SECTION 3: CONDITIONS OF CONTRACT.

APPENDIX TO TENDER

The items below are amending the Sub-Clauses of the FIDIC (Federation International des Ingenieurs Conseils) Conditions of Contract for EPC/TURN KEY (SILVER BOOK) FIRST EDITION 1999 form the General Conditions of Contract.

Item	Sub-Clause	Entry
Employer's name and address	1.1.2.2 & 1.3	National Electric Power Company (NEPCO). P.O. Box (2310). Amman 11181-Jordan. Tel.: +962 6 585 8615 www.nepco.com.jo
Contractor's name and address	1.1.2.3 & 1.3	TBA
Time for Completion of the Works	1.1.3.3 & 8.2	The time for completion shall be (24 months) from the date of commencement.
Defects Notification Period	1.1.3.7	1,095 calendar days, calculated from the date on which the Works are completed, as stated in the Taking-Over Certificate signed by the Employer.
Communication	1.3	All communication shall be in writing and in English language.
Governing Law and Ruling Language	1.4	Law of Hashemite Kingdom of Jordan; English

Amount of Performance security	4.2	10 % of the Accepted Contract Amount, in the currencies and proportions in which the Contract Price is payable.
Period for notifying unforeseeable errors, faults and defects in the Employer's Requirements	5.1	30 days
Normal working hours Normal working days	6.5	7:30 – 16:00, Sunday to Thursday
Delay damages of the Works	8.7 & 14.15 (b)	0.1% of the final Contract Price per day, in the currencies and proportions in which the Contract Price is payable
Maximum amount of Delay damages	8.7	10% of the Accepted Contract Amount
Adjustment for changes in costs	13.8	Not Applicable
Total Advance Payment	14.2	10% of (DAP) material supply Amount
Start repayment of advance payment	14.2 (a)	With first Interim Payment Certificate
Limit of retention money	14.3	As per terms of payments
Payment of Retention Money	14.9	As per terms of payments
Currencies of payment	14.15	Jordan Dinar (JOD) and US Dollar (USD)

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VOLUME I
SECTION 3

I. GENERAL CONDITIONS OF CONTRACT

The General Conditions of Contract shall be as per FIDIC (Federation Internationale des Ingenieurs-Conseils) Conditions of Contract for EPC/Turnkey Projects (Silver Book), First Edition, 1999:

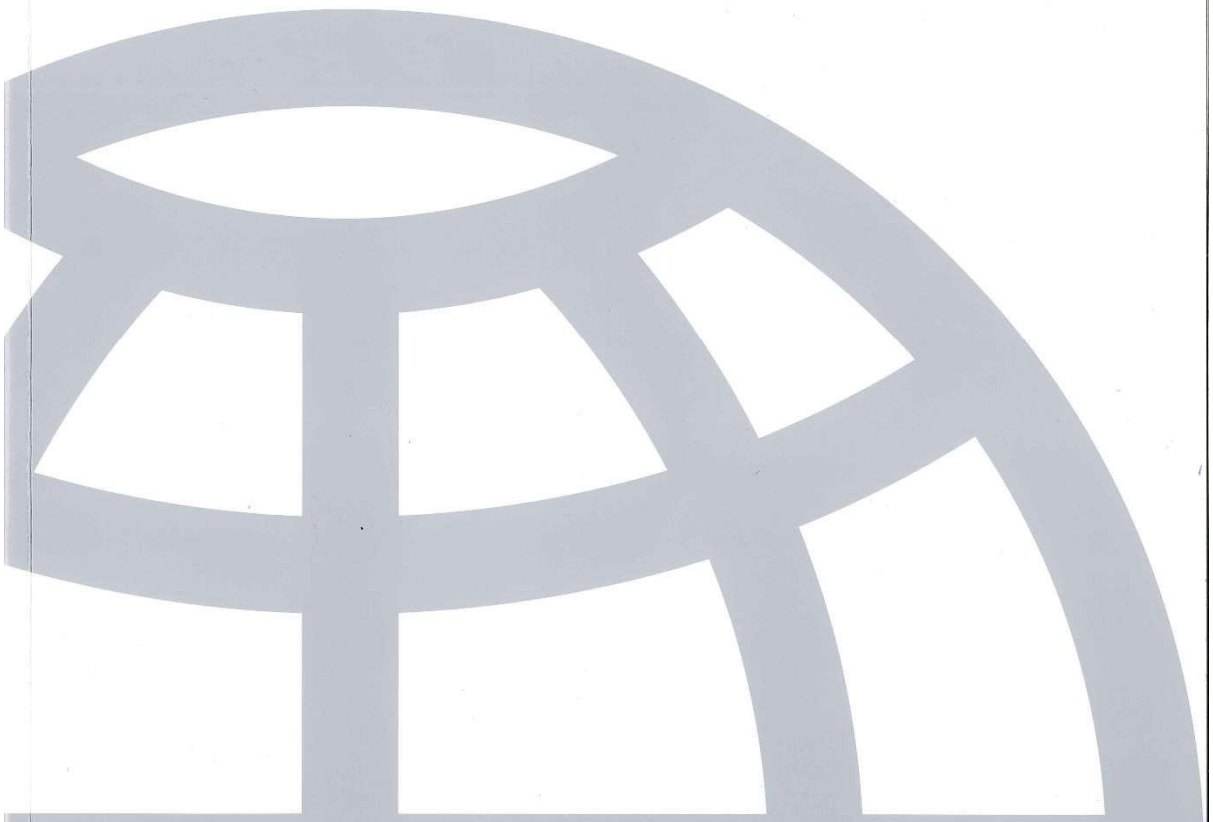
1. General Provisions
2. The Employer
3. The Employer's Administration
4. The Contractor
5. Design
6. Staff and Labor
7. Plant, Materials and Workmanship
8. Commencement, Delays and Suspension
9. Tests on Completion
10. Employer's Taking Over
11. Defects Liability
12. Tests after Completion
13. Variations and Adjustments
14. Contract Price and Payment
15. Termination by Employer
16. Suspension and Termination by Contractor
17. Risk and Responsibility
18. Insurance
19. Force Majeure
20. Claims, Disputes, and Arbitration

