, Interim Payments may be certified for design and preparatory works included in the payment percentages of the following schedules under this Annex: Table 8.1 Roads and Road Facilities; Table 8.2 Bridges and Bridge Structures; Table 8.3 Tunnel; Table 8.4 Water, Heating, Stormwater Drainage, Sewerage; Table 8.5 Power Supply Lines, Substations, Lighting, Telecommunications; Table 8.6 Telecommunication, Surveillance, and Tolling/Control Systems. The Interim Payments for such items may be certified under the following conditions, for example:

6.1.1. Design drawings may be certified at 10% of the corresponding payment percentage;

6.1.2. Preparatory works may be certified at 15% of the corresponding payment percentage; and so on.

7. MATERIALS – PREPARATION

7.1. The Contractor shall supply Goods that are not regularly supplied for the purpose of the Work and that comply with the technical requirements specified in Appendix No. 1 [Employer's Requirements] to the Terms of Contract, and the payment terms specified in this Article shall apply to Goods purchased and stored for this purpose.

7.2. Interim payments for cement, reinforcement, bitumen, fuel, strip fencing, lighting and other equipment required during the construction of the project shall be confirmed under the following conditions:

7.2.1. Payment equal to 30% of the total price of the Goods shall be made by concluding a contract with the manufacturer or supplier of the Goods;

7.2.2. A payment equal to 15% of the total price of the Goods shall be made prior to the commencement of production of the Goods based on the Manufacturer's notification of commencement of production;

7.2.3. Payment equal to 20% of the total price of the Goods shall be made upon transportation of the Goods from the manufacturer's or supplier's premises;

7.2.4. Payment equal to 20% of the total price of the goods upon delivery of the goods to the site;

7.2.5. A payment equal to 15% of the total price of the Goods shall be paid after the Goods have been assembled and installed in accordance with the Employer's requirements.

7.3. Prior to each payment referred to under Sub-Clause 7.2.3, the Contractor shall submit a valid invoice (or an Interim Payment Certificate request), together with the manufacturer's package and packing list, to the Employer's duly authorized representative.

7.4. Goods financed under this Contract, procured or to be procured by the Contractor, for which the Contractor has assumed payment obligations towards Subcontractors or other parties, as specified under Sub-Clause 7.2 and the quantities set out in Annex No. 8, shall be received by the Employer, provided that such Goods are free from defects. Payment shall be made accordingly, and such Goods shall become the property of the Employer.

8. DETAILED BILL OF QUANTITIES

8.1. The Contract Price shall be a lump sum based on the total price agreed, and the breakdown of the Bill of Quantities shall be used solely for the purpose of certifying the Works executed by the Contractor.

8.2. Any Works not expressly stated in the Bill of Quantities but which are indispensable for achieving the objectives of the Contract, as well as any Works agreed by the Parties to be performed under the Contract, shall be deemed integral parts of the Contract and included in the Total Contract Price.

8.3. In the event of any discrepancy between the quantities set out in the Bill of Quantities under Sub-Clause 8.2 and the quantities set out in the approved Feasibility Study, the quantities specified in the approved Feasibility Study shall prevail.

8.4. The Parties shall adhere to the detailed quantities approved by the competent authority in the finalized design drawings, and, upon completion of the review and approval of all design drawings, the table of quantities and their respective "Payment Percentages" shall be updated and confirmed.

8.5. The Contractor shall execute the Works in accordance with the detailed design drawings and measurements verified by the competent authority and approved by the Employer, based on the designated type, scope, and quantities of the Works.

Table 8.1. Roads and Associated Structures

No.	Description of Works	Unit of Measurement	Quantity	Percentage of Contract Price
1	**Road and Road Facilities**			**165,039.35**
1.1	Temporary Facilities and Preparatory Works	package	1	34.43
1.2	Road Alignment Restoration	km	24.8	24.22
1.3	Road Alignment and Site Clearance Works	m3	5,925	924.84
1.4	Earthworks	km	24.8	51,390.49
1.5	Soil Replacement	m3	387,530	7,327.68

