

APPENDIX 'D'

TO

ENQUIRY NO.: _____

PUBLIC TENDER NO.: _____

S E R V I C E S

TERMS AND CONDITIONS
OF PURCHASE

05 PAGES

(INCLUDING THIS PAGE)

25. SERVICES

25.1. General

Seller and Purchaser agree that:

- (a) This Article 25 (Services) is an integral part of the General Terms and Conditions of Purchase included in Appendix C and shall be read and construed as if it appeared in the said appendix C.
- (b) Document number _____ "Scope of Services" attached hereto and incorporated herein as attachment 1 to appendix D is an integral part of the Purchase Order.
- (c) Compensation for provision of the services shall be provided in the relevant page of the Purchase Order.
- (d) Article 25 (SERVICES) shall only apply to the provision of the Services. With respect to the services only, in the event of a conflict between this Article 25 (SERVICES) and any other provision of the Purchase Order, Article 25 (SERVICES) shall control.

25.2 The Services

- (a) Document No. SOS-001 - Scope of Services does not claim to include every detail and all specifications for the Services. Seller shall provide any additions and inclusions on a timely basis to the complete scope, specifications and details reasonably necessary to meet the overall intent and scope of the Services.
- (b) The rates and prices included in the Purchase Order for the Services are inclusive of all costs, charges, taxes, duties, and all other expenses for performing the Services. Except where it is expressly provided that the Purchaser shall carry out an obligation at its own cost, all things required to be supplied or performed shall be deemed to have been included in the rates and prices set forth in Purchase Order.
- (c) Seller shall perform the Services with due diligence and efficiency and in accordance with good practices and accepted professional standards and meeting the intents and obligations outlined in and implied from the Purchase Order.
- (d) Seller shall be responsible for safety during the performance of the Services and shall provide all necessary safeguards to ensure the safety and protection of the Site and of all persons and property associated with the Services.
- (e) Seller shall notify Purchaser immediately of any accidents, incidents, impending or actual stoppages of work, industrial disputes or other matters which are likely to affect the performance of the Services, the interests or other operations of Purchaser or others.
- (f) Seller shall act as an independent contractor with respect to the Services and neither Seller nor Seller Personnel or its suppliers or their personnel shall be deemed to be agents or employees of Purchaser in the performance of the Services
- (g) Seller agrees that it has satisfied itself as to the nature of the Services, the correctness and sufficiency of the rates and prices stated in the Purchase Order, general and local conditions of the Site and all other matters which could affect performance of the Services. Any failure by Seller to take account of matters which affect the Services shall not relieve Seller from its obligations under the Purchase Order.

25.3 Seller Personnel

- (a) Seller warrants that the performance by Seller Personnel shall comply with the Purchase Order and that they shall exercise the highest degree of care, skill and diligence in carrying out the Services as is expected of them as experts in the industry. Seller further warrants that it shall continuously provide all necessary Seller Personnel and shall ensure that Seller Personnel are not replaced without the prior approval of Purchaser to a suitable successor.
- (b) Seller warrants that all Seller Personnel have sufficient qualifications and experience to perform their tasks safely, competently, and efficiently, and shall ensure that they are healthy, fit and suitable in every respect to perform the Services. Seller shall also ensure that all Seller Personnel qualifications or experience levels meet or exceed any particular minimum standards or other requirements which are specified by Purchaser. Seller shall supply Purchaser with evidence of the qualifications, training, and experience of Seller Personnel, and shall promptly submit any detailed information which is required by Purchaser concerning Seller Personnel in order to enable Purchaser to review the information and notify Seller of approval/rejection.
- (c) Purchaser may notify Seller to remove from any location of Purchaser or from the Services any officer, employee or agent of either Seller or its supplier without offering any reason provided only that such right is not exercised unreasonably. The person shall be removed forthwith at the expense of Seller and shall not be engaged on the Services again or on any other work of Purchaser without the prior approval of Purchaser. Persons who have been removed from the Services shall immediately be replaced, if Purchaser so requires, by other suitably qualified persons acceptable to Purchaser.
- (d) Unless otherwise provided for in this Purchase Order, Seller shall, at its own cost, provide or arrange all travel, local transport, accommodation, food, all requirements for medical and dental attention, treatment, examination, care, hospitalization and/or ambulances or other medevac transport and all necessary personal safety equipment and protective clothing for Seller Personnel. Notwithstanding the forgoing, in emergency situations QP may provide, at Seller's sole risk and responsibility, medical assistance to Sellers Personnel and back charge Seller for the cost.