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Fédération Internationale des Ingénieurs-Conseils
International Federation of Consulting Engineers
Internationale Vereinigung Beratender Ingenieure
Federación Internacional de Ingenieros Consultores

Conditions of Contract for
EPC/Turnkey Projects

GENERAL CONDITIONS
GUIDANCE FOR THE PREPARATION OF PARTICULAR CONDITIONS
FORMS OF LETTER OF TENDER, CONTRACT AGREEMENT AND
DISPUTE ADJUDICATION AGREEMENT



ISBN 2 – 88432 – 021 – 0

FIRST EDITION 1999

II. PARTICULAR CONDITIONS OF CONTRACT

The Conditions of Contract comprise the "General Conditions", which form part of the "Conditions of Contract for EPC/Turnkey Projects, First Edition, 1999, published by the Fédération Internationale des Ingénieurs-Conseils (FIDIC), and the following "Particular Conditions", which include amendments and additions to such General Conditions.

Where reference is made to any Clause or Sub-Clause, this shall mean, unless specifically stated otherwise, a Clause or Sub-Clause in the General Conditions of contract, but with the amendments or additions given in these Particular Conditions.

In case of any difference between the General Conditions of Contract and the Particular Conditions, the Particular Conditions shall govern.

PARTICULAR CONDITIONS OF CONTRACT

The following Particular Conditions of Contract (PCC) shall supplement the General Conditions of Contract (GC). Whenever there is a conflict, the provisions herein shall prevail over those in the GC. The corresponding clause number of the GC is indicated in parentheses.

Clause 1 General

(Sub-Clause 1.1) Definitions

1.1.1.3 Clause 1.1.1.3 "Employer Requirements", delete and replace by:

"Employer's Requirements" means the VOLUME 2,3 and 4 Scope of Works and Technical Requirements as included in the Contract and any additions and modifications to such document in accordance with the Contract. Such documents specify the purpose, scope and/or design and/or other technical criteria for the Works.

1.1.2.2 **At clause 1.1, insert:**

National Electric Power Company (NEPCO)
P.O. Box (2310)
Amman 11181 Jordan
Tel : +962 6 585 8615
www.nepco.com.jo

1.1.3.10 **Add Sub-Clause 1.1.3.10:**

"FAT" means Factory Acceptance Tests of the equipment (s)

1.1.6.2 **"Country"** means Jordan

1.1.6.5 **"Laws"** means all national (or state) legislation, statutes, ordinances and other laws and regulations obligatory and final decisions, rules, or other acts of the competent state bodies of Jordan and by-laws of any legally constituted public authority.

1.1.6.9 **Add as new Sub-Clause 1.1.6.9 "Design":**

"Design" means the basic and detailed engineering, preparation of drawings, calculations, patterns, models, tests, operation and maintenance manuals and any other technical documentation required for the execution of the Works and to be supplied by the Contractor.

Sub-Clause 1.2 **Interpretation**

At the end of Sub-Clause 1.2, insert:

Under these Conditions, provisions including the expression "**Cost plus reasonable profit**" defines this profit to be one twentieth (5%) of this Costs.

Clause 1.3 – Communications

Add the following Sub Clause

(c) The Contractor shall furnish an address for service in the City of Amman at which any process and any notices, written communications and other documents intended for him may be served on or given to him; and any other process, or any notices, written communication or other document so served on or given to the Contractor shall be binding upon him."

Sub-clause 1.4 **Law and Language Amend as follows:**

All the documentation, correspondence, communication and all the documents to be prepared and submitted under the Contract shall be in English and the Contract will be constituted and interpreted in English. The applicable Law is the Law of Hashemite Kingdom of Jordan.

Sub-Clause 1.5 Priority of Documents

Delete and replace by:

The documents forming the Contract are to be taken as mutually explanatory of one another. For the purpose of interpretation, the priority of the documents shall be in accordance with the following sequence:

a. The contract agreement .
b. The Letter of Acceptance
c. Tender Amendments and Clarifications issued by the Employer and forming part of the Contract;
d. The Letter of Tender
e. The Particular Conditions of Contract;
f. The General Conditions of Contract;
g. The Employer's Requirements
h. The completed Schedules, and
i. The Contractor's Proposal

Anything mentioned in the Volumes 2, 3 and 4 (including Technical Details) and not shown on the Drawings or shown on the Drawings and not mentioned in the Scope of Works and Technical Requirements shall be of like effect as if shown or mentioned in both. In case of any difference between scaled dimensions and figures on the Drawings, the figures shall prevail. If any ambiguity or discrepancy is found in the documents, the Contractor shall issue any necessary clarification.

Sub-Clause 1.6 **Contract Agreement**
Replace in the last sentence:
The word “Employer” shall be replaced by “Contractor”.

Sub-Clause 1.8 **Care and Supply of Documents**

Delete and replace second sentence by:

The Contractor shall supply to the Employer and to the Employer's Representative the number of copies as defined in General Technical Specifications (GTS) and Vol 4 requirements.

Sub-Clause 1.12 **Confidential Details**

At the end of the Sub-Clause 1.12, add:

The Contractor shall treat the details of the Contract as private and confidential, except to the extent necessary to carry out obligations under it or to comply with applicable Laws. The Contractor shall not publish, permit to be published, or disclose any particular of the Works in any trade or technical paper or elsewhere without the previous consent in writing of the Employer.

Sub-clause 1.13 **Compliance with Laws**

At the end of Sub-clause 1.13, add: c) The Contractor shall submit, in good time, the details of Goods to the Employer and the Contractor shall obtain all import permits or licenses required for these goods.

Sub-clause 1.15 **Letter of Acceptance**

Add the following Sub-clause as new Sub-Clause:

Letter issuance by the employer that informing the awarding bidder that his offer is accepted.

Clause 2 **The Employer**

Sub-clause 2.1 **Right of Access to the Site**

After the first paragraph of Sub-Clause 2.1, add:

Agreements with concerned landowners and relevant authorities to obtain any temporary or permanent access permissions, where required for the execution of the Works, shall fall within the responsibility of the Contractor.