1.6	Construction of Gravel Shoulder	m3	736	181.32
1.7	Temporary and Auxiliary Road Works	km	15	122.54
1.8	Roadbed/Foundation Works	m3	261,414	16,699.70
1.9	Pavement Works	m.sq	575,510	20,304.89
1.10	Installation of Road Curbs	meters	214,229	12,344.55
1.11	Pedestrian Walkway Works	m.sq	125,794	3,995.50
1.12	Bicycle Lane Works	m.sq	242,574	11,855.15
1.13	Road Accessories/Fixtures Works	package	1	3,224.81
1.14	Safety Barrier Works	m3	2,889	2,042.87
1.15	Embankment Slope Protection with Landscaping	m3	24,169	13,830.05
1.16	Surface Drainage Works	km	24.8	17,211.37
1.17	Reinforced Concrete Drainage Pipe Works	km	24.8	3,455.07
1.18	Commissioning of Road Facilities for State Operation	km	24.8	20.18
1.19	Loading, Unloading and Dismantling of Plant and Factory Facilities	package	1	49.68

Table 8.2. Bridges and Bridge Structures

No.	Description of Works	Unit of Measurement	Quantity	Percentage of Contract Price
2	**Bridges and Bridge Structures**			**592,684.33**
2.1	Bridge No.1 (6-lane reinforced concrete bridge with pile foundations)	meters	2,951	131,103.74
2.2	Bridge No.2 (6-lane bridge with precast and cast-in-place box girders)	meters	1,078	53,613.61
2.3	Bridge No.3 (K1300 Interchange Bridge)	meters	520	8,763.96
2.4	Bridge No.4 (Intersection Bridge with Precast Girders)	meters	270	5,219.63
2.5	Bridge No.5 (Connection to 2nd Ring Road West Junction, precast and cast-in-place)	meters	1,286	31,566.04
2.6	Bridge No.6 (Auxiliary Road Pedestrian Bridge with Precast Box Girders)	meters	100	2,202.62
2.7	Bridge No.7 (Pedestrian Bridge with Precast Box Girders)	meters	128	3,020.71
2.8	Bridge No.8 (Reinforced Concrete Box Bridge, size 2×5×5 m)	meters	60	3,144.10
2.9	Bridge No.9 (Enkhtaivan Avenue West Overpass with Cast-in-Place Girders)	meters	660	19,022.69
2.10	Bridge No.10 (6-lane bridge with precast and cast-in-place box girders)	meters	2,315	107,404.94
2.11	Bridge No.11 (Interchange Bridge connecting to Doloon Buudal Road Intersection	meters	986	30,358.95
2.12	Bridge No.12 (Auxiliary Bridge)	meters	60	1,514.15
2.13	Twin Artificial Structures, size 5×5 m	meters	107	4,175.11
2.14	Bridge No.14 (6-lane bridge with precast and cast-in-place box girders)	meters	2,570	115,703.90

2.15	Bridge No.15 (Auxiliary Bridge)	meters	120	7,036.28
2.16	Bridge No.16 (Bridge at Intersection with Tuul Expressway)	meters	520	27,894.92
2.17	Bridge No.17 (Bridge at Intersection with Peace Avenue)	meters	1140	18,412.56
2.18	Bridge No.18 (Bridge at Intersection with Second Ring Road)	meters	290	13,220.53
2.19	Bridge No.19 (Pedestrian Bridge)	meters	64	1,523.12
2.20	Bridge No.20 (Three Artificial Structures of 4×4 m and Two Twin Artificial Structures of 5×5 m)	meters	341	7,782.76

Table 8.3. Tunnel Works

No.	Description of Works	Unit of Measurement	Quantity	Percentage of Contract Price
3	**Tunnel Works**			**168,123.20**
3.1	Earthworks	m3	798,872	150,721.45
3.2	Roadway and Traffic Facilities	meters	2,080	247.96
3.3	Ventilation	шир	32	472.48
3.4	Fire Protection	package	1	583.74
3.5	Electrical Works (by cable length)	Meters	64,020	2,296.11
3.6	Lighting	meters	4,160	1,162.62
3.7	Monitoring and Inspection	package	1	1,310.56
3.8	Project Measures	шир	1	352.36
3.9	Fire Pump Room	package	1	244.51
3.10	Distribution/Control Room	package	1	319.94
3.11	Fire Water Reservoir	package	1	73.49
3.12	Tariff Regulation Costs	package	1	10,337.98