- (e) Seller shall ensure that all Seller Personnel undergo any medical examinations required by the State of Qatar or Purchaser and shall supply Purchaser with relevant details of medical and/or health records for Seller Personnel if required to do so by Purchaser.
- (f) Seller shall provide Purchaser with photocopies of passports, police clearances and any similar personal security documentation necessary to obtain Purchaser identification cards and passes for Seller Personnel. Seller shall ensure that Seller Personnel carry such identification cards with them at all times when they are at the Site or at any Purchaser's premises.
- (g) Seller shall require all Seller Personnel to be law abiding, peaceful, and respectful of local cultural traditions.
- (h) Seller shall ensure that all Seller Personnel have all necessary visas, sponsorship documentation, work permits, and other immigration requirements. Seller shall be responsible for payment of any fees and/or charges for Seller Personnel visa, sponsorship, work permit and similar documentation. If Seller so requests, QP will provide Seller with reasonable assistance to secure the forgoing requirements and all costs incurred by QP in the provision of such assistance will be to the Seller's account.

25.4 Materials and Equipment Provided by the Seller

Except where it is expressly provided that Purchaser shall provide an item of materials or equipment, Seller shall provide all materials, equipment and all other things necessary for performance of the Services, so far as the necessity for providing the same is specified in or is reasonably to be inferred from the Purchase Order. Materials, tools and equipment or parts thereof provided by Seller for which there is no detailed specification included in the Purchase Order shall be fit for their intended purpose and of best quality and workmanship. Seller shall be fully responsible for all repairs, maintenance, overhaul and servicing of all tools and equipment provided by Seller.

25.5 Materials and Equipment Provided by the Purchaser

Seller shall be responsible for Seller Personnel's sound and safe operation and use of any and all materials, equipment and facilities provided by the Purchaser and shall ensure that Seller personnel comply with the manufacturers instructions and any particular operation requirements advised by the Purchaser. Seller shall make good any loss or damage which may occur to the equipment and facilities whilst in the possession or control of Seller Personnel and shall be responsible for any loss resulting from faulty or negligent operation or use of or willful damage to the equipment and facilities provided by the Purchaser.

25.6 Inspection of the Services

- (a) In order to confirm that the requirements of the Purchase Order are met, Purchaser shall have the right, but not the obligation, at all times to inspect, test and examine all the Services. Purchaser shall also have the right to witness any test of any part of the Services.
- (b) If Purchaser so requires, Seller shall inspect, test or re-test any part of the Services in order to confirm that the requirements of the Purchase Order are met. Seller shall give Purchaser adequate prior notification of any inspection or tests that are to be witnessed by Purchaser. If any part of the Services is closed in or covered over before the required inspection or witnessing and without agreement by Purchaser, then, if required by Purchaser, that part of the Services shall be opened or uncovered for inspection or witnessing of testing and re-closed or re-covered by Seller.
- (c) Purchaser shall have the right to reject any part of the Services which does not comply with any requirement or requirements of the Purchase Order, including, but not limited to, faulty engineering, workmanship, services, materials or equipment. Upon receiving notice of rejection Seller shall immediately commence to re-perform, repair or replace the defective part of the Services and shall carry out such inspections and/or tests on other parts of the Services as Purchaser may require to ensure that there are no similar parts of the Services that fail to comply with the requirements of the Purchase Order.
- (d) Seller shall be responsible for all costs and delays relating to re-performance, repair, replacement, uncovering, reinstating, testing and inspection.
- (e) Neither failure on the part of Purchaser or its designated inspectors to inspect the Services or witness or test or to discover defects nor failure to reject work performed by Seller or its supplier which is not in accordance with the Purchase Order shall relieve Seller from any liability or obligation under the Purchase Order or at law.

25.7 Completion of the Services

- (a) When Seller considers that the Services has been performed and completed in accordance with the Purchase Order, Seller shall notify Purchaser accordingly.
- (b) Purchaser shall proceed forthwith to determine whether the Services has been performed and completed in accordance with the Purchase Order. Within thirty (30) calendar days of receipt of the above notification from Seller, Purchaser shall either:
 - (i) issue to Seller a Certificate of Completion in the form attached to this Appendix D; or
 - (ii) notify Seller that Purchaser has found the Services or part thereof not to have been performed in accordance with the Purchase Order specifying the defect in performance. Seller shall take immediately all action necessary to remedy the defect so as to enable Purchaser to issue to Seller a Certificate of Completion.
- (c) The issue of a Certificate of Completion by Purchaser shall not relieve Purchaser nor Seller from any obligations or liabilities under the provisions of the Purchase Order or at law.

25.8 Guarantee of the Services

- (a) Seller guarantees that the Services shall be free from errors, defects and failures for the same guarantee period for the Work as stated in the Purchase Order.