The Contractor shall bear all related costs in accordance with Sub-Clause 4.13.

Construction works at the Site and along any cable routes shall only commence after obtaining the necessary designs approvals and construction permits from the relevant authorities.

The Contractor shall consider all such requirements within his work program.

Sub-clause 2.2 **Permits, Licenses or Approvals Add the following Sub-clause:**

c) The Contractor shall obtain, at his own cost, work permits from the appropriate Jordanian authorities to enable any foreign personnel employed by him to work in Jordan. The Contractor shall be responsible for all formalities in connection with passports, visas, police permits and for customs duties and other import charges for personal goods of foreign personnel employed by him on the Contract. However, the Employer will, if required, assist the Contractor in obtaining visas and work permits to the extent of writing letters to the concerned authority confirming the status of the Contractor.

Sub-clause 2.4 **Employer's Financial Arrangements**

Delete complete clause

Clause 3 **The Employer's Administration**

Sub-clause 3.1 **The Employer's Representative At the end of Sub-clause 3.1, add**:

The Employer's Representative shall reach specific agreement with the Employer before taking action under the following Sub-clauses of these Conditions:

a. Approving the sub-letting of any part of the Works under Sub Clause 4.4
   (Subcontractors)
b. Certifying additional cost determined under Sub-Clause 4.12
   (Unforeseeable
   Physical Conditions)
c. Determining an extension of time under Sub-Clause 8.4 (Extension of Time for Completion)

d. Issuing a Variation under Clause 13 (Variations and Adjustments).

Notwithstanding the responsibility of the Employer as set out above, if, in the opinion of the Employer's Representative, an emergency occurs affecting the safety of life or of the Works or of adjoining property, he may, without relieving the Contractor of any of his duties and responsibilities under the Contract, instruct the Contractor to execute all such work or to do all such things as may, in the opinion of the Employer's Representative, be necessary to abate or reduce the risk. The Contractor shall forthwith comply, despite the absence of approval of the Employer, with any such instruction of the Employer's Representative.

Clause 4 The Contractor

Sub-Clause 4.1 Contractor's obligations

After the first paragraph of Sub-Clause 4.1, insert:

The drawings and documents included in VOLUMES II, III and IV (Technical Requirements, Electrical Works and Civil Works) and/or in the Drawings are intended to be descriptive of the character of the Works and shall be read in conjunction with the requirements of VOLUMES II, III and IV, and shall in no way limit the responsibility of the Contractor to design and supply all plant, equipment, materials and services necessary to provide a complete and functional facility fit for the intended purpose. The Contractor shall perform the basic and detailed design for the Works in accordance with the Jordanian legislation.

At the end of Sub-clause 4.1, add:

a. The Contractor shall be responsible for:

   Alcoholic liquor or drugs: The Contractor shall not, otherwise than in accordance with the Statutes, Ordinances and the Government Regulations or Orders for the time being in force, import, sell, given, barter or otherwise

dispose of any alcoholic liquor or drugs or permit or suffer any such importation, safe, gift, barter or disposal by his subcontractors' agents or employees.

b. Arms and ammunition: The Contractor shall not give, barter or otherwise dispose of to any persons any arms or ammunitions of any kind or permit or suffer the same as aforesaid.

c. Festivals and religious customs: The Contractor shall in all dealings with labor in his employment, have due regard to all recognized festivals, days of rest and religious or other customs.

d. Epidemics: In the event of any outbreak of illness of an epidemic nature, the Contractor shall comply with and carry out such regulations, orders and requirements as may be made by the Government of the local medical or sanitary authorities for the purpose of dealing with and overcoming the same.

e. Disorderly conduct: The Contractor shall at all times take all reasonable precautions to prevent any unlawful riotous or disorderly conduct by or amongst his employees and for the preservation of peace and protection of persons and property in the neighborhood of the Works against the same. The Contractor shall not interfere with any members of any authorized Police Force who shall have free and undisputed access at all times to any part of the Works in the execution of their duties.

f. Other conditions: The Contractor shall be responsible for keeping discipline on the Site and shall obey all police, health and municipal regulations and all other regulations which may from time to time require his observance and he shall

instruct his agents, subcontractors and other employees to obey such regulations.

g. Report on accidents: The Contractor shall provide the Employer's Representative with a written notice within twenty-four (24) hours of any accident occurrence at or about the Site or in connection with the execution of the Works. The Contractor shall also report such accident to the competent authority whenever the Law requires such report.

h. Observance by subcontractor: The Contractor shall be responsible for observance by his subcontractors of the foreign provisions, Contractors from outside of Jordan shall be registered with the Ministry of Industry and Trade CCD, Jordan Engineering Association and Jordan Contractors Association.

i. safety statistics, including details of any hazardous incidents and activities relating to environmental aspects and public relations.

g) The Contractor shall comply with the provisions of the Labour Law of 1996 and relevant occupational health and safety legislation and regulations in force in Jordan and all other laws related to safety and health at work.

k) The Contractor shall abide by the general safety conditions (for people and equipment) followed by the National Electric Power Company

l) The Contractor shall coordinate with the National Electric Power Company's Substations Departments regarding work within the electrified areas. The assigned Contractor shall comply with the entry and exit procedures for persons and equipment and shall comply with the general safety procedures applied in the company.

Sub-Clause 4.2 Performance Security Delete and Replace by:

4.2.1 Before signing the contract and within 28 days from Letter of Acceptance , the Contractor shall furnish at his cost an irrevocable and

unconditional bond titled Performance security equal 10% of the total contract price issued by local bank in the Employer country accepted by the Employer in the form given and in the same contract currency, and contractor required to extend the validity of the Tender Security until the Performance security has been established and accepted by Employer.

4.2.2 The Performance Security shall be valid and enforceable until:

a. Issuing of Taking Over Certificate, and
b. Contractor is executed and completed the works, and
c. Clearing of all Employer's Claims, and

d. Submitting of Defect Liability Security related to any remedy required by the Employer for defect may occurred within the defect notification period/s and remedying all pending items mentioned on the tacking over certificate such Security shall equal 5% of Contract Price according to the form given issued by local bank in the Employer country and in the same contract currency and it shall be valid 21 days after issuing of Performance certificate, Failure by the contractor to remedy a default within 42 days after receiving the Employer's notice, then the Employer is entitled to forfeiture the Defect Liability security or prorated.

e. Failure to comply with the above items from a-d, then the Employer is entitled to forfeiture the performance security or prorated.