Table 8.4. Water, Heating, Rainwater Drainage, and Sewerage

No.	Description of Works	Unit of Measurement	Quantity	Percentage of Contract Price
4	**Water, Heating, Rainwater Drainage, and Sewerage**			**11,051.44**
4.1	External Clean Water Supply	package	1	1,229.59
4.2	External Heating Supply	package	1	1,228.67
4.3	Rainwater Pipeline	package	1	8,363.42
4.4	Water Supply and Sewerage	package	1	229.75

Table 8.5. Electrical Networks, Substation, Lighting, and Telecommunications

No.	Description of Works	Unit of Measurement	Quantity	Percentage of Contract Price
5	**Electrical Networks, Substation, Lighting, and Telecommunications**			**53,080.83**

5.1	Relocation of External Utility Lines	package	1	271.88
5.2	New External Utility Connections	package	1	3,953.52
5.3	Lighting Installation	package	1	12,125.49
5.4	Outdoor Lighting Substation (KTPN)	package	1	270.00
5.5	External Power Supply	package	1	36,459.93

Хүснэгт 8.6. Communications, CCTV, and Control/Payment Systems

No.	Description of Works	Unit of Measurement	Quantity	Percentage of Contract Price
6	**Communications, CCTV, and Control/Payment Systems**			**786.99**
6.1	Installation at Four-Way Intersections	шир	11	298.66
6.2	Road Surveillance Cameras	шир	16	27.50
6.3	Installation along Main Road Corridors	шир	27	460.83

Table 8.7. Landscaping Works

No.	Description of Works	Unit of Measurement	Quantity	Percentage of Contract Price
7	**Landscaping Works**			**9,233.87**
7.1	Planting of Trees and Vegetation (by pieces)	pieces	76,736	3,598.50
7.2	Planting of Trees and Vegetation (by area)	m.sq	514,205	5,206.12
7.3	Others	package	1	429.25

THE PARTIES, WHICH HAVE READ AND AGREE TO THE DOCUMENTS SET FORTH IN ANNEX NO. 2 TO THIS AGREEMENT, HEREBY AGREE:

ON BEHALF OF THE EMPLOYER: “GOVERNOR’S OFFICE OF THE CAPITAL CITY OF ULAANBAATAR” HEAD OF THE OFFICE	REPRESENTATIVE OF THE CONTRACTOR “.....”

ANNEX 3. ENVIRONMENTAL, OCCUPATIONAL SAFETY, HEALTH, AND SOCIAL MANAGEMENT

ENVIRONMENT, HEALTH, SAFETY AND SOCIAL MANAGEMENT

1. INTRODUCTION

1.1. The Contractor shall prepare the “Environment, Health, Safety and Social Management Plan” (hereinafter referred to as the “EHS&S Management Plan”) based on the following documents and shall ensure compliance with the laws and standards in force in Mongolia. These include:

a) The Employer’s policies and procedures on Environment, Health, Safety and Social Management (as specified in Appendix 3, Section 2);
b) The Employer’s general requirements for the Environment, Health, Safety and Social Management Plan (as specified in Appendix 3, Section 3);
c) The Detailed Environmental Impact Assessment Report prepared for the Tuul Expressway Project.

1.2. The EHS&S Management Plan shall define the obligations and responsibilities aimed at managing and mitigating potential adverse impacts on the local environment and society, ensuring safety, and implementing such measures, with the objective of achieving positive change.

1.3. The Employer may amend the policies, procedures, and requirements related to Environment, Health, Safety and Social Management. The Contractor shall immediately implement any such amendments and, unless otherwise instructed, comply by updating its own plans and procedures accordingly.

2. EMPLOYER’S POLICIES AND PROCEDURES ON ENVIRONMENT, HEALTH, SAFETY AND SOCIAL MANAGEMENT

Based on the Employer’s policies and procedures on Environment, Health, Safety and Social Management, the Contractor shall implement the applicable laws, standards, and regulations related to health, safety, environmental protection, and rehabilitation.

The Employer shall provide these policies, rules, and procedures to the Contractor within 30 days after issuance of the “Notice to Commence,” in accordance with the provisions of this Appendix .

