

GRANT CONTRACT

Phare/2003/005-551.01.04.01/ NAPH - 60 - VL

The Government of Romania, Ministry of Public Finance, Central Finance and Contracts Unit (CFCU), 44, Mircea Voda Blvd., Sector 3 BUCHAREST, ROMANIA ("the Contracting Authority")

of the one part.

and

General Directorate for Social Assistance and Child Protection Valcea, GDSACP Valcea, with its office at Ramnicu Valcea, bd. Tudor Vladimirescu no.28, jud. Valcea 240168, Fiscal code 17087924 (the "Beneficiary")

of the other part.

have agreed as follows:

Special Conditions

Article 1 - Subject

- 1(1) The subject of this Contract is a Community grant for the implementation of the operation entitled: "Closing up of Centre for Care and Assistance Pausesti-Maglasi" ("the Operation").
- 1(2) The Beneficiary will be awarded the grant on the terms and conditions set out in this Contract, which consists of these special conditions ("Special Conditions") and their annexes, which the Beneficiary hereby declares it has noted and accepted.
- 1(3) The Beneficiary accepts the grant and undertakes to carry out the Operation under its own responsibility.

Article 2 - Duration of execution

- 2(1) This contract shall enter into force on the date when the last of the Parties to the contract signs.
- 2(2) The Implementation of the Operation shall begin on the day following that on which the last of the Parties signs.
- 2(3) The Operation's implementation period, as laid down in Annex I, is 13 months.

Any communication relating to this Contract must be in writing, must state the contract identification number and title of the Operation.

For the Contracting Authority:

The Contractor of the EC financed service contract entitled 'Technical assistance to the National Authority for Persons with a handicap in Grant scheme management' with reference code PHARE/2003/005-551.01.04.01, Bernard Brunhes International (BBI), shall act as the main contact point and address for all communication related to the implementation of the Operation *including the communication between the Beneficiary and the Contracting Authority and between the Beneficiary and the Project Implementation Unit established at the National Authority for Persons with a Handicap*

The contact address of the BBI Technical Assistance for monitoring the Operation is Luigi Cazavillan Str Nr. 12, Sector 1, BUCHAREST, ROMANIA.

The communication (letters and fax letters) concerned with the contract implementation such as payment requests, request for addenda, requests for changing of bank account arrangements or requests to change the name of the audit firm shall be addressed to the Contracting Authority : *Government of Romania, Ministry of Public Finance, Central Finance and Contracts Unit (CFCU), 44, Mircea Voda Blvd., Sector 3, BUCHAREST, ROMANIA, Director Ms Carmen Rosu; Attn : Mr A Cuvatov* but sent to the BBI Technical Assistance for monitoring the Operation at the address mentioned above.

The Address of the Contracting Authority is:

Government of Romania, Ministry of Public Finance, Central Finance and Contracts Unit (CFCU), 44, Mircea Voda Blvd., Sector 3, BUCHAREST, ROMANIA, Director Ms Carmen Rosu; Attn : Mr A Cuvatov

The Address of the Implementation Authority is:

National Authority for the Persons with Handicap, PIU, 194, Calea Victoriei, Sector 1, Bucharest, Romania; Director of PIU, Mr Adrian Mindroiu.

For the Beneficiary:

*General Directorate for Social Assistance and Child Protection Valcea, Ramnicu Valcea, bd. Tudor Vladimirescu no.28, jud. Vrancea 240168
General Director, Mr. Nicolae Badea*

Article 6 - Annexes

6(1) The following documents are annexed to these Special Conditions and form an integral part of the Contract:

- Annex I: Description of the Operation
- Annex II: General Conditions applicable to European Community grant contracts for external aid
- Annex III: Budget for the Operation
- Annex IV: Contract-award procedures
- Annex V: Standard request for payment and financial identification form
- Annex VI: Audit Certificate model for Grant Contract
- Annex VII: Visual identity guidelines for contractors and implementing agencies benefiting from funding from the European Union

6(2) in the event of conflict between the provisions of the Annexes and those of the Special Conditions, the provisions of the Special Conditions shall take precedence. In the event of conflict between the

provisions of Annex II and those of the other annexes, the provisions of Annex II shall take precedence.