4.2.3 Failure to comply with the requirements of submitting performance security or shall constitute sufficient grounds for the annulment of the award and forfeiture of the tender security, in which event the Employer may make the award to the next lowest evaluated Tenderer or call for new tenders.

4.2.4 If any variation order has been issued to increase the contract price during the contract duration, the contractor must increase the Performance security accordingly.

Sub-Clause 4.3 Contractor's Representative

First sentence in the second paragraph shall be replaced by:

Unless the Contractor's Representative is named in the Contract, the Contractor shall, prior to the Commencement date, submit to the Employer and to the Employer's Representative for consent the name and particulars of the person the Contractor proposes to appoint as Contractor's Representative.

Third paragraph shall be replaced by:

The Contractor shall not, without the prior consent of the Employer and the Employer's Representative, revoke the appointment of the Contractor's Representative or appoint a replacement.

Second sentence in the fourth paragraph shall be replaced by:

If the Contractor's Representative is to be temporarily absent from the Site during the execution of the Works, a suitable replacement person shall be appointed, subject to the Employer's and the Employer's Representative's prior consent, and the Employer and the Employer's Representative shall be notified accordingly.

Second sentence in the fifth paragraph shall be replaced by:

Any delegation or revocation shall not take effect until the Employer and the Employer's Representative have received prior notice signed by the Contractor's Representative, naming the person and specifying the powers, functions and authority being delegated or revoked.

At the end of Sub-clause 4.3, add:

The Site Managers shall be fluent English language. If the Site Managers are not fluent in English language, the Contractor shall make a competent Interpreter available during all working hours.

Sub-Clause 4.4 Subcontractors

At the end of the paragraph a), add:

The list of the Subcontractors accepted by the Employer (Section 2 – Instruction to bidders) is part of the Contract. Such acceptance by the Employer for any Subcontractor does not release the Contractor from any of his obligations and responsibilities under the Contract.

At the end of the paragraph b), add:

In case that the Contractor intends to modify the list of the Subcontractors, he shall submit this modification early enough for approval by the Employer, so not to obstacle the Works progress. In case the Employer has objections to any new proposed Subcontractor the Contractor should propose another Subcontractor.

Such approval by the Employer for any new Subcontractor does not release the Contractor from any of his obligations and responsibilities under the Contract.

At the end of Sub-clause 4.4, add:

All correspondence from any Subcontractor to the Employer's Representative / Employer shall be submitted only through the Contractor. Correspondence by the Subcontractor directly sent to the Employer's Representative / Employer will not be acknowledged. Subcontracting of any works is only permitted in case the Contractor can prove that experienced supervisors from his own company supervise the work of the subcontractor. The Contractor's supervisors shall be specialized for the relevant works to be performed by the Subcontractor and

are available at any time during subcontractor's execution of the works. If the Subcontractor fails to execute the works in accordance with the requirements of the Contract and the related terms and regulations, the Contractor shall provide his own personnel without delay.

Sub-Clause 4.8

Safety Procedures

Add the following Sub-Clause:

f) The means and methods of transport and haulage shall comply with the rules established by Jordan laws, ordinances, or regulations and the specification of the equipment manufacturer concerning loads to be hauled, which should be not exceeded. Whenever loads exceed the limits of the roads and structures, the Contractor shall adapt at his own expenses the precautionary measures needed to prevent damages including construction of detours at the site of structures if necessary. The Contractor shall investigate characteristics of the routes and take necessary precautions as the case may be. All necessary operations for execution of the Works shall be performed so as not to disturb the traffic or the access to private roads or the access to and from places being property of the Employer or other parties. The Contractor shall be responsible for indemnification, which may arise from any claims, judicial acts, damages or disturbances, and for any cost or expenses, resulting or related to damages or disturbances.

Sub-Clause 4.9 **Quality Assurance**

Insert at the end of Sub-Clause 4.9 the following:

The Contractor shall be certified as per ISO 9000 series.

The quality plan drafted by the Contractor shall be a project-related plan, developed specifically for this project. This will not be the quality handbook used by the Contractor, but will relate to it. In this project - related quality plant, the Contractor should describe how he himself intends to check the activities for the works. In this plan the following should be included as a minimum (ref. ISO- 9001): the project organization of the Contractor

- qualifications and expertise
- checking documents
- testing procedure in the factory and on site
- trial operation
- elimination of defects and corrective measures
- documentation of quality
- internal quality audits

Sub-Clause 4.15 **Access Route**

At the end of Sub-Clause 4.15, add:

The Contractor shall be responsible for receipt, if necessary, of licenses from the relevant authorities for the transport of the equipment and of the Contractor's equipment to the site. The Employer shall make all in time efforts to assist the Contractor receiving these licenses, if the Contractor wants to. The Contractor shall keep the Employer harmless of any claims regarding damages of roads, bridges and other road facilities that may be caused during transportation of the equipment and of the Contractor's equipment to the Site.

Sub-Clause 4.16 **Transport of Goods**

The title of this sub-clause is amended to read "Transport of Goods and Personnel".

Add the following Sub-clauses at the beginning:

*The Contractor and his Subcontractors, suppliers and manufacturers shall give priority to Arab shipping companies and their subsidiaries for shipment of goods, materials and plant for the Contract, provided such companies ships call at the port of export.

*Priority shall be given to the Royal Jordanian Airlines (Alia) for items, which are to be transported by airfreight, and for the carriage of personnel.

Sub-Clause 4.18 **Protection of the Environment At the end of Sub-Clause 4.18, add:**

The Contractor shall comply with all applicable national, provincial and local environmental laws and regulations.

The Contractor shall:

a. establishes an operational system for managing environmental impacts,

b. carry out all of the monitoring mitigation measures

c. allocate the budget required to ensure that such measures are carried out. The Contractor shall submit semi-annual reports on the carrying out of such measures to the Employer.