3. GENERAL REQUIREMENTS FOR THE ENVIRONMENT, HEALTH, SAFETY AND SOCIAL MANAGEMENT PLAN

The Contractor shall comply with the following requirements related to the policies and procedures on Environment, Health, Safety and Social Management. These include:

3.1. ENVIRONMENT

a) The Contractor shall take necessary measures to protect the environment (both within and outside the construction site), prevent erosion and pollution, and avoid damage to the surrounding environment, human life, health, and property caused by harmful activities.
b) The Contractor shall comply with the annual Environmental Management Plan approved by the central administrative authority in charge of environmental matters designated by the Employer and shall implement measures to protect the environment to prevent ecological imbalance as specified in the plan.
c) The Contractor shall comply with the Employer’s environmental procedures and decisions.

d) The Contractor shall comply with laws and requirements related to waste management and shall minimize adverse environmental impacts to the extent possible.
e) The Contractor shall implement measures to protect wildlife, vegetation, and air quality, and shall comply with the requirements specified in applicable laws and regulations.
f) The Contractor shall obtain permits from the competent authority for temporary campsites and temporary project roads. The Contractor shall also use common mineral resources within the scope of authorized rights for exploration and use, pay the required fees in accordance with applicable laws and regulations, and perform rehabilitation works after use has ended before handing them over.
g) The Contractor shall promptly and regularly report to the Employer any environmental violations, accidents, or incidents, including chemical waste, material leaks, and pollution affecting the environment, vegetation, wildlife, soil, surface water, or groundwater. The Contractor shall submit an environmental report as part of the monthly progress report to the Employer.
h) The Contractor shall ensure that erosion, degradation, spills, waste generation, and water consumption resulting from project activities do not exceed the limits specified in the Technical Requirements and applicable laws.

3.2. SITE MANAGEMENT

a) The Contractor’s work site shall include both permanent and temporary areas used for construction purposes, and signs and markings shall be placed in the approved areas. The Contractor shall take necessary measures for the placement of its equipment and workforce within the work site and for the execution of the works.
b) During the construction period, the Contractor shall keep the work site free from any obstructions and shall remove and dispose of waste materials from the site at the end of each construction season.
c) The Contractor shall include both technical and biological rehabilitation measures in the rehabilitation plan, use the relevant standards as guidance, and restore borrow pits and temporary roads. The Contractor shall also implement protective measures to prevent unauthorized vehicles unrelated to the works from entering these areas.
d) The Contractor shall dispose of and eliminate chemical and hazardous materials brought to the work site in accordance with applicable laws and regulations and shall clean the work site and ensure safety.

3.3. OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT

a) The Contractor shall comply with the occupational safety requirements prescribed by law, prevent industrial accidents and acute poisoning, and fully ensure the safety of the workforce.
b) The Contractor shall employ occupational safety and health personnel at the work site in the number required by the laws on Occupational Safety and Health.
c) The Contractor shall establish a reporting system for health and safety accidents and near-miss incidents, and such reports shall be included in the Contractor’s monthly progress reports.

3.4. SOCIAL MANAGEMENT

a) The Contractor shall preserve and protect social traditions, safeguard historical and cultural values, and engage in cooperation by providing information to local residents, herders, government and non-governmental organizations at the level of stakeholders, ensuring participation, and responding to any requests, requirements, or complaints.
b) The Contractor shall respect local traditions as well as tangible and intangible cultural heritage.
c) The Contractor shall ensure that not less than 20 percent of the total workforce consists of qualified local citizens who meet the professional requirements.
d) The Contractor shall cooperate with the Employer to support the local economy and shall endeavour to procure goods, works, and services that meet health and safety requirements from local sources.
e) The Contractor shall implement a grievance redress mechanism, respond to any complaints received from local residents in a timely manner (within a maximum of 30 days, or more quickly if necessary), and take appropriate actions to resolve complaints from local residents, workers, and subcontractors. Furthermore, the Contractor shall prepare a monthly report on complaints received from local residents, subcontractors, and workers, and consult with the Employer on the possibilities of resolving such complaints. If the Employer or complainants incur financial or material loss due to the Contractor’s negligent actions, the Contractor shall compensate for all such losses and expenses.

3.5. OTHER REQUIREMENTS FOR THE ENVIRONMENT, HEALTH, SAFETY AND SOCIAL MANAGEMENT PLAN

a) The Employer shall conduct both unannounced and scheduled inspections of the Contractor’s activities. The Contractor shall be obliged to remedy any non-compliances or deficiencies identified during workplace inspections.
b) In each case where the Contractor fails to implement the EHS&S Management Plan, violates environmental, occupational safety, or health laws and regulations, or delays submission of reports, the Employer shall deduct a penalty of MNT 5,000,000 to 10,000,000 from the payments due to the Contractor.
c) Until the Contractor formally hands over to the relevant authority the areas requiring rehabilitation — such as borrow pits, campsite areas, and temporary roads used for the project road and construction works — the Employer shall retain the rehabilitation costs as a security deposit from the payments due to the Contractor, holding such funds in the Employer’s account.