- (b) In the event of any breach of Article 25.8 (a) above, Purchaser shall notify Seller of such breach. Upon receipt of such notification from Purchaser, Seller shall immediately at its own cost, rectify, or at the Purchaser's option replace or re-perform any defective work, and carry out all associated work such as re-preparation and presentation of documents/reports. Alternatively Purchaser may decide at its absolute discretion that the carrying out of such rectification by Seller will be prejudicial to Purchaser's interests (whether by deferment of production or otherwise). In such circumstances Purchaser may undertake Seller's above mentioned responsibilities, in which event Purchaser shall, as soon as reasonably practicable, so notify Seller. Purchaser shall be entitled to recover from Seller all costs incurred by Purchaser in correcting such error, defect or failure.
- (c) The rights and remedies of Purchaser provided under this Article are without prejudice to Purchaser's other rights or remedies under the Purchase Order and/or at law.

25.9 Liabilities and Indemnities Related to the Services

- (a) Seller shall release, protect, indemnify, defend and hold harmless the Purchaser, its affiliates, its joint venture partners and their respective officers, employees and agents
 - (i) in respect of loss of or damage to the property, facilities, material, equipment, tools, owned or rented, which are provided by Seller, its suppliers or their respective officers, employees, agents or by Seller Personnel for use or intended for use in the performance of the Services, and
 - (ii) from all claims, losses, damages, costs (including legal costs), expenses and liabilities of every kind and nature resulting from personal injury, including fatal injury and disease, to any person employed by Seller or its suppliers including Seller Personnel arising directly or indirectly out of or in connection with the performance of the Purchase Order

without regard to the cause or causes thereof, including, without limitation, the fault or negligence (whether sole, concurrent, active, passive or otherwise) or breach of duty (statutory, contractual or otherwise) of either Party or any other person or entity.

- (b) Seller shall indemnify the Purchaser, its affiliates, and/or its joint venture partners in respect of loss of or damage to the property of the Purchaser and/or its affiliates and/or its joint venture partners arising directly or indirectly out of or in connection with the performance of the Purchase Order without regard to the cause or causes thereof, including, without limitation, the fault or negligence (whether sole, concurrent, active, passive or otherwise) or breach of duty (statutory, contractual or otherwise) of either Party or any other person or entity. Seller's liability under this Article 25.9 (b) shall be limited to the higher of Qatar Riyals two million (QR 2,000,000) or the amount specified in Article 25.10(a)(v) below any one occurrence for an unlimited number of occurrences during the performance of the Purchase Order.
- (c) The obligations of the Parties with respect to injury to third parties or damage to the property of third parties shall be as follows:
 - (i) subject to Article 25.10 below, Seller shall release, protect, indemnify, defend and hold harmless the Purchaser, its affiliates, its joint venture partners and their respective officers, employees and agents in respect of all claims, losses, damages, costs (including legal costs), expenses and liabilities of every kind and nature resulting from:
 - (1) personal injury, including fatal injury and disease of any third party and/or
 - (2) any loss of or damage to the property of any third party,
 arising directly or indirectly out of or in connection with the performance of the Purchase Order without regard to the cause or causes thereof, including, without limitation, the fault or negligence (whether sole, concurrent, active, passive or otherwise) or breach of duty (statutory, contractual or otherwise) of either Party or any other person or entity.
 - (ii) Each Party shall, to the extent of its fault, negligence or breach of duty, be responsible for amounts in excess of Qatar Riyals two million (QR.2,000,000) in respect of each claim, loss, damages, costs (including legal costs), expenses and liabilities of every kind and nature resulting from
 - (1) personal injury, including fatal injury and disease of any third party and/or
 - (2) any loss of or damage to the property of any third party,
 arising directly or indirectly out of or in connection with the performance of the Purchase Order.
- (d) The Purchaser shall release, protect, indemnify and hold harmless Seller, its officers, employees and agents from all claims, losses, damages, costs (including legal costs), expenses and liabilities of every kind and nature resulting from personal injury, including fatal injury and disease, to any person employed by the Purchaser arising directly or indirectly out of or in connection with the performance of the Purchase Order without regard to the cause or causes thereof, including, without limitation, the fault or negligence (whether sole, concurrent, active, passive or otherwise) or breach of duty (statutory, contractual or otherwise) of either Party or any other person or entity.

25.10 Insurance

- (a) During the period that Seller is performing the Services and throughout the Guarantee Period, Seller shall provide and maintain the following insurance's, which are supplementary to the insurance coverage's required to be carried under the Purchase Order, and which shall be in the joint names of Seller and Purchaser:
 - (i) Contractors All Risks for the entire value of the Work and Services including all materials to be incorporated therein whether supplied by Seller or Purchaser. The insurance to cover all risks of physical damage from whatsoever cause arising including but not limited to negligence, error of judgment, incompetence or malicious act of any person whomsoever.