The Contractor shall maintain an OHS management system appropriate to the size and nature of its business and in line with good international practice such as ILO OSH 2001 Guidelines or OHSAS 18001 Or ISO 45001

The management system shall include appropriate incentive and penalty schemes to promote good OHS practices. Projects are required to comply, at a minimum, with:

- national labor, social security and occupational health and safety laws, and
- the principles and standards embodied in the ILO conventions 2 related to:

a) the abolition of child labor

b) the elimination of forced labor
c) the elimination of discrimination related to employment
d) the freedom of association and collective bargaining

The Contractor shall also fully comply with the requirements set out in VOLUMES II, III and IV (Technical Requirements, Electrical Works and Civil Works) or elsewhere in the Contract.

Add the following sentence

Contractor must submit the HSE Plan and Method Statements for review and approval, covering all required works.

The HSE Plan must cover at least the following titles:

- A. Construction Environmental and Social Management Plan (C-ESMP). The Construction Environmental and Social Management Plans (C-ESMP) shall identify all environmental and social issues specific and relevant to the works and shall provide information explaining how they will be managed. The C-ESMP shall include details of the environmental and social management system, including the plans to manage and monitor environmental and social impacts associated with all construction work carried out by the Contractor and its Subcontractors. As a minimum the C-ESMP shall cover the following areas, risks and issues:
- Environmental and social policy/statement;
- Response to the legal framework and the Requirements;
- Environmental and social organization chart, including roles and responsibilities;
- Monitoring, reporting, inspections, audits, incidents and non-conformities;
- Management process description, as well as any changes thereof;
- Pollution prevention and control (including hazardous materials, noise and vibration, air pollution, effluent management and surface run-off, as appropriate);
- Emergency preparedness and response;
- Waste management;
- Ecological management;
- Cultural heritage management

- Land management and reinstatement, including topsoil management and infrastructure and service management;
- Stakeholder engagement
- Spoil disposal;
- Construction camp (layout and management plan);
- Interaction with local communities

B. Health and Safety ,As a minimum the Occupational and Community Health and Safety Plan (OCHSP) shall cover the following areas, risks and issues:

- Health and safety policy/statement; · Response to the legal and the Requirements;
- Health and safety organizational chart, including roles and responsibilities;
- Information and training;
- Communication;
- Monitoring, inspections, audits, and non-conformities;
- Accident and incident investigation and reporting;
- Arrangements for controlling significant risks associated with the work including, but not limited to: a) Working at heights; b) Lifting operations; c) Traffic management – inside and outside the Site;d) Ground disturbance and excavations; e) Working with and around live electrical conductors;
- Security management, including interaction with local communities;
- Worker's accommodation;
- Emergency arrangements and emergency response;
- First aid

C. Labor Management ,the contractor shall provide a Labour Management Plan (LMP), which outlines the methods to management and monitoring labor and working conditions, including workforce welfare and employee relations. As a minimum the LMP will cover the following areas, risks and issues: · A named manager with defined responsibility for labour issues, including those in relation to subcontractors and labour agencies;

- human resources policy;

- An equal opportunities policy/statement, including equal remuneration for men and women for work of equal value, as well as prohibition of sexual harassment, exploitation or abuse, gender based violence;
- Procedures for enhancing staff skills, including regular, documented training with clear objectives;
- A confidential worker grievance and dispute resolution process; · Policies in respect of the recruitment and treatment of migrant workers, if any
- Performance review for labor issues in co-operation with other stakeholders.

D. Environmental and Social Action Plan (ESAP)

The contractor shall list all ESAP measures

E. ESHS Resources

The contractor shall list Health and Safety, Environment and Social Managers, Advisors,

Officers, or Supervisors, as well as Stakeholder Relations Managers and Community Liaison

Officers and provide the brief description of the resources and logistic arrangements to enable

their work.]

F. ESHS and Labor Reporting

The contractor shall describe reporting procedure for all incidents, non-conformities and non-compliance in respect of the C-ESMP, OCHSP and LMP. This shall describe the mechanism,

frequency, timing and lines of reporting for all incidents, non-conformities and non-compliances.

Sub-Clause 4.21 Progress Reports

Change title of Sub-Clause 4.21 into:

Progress Reports and Progress Meetings

Replace the first sentence of the first paragraph by:

Monthly progress reports shall be prepared by the Contractor and submitted to the Employer and to the

Employer's Representative (as mentioned in VOLUMES II, III and IV) latest at the fifth working day of the month following the reporting period.

At the end of sub-item (a), add:
The Execution Program shall show the "frozen" columns compared with the "actual" columns. Planned and actual disbursement schedule for the project (S-graph).

Add as sub-point (i):
detailed cash flow estimates of all payments to which the Contractor will be entitled under the Contract;

Add as sub-point (j):
records as per sub-clause 6.10

Add at the end of the Sub-Clause the following:

Coordination and design meetings
During execution of the Contract, the Employer may call for coordination and design meetings, either at the Employer's head office, the office of the Employer's Representative, the site, or the office of the Contractor, as deemed necessary. The object of these meetings is to coordinate the progress of work and its control, discuss approval procedures and technical details and to discuss all other matters pertinent to the Contract in order to achieve smooth and undisturbed progress of work as well as expeditious delivery of supplies. Representatives of each Sub-Contractor shall be present at these meetings if requested.

Progress meetings on site
During erection on the Site and tests of completion, daily or weekly and monthly progress meetings shall be

conducted at the Site as directed by the Employer or the Employer's Representative. These meetings are to discuss and review in detail the latest progress of works at the Site. In order to assist the Employer or the Employer's Representative in his review during the progress meeting of the work done, the Contractor shall provide; at least one (1) day in advance of each meeting, the Employer or the Employer's Representative with a detailed schedule of specific items of works that have been performed, with a comparison of the actual and planned schedule. If any work or part of works is delayed, the reasons for the delay shall be explained and proposals for how to expedite the delayed part of Works shall be submitted (see also Clause 8 (Commencement, Delays and Suspension). Further details are stated in the VOLUMES II, III and IV.