Signature on the reverse page

THE PARTIES, WHICH HAVE READ AND AGREE TO THE DOCUMENTS SET FORTH IN ANNEX NO. 3 TO THIS AGREEMENT, HEREBY AGREE

EMPLOYER Represented by “.....” HEAD OF THE OFFICE	CONTRACTOR Represented by “.....” LLC CHIEF EXECUTIVE OFFICER

ANNEX NO. 4

MATRIX OF OBLIGATIONS RELATED TO OBTAINING AND IMPLEMENTING REQUIRED PERMISSIONS AND MEASURES

(“Established on 2025/...../..... between the “GOVERNOR’S OFFICE OF THE CAPITAL CITY OF ULAANBAATAR (GOCCUB)” and “.....” LLC partnership)

MATRIX OF OBLIGATIONS RELATED TO OBTAINING AND IMPLEMENTING REQUIRED PERMISSIONS AND MEASURES

№	Work Item	Employer	Contractor	Timeline
1	**Organizational Measures**			
1.1	Develop and Validate Environmental and Social Impact Assessment (ESIA) and Environmental and Social Management Plan (ESMP)	R		
1.2	Obtain all necessary permits and implement required measures for personnel, equipment, machinery, vehicles, and materials crossing the Mongolian border	R	RP	On a case-by-case basis
1.3	Coordinate technical conditions and solutions for roads intersecting with highways and other infrastructure facilities with relevant parties	S	R	On a case-by-case basis
1.4	Implement environmental protection measures		R	
2	**Permits and special permissions to be obtained from government, central administrative bodies, and administrative agencies**			
2.1	Obtain Permit to Commence Highway and Road Infrastructure Construction	S	R	
2.2	Obtain Permit to Continue Highway and Road Infrastructure Construction	S	R	
2.3	Documents and Materials Required to Obtain Permit for Highway and Road Infrastructure Construction Initiation	R	R	
2.4	Land possession permit	R	P	
2.5	Approval of highway corridor land	R	R	
2.6	Certification of measuring instruments and equipment used for highway construction	S	R	In each case /To be issued in the name of the Contractor or its subcontractor/
2.7	Certification of self-propelled machinery and equipment used for highway construction	S	R	In each case /To be issued in the name of the Contractor or its subcontractor/
2.8	Quality and compliance certification of goods and materials		R	In each case /To be issued in the name of the Contractor or its subcontractor/

Employer’s Stamp

Contractor’s Stamp

№	Work Item	Employer	Contractor	Timeline
2.9	Certification of information, communication and substation equipment		R	
2.10	Land clearance	R	S	
3	**From local organizations**			
3.1	Permit for Campsite	S	R	On a case-by-case basis
3.2	Permit for Temporary Roads	S	P	On a case-by-case basis
3.3	Permit for Temporary Waste Disposal Site	S	R	On a case-by-case basis
3.4	Permit for the Use of the State Special Purpose Land (SSPL)	S	R	On a case-by-case basis
3.5	Water Use Permit	S	R	On a case-by-case basis
3.6	Review and Approval of the Detailed Work Plan	R	R	On a case-by-case basis
4	**Commission into operation**	R	R	
4.1	Decisions of competent state authorities required for commissioning into operation /in compliance with State Commission requirements/	R	RP	On a case-by-case basis
4.2	Submit application for handover to the State Commission	R	RP	On a case-by-case basis
4.3	Ensure preparation and archival handover of documents and materials required for commissioning highways and road infrastructure into operation	R	R	On a case-by-case basis
4.4	Fully comply with requirements specified in the "Procedures for Commencing, Continuing, and Commissioning Highway and Road Infrastructure Construction Works" approved by Order No. 49 of 2018 of the Ministry of Road and Transport Development	S	R	On a case-by-case basis
4.5	Translate and develop international construction, operation, and maintenance standards used in the project and provide them to the Employer		R	On a case-by-case basis
5	**Certification of highways and road infrastructure**	R	S	

R-Responsible (If no separate “P – Payment” is specified, it shall be understood that the payment obligation is included herein.)
P-Payment
S-Support

Employer’s Stamp

Contractor’s Stamp

Only this Matrix shall apply to the Works specified in the Contract. The measures and permits listed in the Matrix are not exhaustive and may be further updated or revised during the implementation of the Contract.