Article 7 - Other specific conditions applying to the Operation

7(1) The following shall supplement the General Conditions:

7(1)(1) The audit firm which will carry out the audit(s) referred to in Article 15(6) of Annex II is Expert Cont SRL, address: Ramnicu Valcea, str. Daniil Ionescu no.32. jud. Valcea. phone number 0722.225854, fax number 0250/738429

7(1)(2) The Technical and Financial Reports referred to in Article 4(1) of these special conditions shall be drawn up in Romanian and accompanied by a summary in the English language. Referring to Article 2(5) of the General Conditions, reports shall be submitted in one original and two paper copies and an electronic version shall be made available.

7(1)(3) The request for further pre-financing as referred to in Article 4(2) of these Special Conditions shall be accompanied by an interim report in line with Article 15(1) of Annex II. It shall also be accompanied by an audit certificate and an audit report in accordance with the provisions of Annex II. The audit report shall furthermore attest that the expenditure which is financed by the Community and which is actually incurred during the period covered by the audit report is at least 70 % of the initial instalment of pre-financing paid to the Beneficiary. The total sum of the initial and the further instalment of pre-financing shall in any case not exceed 90 % of the amount referred to in Article 3.2 of the Special Conditions.

7(2) The following derogations from the General Conditions shall apply :

7(2)(1) By derogation from Article 2(4) B, the final report shall be submitted not later than 30 calendar days after the completion of Implementation Period.

7(2)(2) By derogation from Article 15(6), the request for further pre-financing payment shall be accompanied by an external audit report as detailed under Article 7(1)(3) of these Special Conditions even if the sum total of the earlier and the new pre-financing payments is lower than 750,000.00 EUR.

7(2)(3) 'Operation' in the meaning of these special conditions shall have the same meaning as 'Action' in Annex II to present contract.

7(3) The following shall supplement Annex IV contract award procedures:

7(3)(1) Article 5.3 of Annex IV 'Contracts under EUR 30,000' shall be completed by: 'Three complaint tenders must be obtained so at least three contractors must be consulted, but no procurement notice need to be published.'

Done at Bucharest in four originals in English, three originals being for the Contracting Authority and one original being for the Beneficiary.

For the Beneficiary

General Director
Nicolae Badea

Endorsed by the Implementing Authority (PIU), NAPH

Director
Adrian Mindroiu

For the Contracting Authority

General Director
Carmen Rosu



ANNEX V

Request for payment for grant Contract
European Community external actions

06.12.2005

For the attention of Mrs. Carmen Rosu
Central Finance and Contracts Unit
Mircea Voda street, no. 44, Sector 3, Bucharest

Reference number of the grant Contract: Phare/2003/005-551.01.04.01/ NAPH – 60 – VL

Title of the grant Contract: *"Closing up of Centre for Care and Assistance Pausesti-Maglasi"*

Name and address of the Beneficiary: *General Directorate for Social Assistance and Child Protection Valcea, GDSACP Valcea, with its office at Ramnicu Valcea, bd. Tudor Vladimirescu no. 28*

Request for payment number: 1

Dear Sir/Madam,

I hereby request the payment of the initial pre-financing instalment under the Contract mentioned above.

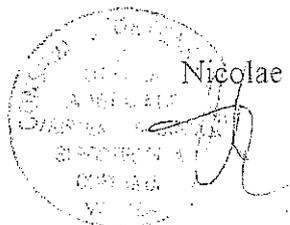
The amount requested is **422,014.26040** as indicated in Article 4(2) of the Special Conditions of the Contract.

Please find attached the following supporting documents:

- *signed Contract (for the first pre-financing payment)*

The payment should be made to the following bank account:
RO12RNCB4800000017780097¹, Romanian Commercial Bank, Valcea branch.

Yours faithfully,

Nicolae Badea


¹ Give the account number shown on the financial identification form annexed to the Contract.