At the end of Sub-clause 4.21, add:

Besides the items listed above, the provisions set out in the Employer's Requirements shall be considered.

Clause 4.23 Contractor's Operations on Site

At the end of Clause 4.23, delete the following:

However, the Contractor may retain on Site, during the Defects Notification Period, such Goods as are required for the Contractor to fulfill the obligations under the Contract.

At the end of Clause 4.23, to be added:

If all these items have not been removed within 28 days after the issue of Taking-Over Certificate, the Employer may sell or otherwise dispose of any remaining items. The Employer shall be entitled to be paid the costs incurred in connection with, or attributable to, such sale or disposal and restoring the Site.

Any balance of the money from the sale shall be paid to the Contractor. If this money is less than the Employer's costs, the Contractor shall pay the outstanding balance to the Employer.

Clause 5 Design Sub-Clause 5.2 Contractor's Documents

At the end of the first paragraph of Sub-Clause 5.2, add:

The documentation provided during the Contract implementation has to consider the requirements as set out in the VOLUMES II, III and IV Scope of Works and Technical Requirements or elsewhere in the Contract and shall be submitted to the Employer's Representative for review and/or approval. Within one month after the Commencement Date the Contractor shall submit to the Employer for approval the project implementation work program (Execution Program) and sub-suppliers and Subcontractors.

Detail design for erection works shall be checked and stamped by the Employer. All documents necessary for the licensing of the Plant and equipment coming from abroad shall be provided in the English language.

At the end of the second paragraph of Sub-clause 5.2, add:

An electronic version of the documents shall be provided to the Employer's Representative, as also laid down in the Drawings. One copy of the certified Drawings, Specifications and other information including the latest revision thereof shall be kept by the Contractor on the Site and the same shall at all reasonable times be available for inspection and use by the Employer's Representative / Employer or by any other person authorized in writing by the Employer's Representative / Employer.

Replace first sentence of fourth paragraph of Sub-Clause 5.2, by: The review period shall not exceed 21 days, calculated from the date on which the Employer's Representative receives a Contractor's Document and Contractor's notice.

Clause 5.5 Training

Add the following paragraph to Sub-Clause 5.5 [Training]:

In addition to the requirements of this Sub-Clause, the Contractor shall provide FIDIC training in Jordan for ten (10) Employer's personnel during the first quarter of the Project following the Letter of Acceptance, covering the following modules:

1. Module 1: Practical Use of FIDIC Conditions of Contract.
2. Module 2: Risk Allocation, Contractor's Design Responsibility and Employer's Requirements.
3. Module 3: Claims, Variations and Extension of Time for Completion.
4. Module 4: Contract Administration and Payment.
5. Module 5: Dispute Avoidance and Resolution, Practical Case Studies and Workshops.

The training shall be conducted by a qualified and experienced FIDIC trainer through a recognized training provider in Jordan. Each participant shall be provided with a recognized certificate of attendance upon successful completion of the training.

All costs associated with the training, including training fees, training materials and certificates, shall be deemed included in the Contract Price.

This training shall be separate from the operation and maintenance training required under this Sub-Clause.

Sub-Clause 5.6 **As Built Documents**

Insert at the end of Sub-Clause 5.6 the following:
The number of copies and date of submission of the As built Documentation is given the VOLUMES II, III and IV.

Sub-Clause 5.7 **Operation and Maintenance Manuals**

Substitute the complete text with the following:

The Contractor shall supply to the Employer's Representative provisional operation and maintenance manuals in sufficient detail for the Employer to operate, maintain, dismantle, reassemble, adjust and repair the plant, in accordance with the requirements of VOLUMES II, III and IV Scope of Works and Technical Requirements. The Works shall not be considered to be completed for the purposes of taking over under Subclause 10.1 (Taking Over of the Works and Sections) until the Employer's Representative has received final operating and maintenance manuals in such detail, and any other manuals specified in the Employer's Requirements for these purposes. The number of copies and date of submission of the Operation and Maintenance Manuals is given the VOLUMES II, III and IV.

Clause 6 **Staff and Labor**

Sub-Clause 6.2 **Rates of Wages and Conditions of Labor At the end of Sub-clause 6.2, add:**

The Contractor shall keep proper wage books and times sheets and other proper account books and shall on request of the Employer's Representative, produce for his inspection the above-mentioned documents and books, showing the wages paid, and the hours worked by the Contractor's employees.

Sub-Clause 6.4 **Labor Laws**

At the end of Sub-clause 6.4, add:

The Contractor shall comply with all governing law. The Contractor shall provide equal wages and benefits to men and women for work of equal value or type and shall use their best efforts to employ women and local people negatively affected by, or living in the vicinity of, the project.

The Contractor shall not make employment decisions based upon personal characteristics unrelated to job requirements. The Contractor shall base the employment relationship upon equal opportunity and for treatment, and shall not discriminate with respect to aspects of the employment relationship, including recruitment and hiring, compensation (including wages and benefits), working conditions and terms of employment or retirement, and discipline. The Contractor shall provide equal wages and benefits to men and women for work of equal value or type.

Sub-Clause 6.5	**Working Hours Add the following:** d) The Employer's Representative may, after consulting with the Employer and the Contractor, direct that work shall be done at other times if this has become necessary for the completion of the Works within the Time for Completion and this is due to default of the Contractor.
Sub-Clause 6.7	**Health and Safety (HSE)** **Insert at the end of Sub-Clause 6.7 the following:** Further requirements are laid down in the VOLUMES II, III and IV
Sub-Clause 6.9	**Contractor's Personnel** **At the end of Sub-clause 6.9, add:** Any person so removed from the work shall be replaced at the Contractor's expense as soon as possible by a competent substitute approved by the Employer's Representative. The Contractor shall not be entitled to any extension of time for completion by reason of such personnel exchange. Any person who has been removed as a result of the Employer's Representative's order cannot be employed again in any occupation relating to the works under this Contract unless the Employer's Representative authorities to do so in writing.
Clause 7	**Plant, Material and Workmanship**
Sub-Clause 7.4	**Testing** **At the end of Sub-clause 7.4, add:** All tests shall be carried out in accordance with the requirements of the Contract, including the Technical Specifications and the Scope of Works.