Signature on the reverse page

Employer’s Stamp

Contractor’s Stamp

THE PARTIES, WHICH HAVE READ AND AGREE TO THE DOCUMENTS SET FORTH IN ANNEX NO. 4 TO THIS AGREEMENT, HEREBY AGREE:

EMPLOYER	CONTRACTOR
“.....	“..... .. LLC
REPRESENTING:	REPRESENTING:
HEAD OF THE OFFICE	EXECUTIVE DIRECTOR

Employer’s Stamp

Contractor’s Stamp

ANNEX #5

WORK SCHEDULE

(“Established on 2025/...../..... between the “GOVERNOR’S OFFICE OF THE CAPITAL CITY OF ULAANBAATAR (GOCCUB)” and “.....” partnership)

No.	Design, Procurement, and Construction WOorks First Ring Road	Execution Period Months	start	completion
1	**Project Design, Construction, and Handover Works**	**36**	**2025.11.10**	**2028.11.10**
1.1	**Design Works**	**8**	**2025.11.10**	**2027.06.10**
1.1.1	Preliminary design planning, engineering surveys, and investigations	2	2025.11.15	2026.01.15
1.1.2	Detailed design development	6	2025.12.10	2025.06.10
1.2	**Road Construction Works**	**27.3**	**2026.02.01**	**2028.05.10**
1.2.1	Relocation and preparatory works (including workforce, machinery, and camp facilities)	2	2026.02.01	2026.03.31
1.2.2	Earthworks (embankments, excavations, foundations)	19	2026.03.10	2027.10.10
1.2.3	Drainage works	6	2027.04.01	2027.09.30
1.2.4	Reinforced concrete bridge works	25.3	2026.03.20	2028.05.01
1.2.5	Culvert works	15	2026.07.01	2027.09.30
1.2.6	Tunnel works	25.3	2025.03.20	2028.05.01
1.2.7	Pavement works	9.6	2027.07.01	2028.04.20
1.2.8	Road signs, markings, and equipment works	8	2027.09.01	2028.05.01
1.2.9	**Opening the road carriageway to traffic**	**0.6**	**2028.04.20**	**2028.05.10**
1.3	**Landscaping and Installation Works**	**9**	**2028.02.01**	**2028.11.01**
1.3.1	Artificial structures and installation works	8	2028.02.01	2028.10.01
1.3.2	Landscaping works	5	2028.05.01	2028.10.01
1.4	**Information, Communications, and Software**	**17**	**2027.05.01**	**2028.10.01**
1.4.1	Construction and relocation of communication ducts and cables, CCTV installation, equipment, and software	17	2027.05.01	2028.11.01
1.5	**Utility and Power Supply Works**	**28**	**2026.06.01**	**2028.10.01**
1.5.1	Road lighting	9	2027.08.01	2028.05.01
1.5.2	Protection, relocation, and construction of new power lines, substations, and related facilities along the road alignment	23	2026.06.01	2028.05.01
1.5.3	Construction and installation of other utility infrastructure facilities	26	2026.08.01	2028.10.01
1.6	**Handover, Testing, and Rectification of Defects and Deficiencies**	**2**	**2028.09.10**	**2028.11.10**
2	**Miscellaneous**	**84**	**2025.11.10**	**2032.11.10**
2.1	**Land Acquisition**	**18.6**	**2025.11.10**	**2026.05.30**
2.2	**Procurement**	**24.0**	**2026.01.01**	**2028.01.01**
2.3	**Commissioning and Adjustment**	**12.0**	**2028.11.10**	**2029.11.10**
2.4	**Rectification of Defects**	**36.0**	**2029.11.10**	**2032.11.10**

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**In accordance with Sub-Clause 8 of the General Conditions, any changes in the commencement, delay, or suspension of the Works, or amendments arising from the Feasibility Study (Customer) or design modifications (Contractor), resulting in additions or changes to the scope of works stipulated in Annex No. 2 of the Contract, shall constitute grounds for revising this Schedule.*