- (ii) Plant, Tools and Equipment Insurance for the full value and against all insurable loss or damage during loading, off-loading and transportation from whatever cause arising to plant, tools and equipment owned or rented by Seller or its suppliers for use in the Services and not covered in Article 25.10(a)(i) above. This insurance should cover all risks of physical damage and loss from whatsoever cause arising including but not limited to negligence, error of judgment, incompetence or malicious acts of any person whomsoever during loading, off-loading and transportation to the Site and back to Seller's Doha base.
 - (iii) Third Party General Legal and Contractual Liability with a cross liability provision for a combined limit of Qatar Riyals two million (QR.2,000,000) to cover property damage and/or bodily injury fatal or otherwise arising out of any one occurrence for unlimited number of occurrences during the currency of the Purchase Order.
 - (iv) Workmen Compensation Policy in accordance with Qatar Labor Law and any amendments thereafter in respect of Seller Personnel and/or any of its suppliers' personnel.
 - (v) Loss of or damage to QP's fixed and surrounding properties up to a maximum of Qatar Riyals two million (QR.2,000,000), any one occurrence for unlimited number of occurrences during the performance of the Purchase Order.
- (b) Regardless of any insurance that may have been taken outside Qatar with respect to the Purchase Order, local insurance in Qatar shall be arranged and effected with any one of the following four accredited national insurance companies which offers most favorable cover and premiums:-
- Al Khaleej Insurance Company
 - Qatar General Insurance and Reinsurance Company
 - Qatar Insurance Company
 - Islamic Insurance Company
- (c) The conditions, terms, insured sums and limits of the insurance shall be approved by Purchaser. All the deductibles applicable to the insurance's shall be for the account of Seller. Seller shall be required to produce to Purchaser the policies of insurance (or insurance certificates in lieu but with prior permission of Purchaser). If Seller fails to effect or keep in force the insurance's provided for in this Article 25.10 then Purchaser may effect and keep in force any said insurance and pay the premium or premia as may be necessary for that purpose and from time to time deduct the amount so paid by Purchaser as aforesaid from any monies due or which may become due to Seller or recover them as a debt due from Seller.
- (d) Approval by Purchaser of any insurer or terms of insurance proposed by Seller shall not relieve Seller of any obligation or liability under or arising from the Purchase Order or generally at law.

25.11 Miscellaneous

- (a) For any Services performed, Seller and its suppliers shall keep accurate accounts and records showing all costs and charges incurred in accordance with generally accepted accounting principles and practices. the Purchaser or its authorized representatives or agents shall have the right to examine, during business hours, all books, records, accounts, correspondence, instructions, receipts and memoranda of Seller and its suppliers insofar as they are pertinent to Services. Seller shall be responsible for ensuring that all of its and its suppliers' documentation is preserved and made available at any time for audit, without any additional compensation thereof, any time during the currency of the Purchase Order and up to five years from the date the Services are completed.
- (b) For any dispute or controversy concerning the Services which cannot be settled by agreement between the Parties, the Parties agree to submit to the exclusive jurisdiction of the courts of Qatar as the proper legal venue.
- (c) Seller shall abide by and comply, and secure compliance by its suppliers with, and shall obtain all licenses, permits, temporary permits and authorizations required by, any and all applicable laws, rules and regulations of any governmental or regulatory body having jurisdiction over the Services.
- (d) Seller shall comply and secure compliance by its suppliers with all the Purchaser regulations, policies and procedures related to the Services which include, but not limited to, safety, security, health and environment. Seller shall ensure that it, Seller Personnel and its suppliers are fully aware of, conversant with, and shall comply with the following documents:
 - (i) "Contractor's Safety Rules and Regulations"
 - (ii) "The Permit to Work System - A guide for users"
 - (iii) "QATAR GENERAL PETROLEUM CORPORATION Health, Safety & Environmental Conservation Policy" as of 31st March 1994,
 - (iv) "5th DRAFT, the Purchaser ENVIRONMENTAL PROTECTION STANDARDS", 5th October 1995"

and any amendments thereto as issued by the Purchaser and copies of which will be made available to Seller on request.

25.12 For the Performance of Services

- (a) All information, notifications, instructions and decisions from QP Materials Department to End User shall be issued by QP Representative. The name title and address of QP representative are indicated in attachment 2 to appendix D.
- (b) All information and notifications from End User to QP Materials Department shall be addressed to QP representative.

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