The Contractor shall notify the Employer and the Employer's Representative of the proposed time and place of testing as follows:

a) Factory Acceptance Tests (FAT):

At least twenty-eight (28) days prior to the planned date of the test.

b) Tests at Site:

At least seven (7) days prior to the planned date of the test.

The Employer and/or the Employer's Representative shall have the right to attend all tests, whether performed at the manufacturer's premises or at the Site.

The Contractor shall submit, together with the notice of testing, the approved detailed testing procedures and methodologies, including the list of equipment and instruments to be used.

If the Contractor unreasonably delays the execution of any required test, the Employer may, upon written notice, require such test to be carried out within twenty-one (21) days from the date of the notice.

All test reports shall be duly certified and promptly submitted to the Employer and the Employer's Representative.

Clause 8 **Commencement, Delays, and Suspension**

Sub-Clause 8.1 **Commencement of Work**

Replace the whole paragraph of Sub-Clause 8.1 by:

The Employer shall give the Contractor not less than 7 days' notice of the Commencement Date. The Commencement Date must be after 10 **Days from the date of the Letter of Acceptance.** The Contractor shall commence the design and execution of the Works as soon as is reasonably practicable after the receipt of Letter of Acceptance and shall then proceed with the Works with due expedition and without delay.

Sub-Clause 8.3 **Programme**

After first sentence of first paragraph, add:

The approved Execution (Time) Programme in form of bar chart will be frozen and taken as basis for works progress review. Further requirements are laid down in the VOLUMES II, III and IV.

Replace item (a) with the following:

(a) the order in which the Contractor intends to carry out the Works, including the anticipated timing of each stage of design, Contractor's Documents, procurement, manufacture, inspection, delivery to Site, construction, erection, testing, commissioning and trial operation. The sequence of works, e.g. considering sections in mountain regions as well as the local weather conditions must be considered.

After second sentence of first paragraph, add:

This revised program shall show the "frozen" columns compared with the "actual" columns. After contract signature, the Contactor shall monthly update the schedule submitted with his Tender completed with required outages considering the Employer's need assuring a safe and continuous operation of the plant. If not otherwise agreed the Contractor shall apply for outages three weeks in advance. However, a tentative

outage schedule shall be included to the progress reports.

Sub-Clause 8.7 **Delay Damages**

After first paragraph insert:

0.1% of the final Contract Price per day, in the currencies and proportions in which the Contract Price is payable.

Clause 10 **Employer's Taking Over**

Sub-Clause 10.1 **Taking over of the Works and Sections**

After second paragraph of Sub-Clause 10.1, insert:

Before the Taking-Over Certificate will be issued, the necessary protocol according to the Jordan Regulations and Laws shall be signed.

Last paragraph of Sub-clause 10.1:

Shall be deleted.

Clause 11 **Defects Liability**

Sub-clause 11.3 **Extension of Defects Notification Period**

After the first paragraph of Sub-Clause 11.3, add:

In case of any defects or damages found during the Defects Notification Period, the reasonable time for remedying of the defects or damages will be given in the Employer's notice. The necessary period of remedying of the defects or damages will be added to the Defects Notification Period for the damaged as well as for other affected equipment. The Contractor shall extend the validity of Defect Liability security accordingly.

Sub-clause 11.4 **Failure to Remedy Defects**

In the first line replace the words "a reasonable time" by "42 days".

Clause 13 **Variations and Adjustments**

Sub-Clause 13.5 **Provisional Sum**

Not Applicable. Delete entire sub-clause 13.5.

Sub-Clause 13.8 **Adjustments for changes in Cost**

Delete entire sub-clause 13.8, adjustments for changes in cost will not apply.

Clause 14 **Contract Price and Payment**

Sub-Clause 14.1 **The Contract Price**

Replace Sub-Clause 14. 1, item a) with the following:

a) the project will be executed on a turn-key basis. Prices quoted are fixed and firm prices up to the date of issuing of the Performance Certificate. Items, which will be paid "at actual" (based on unit rates as per VOLUMES II, III and IV Schedule of Prices) are defined in VOLUMES II, III and IV Schedule of Prices which includes also further requirements to be considered.

Add as new item c) the following:

c) Prices for recommended spare parts, recommended equipment, tools and instruments for maintenance shall be fixed up to 24 months after contract Commencement Date.

Sub-Clause 14.2 **Advance payment**

Add after the second sentence of the first paragraph the following: The Contractor shall submit the Advance Payment security/Advance Payment Invoice.

The Advance Payment security shall be issued by local bank in the Employer country accepted

by the Employer in the form given and in the same contract currency

Sub-Clause 14.4 **Schedule for Payments**

Delete the whole Sub-Clause 14.4 and replace by:

The installments/conditions in which the Contract Price shall be paid are stated in Terms and Procedures of Payment which forms part of the Contract.

Application for payments

Contractor may submit maximum four (4) Invoices per Month, two for foreign currency portion and two for local currency portion.

Application for Payment on Erection and Construction Works

A report on progress or completion of all Works on Site giving evidence that the conditions of Sub-Clause 14.3 have been fulfilled shall be provided, certified by the Employer and Employer's Representative.

Sub-Clause 14.5 **Plant and Materials intended for the works Delete the whole Sub-Clause 14.5 and replace by:**

The Employer shall pay to the Contractor the relevant Plant and Materials intended for the Works in accordance with the prices mentioned in the Price Schedule and the Schedule of Payments and under the condition that Plant and Materials have

been delivered to and properly stored on the Site, are protected against loss, damage or deterioration and appear to be in accordance with the Contract.

Sub-Clause 14.6 Interim Payments

At the end of Sub-clause 14.6, add:

The Employer's Representative may, if in his opinion it is necessary or desirable, order in writing that any additional or substituted work shall be executed on a time and material basis. The Contractor shall then be paid for such work under the conditions set out in the VOLUMES II, III and IV Schedule of Prices. The Contractor shall furnish to the Employer's Representative such receipts or other vouchers as may be necessary to prove the amounts paid and before ordering materials shall submit to the Employer's Representative quotations for the same for his approval. In respect of all work executed on a time and material basis the

Contractor shall during the continuance of such work delivered each day to the Employer's Representative's Representative a detailed list in duplicate of the names, occupation and time of all workmen employed on such work and a statement also in duplicate showing the description and quantity of all materials and Contractor's equipment used thereof or therefore. One copy of each list and statement will, if correct or when agreed, be signed by the Employer's Representative's Representative and returned to the Contractor.