***The design shall be approved and verified in stages.*

****“Mobilization” shall be understood as the transfer of the Contractor’s workforce, machinery, and equipment to the Project Site.*

*****Land acquisition shall be carried out concurrently with the construction phase of the Project.*

THE PARTIES, WHICH HAVE READ AND AGREE TO THE DOCUMENTS SET FORTH IN ANNEX NO. 5 TO THIS AGREEMENT, HEREBY AGREE:

EMPLOYER	CONTRACTOR
“.....	“..... .. LLC
REPRESENTING:	REPRESENTING:
HEAD OF THE OFFICE	EXECUTIVE DIRECTOR

Employer’s Stamp Contractor’s Stamp

ANNEX 6. REQUIREMENTS FOR THE USE OF DOMESTIC RESOURCES

The Contractor executing the “First Ring Road” Project, including design, procurement, construction, and financing (EPC+F), shall support domestic enterprises, citizens and/or legal entities of Mongolia, as well as domestically produced goods, works, services, and labor, and shall ensure the following level of participation.

1. REQUIREMENT

1.1. The Contractor shall procure goods, works, and services amounting to not less than 20% of the total contract price from Mongolian domestic economic entities, manufacturers, citizens, or legal entities. In doing so, the Contractor may cooperate with the Mongolian Chamber of Commerce and Industry. (*Goods, works, and services shall be understood as defined in the Law on Procurement of Goods, Works, and Services Funded by State and Local Property.*)

1.2. A Mongolian domestic economic entity, manufacturer, or legal entity means any legal entity of which more than 51% of the ownership is held by Mongolian citizens.

1.3. The contractor shall regularly provide information to local citizens and legal entities regarding the goods, works, and services to be procured under the contract.

1.4. The contractor shall procure at least the following specified proportions of human resources, machinery and equipment, goods and materials, works and services, and transportation logistics from the domestic market of Mongolia for this project. This includes:

Table 1. Percentage and volume to be procured from Mongolia's domestic market

No.	**Item**	**Percentage and volume**
1	Workforce (management, professional engineers, technical staff, other personnel)	Not less than 20%
2	Primary goods and materials (cement, reinforcement steel, etc.)	Not less than 20%
3	Machinery and equipment	Not less than 20%
4	Works and services (catering, cleaning, consulting services, etc.)	Not less than 20%
5	Transportation, logistics	Not less than 20%

2. DEFINITIONS

2.1. WORKFORCE

The contractor shall establish a professional team that meets the Employer's requirements and possesses project implementation experience. In support of domestic employment, the contractor shall collaborate with organizations responsible for employment matters in the capital city and districts, and shall provide employment

opportunities by including personnel in necessary training programs. This shall include project management, specialists, engineering and technical personnel, related administrative personnel, and other staff members.

2.2. BASIC GOODS AND MATERIALS

The contractor shall utilize goods and materials that conform to quality standards and the Employer's requirements for the project. The contractor shall procure basic goods and materials specified in the "List of goods meeting quality and standard requirements to be purchased from domestic production" as referenced in Government of Mongolia Resolution No. 90 of 2019 from the domestic market.

2.3. MACHINERY AND EQUIPMENT

The contractor shall ensure the adequacy, completeness, and safe operation of machinery and equipment required for the project construction works, and shall engage domestic business entities, citizens, and/or legal persons.

2.4. WORKS AND SERVICES

The contractor shall engage professional and licensed domestic business entities, citizens, and/or legal persons in the construction, repair, expansion, demolition, and renovation of project structures and engineering infrastructure, the conduct of exploration and research, as well as the installation, setup, testing, and adjustment of related equipment and associated works and services.

2.5. TRANSPORT, LOGISTICS

The Contractor shall ensure the readiness, reliability, and integrity of transportation and logistics for the Project and for goods, materials, equipment, and machinery required for its implementation, and shall involve domestic enterprises, citizens and/or legal entities in such activities.

THE PARTIES, WHICH HAVE READ AND AGREE TO THE DOCUMENTS SET FORTH IN ANNEX NO. 6 TO THIS AGREEMENT, HEREBY AGREE:

EMPLOYER	CONTRACTOR
“.....	“.....
REPRESENTING ":	REPRESENTING .. LLC:
DIRECTOR	CHIEF EXECUTIVE OFFICER