At the end of each month the Contractor shall deliver to the Employer's Representative a priced statement of the labor, material and Contractor's equipment used and the Contractor shall not be entitled to any payment unless such lists and statements have been fully and punctually rendered.
Provided always that if the Employer's Representative shall consider that for any reason the sending of such list or statement by the Contractor in accordance with the foregoing provision was impracticable, he shall nevertheless be entitled to authorize payment for such work or at such value therefore as shall in his opinion be fair and reasonable.

Sub-Clause 14.8 **Delayed Payment**

• The item is Not applicable

Sub-Clause 14.9 **Payment of Retention Money**

Payment of Retention Money
Replace the words "first half of the Retention Money" in the first paragraph by "the first part of the Retention Money".
Replace the words "the second half" in the second paragraph by "the second part".
Replace the words "of either half" in the third paragraph by "of either part".

Clause 16 **Suspension and Termination by Contractor**

Sub-Clause 16.2 **Termination by Contractor**

Sub-item (a) is deleted.

Clause 18 **Insurance**

Sub-Clause 18.1 **General Requirements for Insurances**

The Contractor shall comprehensively insure all the works, plant, materials, contractor's documents, the costs of demolition, removal of debris, and professional fees and profit.

The Contractor shall affect and maintain all the insurances required by him with an insurer and in terms approved by the Employer, and for the duration of the Contractor's obligations under this Contract.
In each insurance, the Contractor shall be named jointly with the Employer, in addition to himself, as the insured. The Contractor shall be responsible to see that all of his Subcontractors are named as insured parties in the Contractor’s policy. The Contractor shall within the respective periods stated in the Contract (calculated from the Commencement Date), submit to the Employer:

- evidence that the insurances required by him have been affected,
- copies of the policies, and
- For each insurance, evidence of paying the premium.

The Policies shall contain a provision that coverage will not be cancelled or materially changed without Forty-Five (45) days written notice to the Employer. The Employer shall have the full right of negotiating coverage with the insurance company and shall be entitled for requesting any extension of the insurance policy to cover the execution of the work. Any agreement reached between the Employer and the insurance company shall be considered as binding to the Contractor.

Prior to moving his equipment onto the site or beginning any operations at the site, the Contractor shall have provided to the Employer's representative at the site copies of the approved certificates. The Contractor's insurance for Transport, Erection, and the Defects liability period shall be placed with a licensed insurance company in Jordan.

The Contractor and his Subcontractors shall deal only with local Insurance companies and their affiliates and subsidiaries in insuring equipment/material, plant, personal property and personnel.

Further Insurance requirements are specified in Insurance.

Sub-Clause 18.2 **Insurance for Work and Contractor's Equipment At the**

end of sub-clause 18.2, add:

Further Insurance requirements are specified in VOLUME 1.IV Insurance. In case of discrepancies between the GC, PCC and requirements as per VOLUME 1 IV Insurance, a final determination of the requirements will be provided by the Employer.

Sub-Clause 18.3 **Insurance against injury to Persons and Damage to Property**

Please Consider the value For Limit Of liability for Insurance against Injury to persons and damage to property:

2.000.000 JD E.E.L

item (b) to be replaced by:

Shall be in the name of the Contactor and / or subcontractors and the Employer as party insured.

To be added at the end of this sub-clause:

• Insured liability limit per event: the Contract Price. When the event causing insurance payments has been occurred, the

Contractor shall recover the balance up to the amount of insured liability limit.

- Deductible limits: no more than 10 000 JD.
- Validity: from the Commencement Date of the contract until the issue of the Performance Certificate.

Sub-Clause 19

is hereby amended as follows:

- The Contractor shall not be entitled to any Extension of Time (EOT) for delays resulting from weather conditions.

Clause 20 **Claims, Disputes**

Sub-Clause 20.1 **Contractor's Claim**

Insert at the end of the first paragraph:

The notice shall make reference to this sub-clause 20.1. The notice shall be in writing (fax or letter but shall not be part of another document,

e.g. progress reports) and shall be delivered by hand (against receipt) or submitted by fax. A notice not fulfilling these conditions will be considered as failure to give notice of a claim.

Sub-Clause 20.2 **Appointment of the Dispute Adjudication Board**

Delete entire sub-clause 20.2

Sub-Clause 20.3 **Failure to Agree Dispute Adjudication Board**

Delete entire sub-clause 20.3

Sub-Clause 20.4 **Obtaining Dispute Adjudication Board's Decision**

Delete entire sub-clause 20.4

Sub-Clause 20.5 **Amicable Settlement**

Delete entire sub-clause 20.5

Sub-Clause 20.6 Arbitration

Delete entire Sub-Clause 20.6 and replace with the following: Any dispute which is not settled amicably shall be referred for final decision to the courts of the Hashemite Kingdom of Jordan.

Sub-Clause 20.7 Failure to Comply with Dispute Adjudication Board's Decision

Delete entire sub-clause 20.7

Sub-Clause 20.8 Expiry of Dispute Adjudication Board's Appointment

Delete entire sub-clause 20.8

III. Terms and Procedures of Payment

1. INTRODUCTION

In accordance with the provisions of GCC 14 and PCC 14 (Contract Price and Payment), the Employer shall pay the Contractor as per the following terms of payment, based on the price breakdown given in the Price Schedules. Payments will be made in the currencies stated in Sub-Clause 14.15 of the Contract. Applications for payment in respect of part deliveries may be made by the Contractor as work proceeds.

Within thirty (30) days from the Commencement Date, the Contractor will submit proposal for delivery stages in order to enable the Employer to make the payments, as follows:

- Delivery dates and respective amount for Procurement and Installation from each contractual item to be delivered from abroad;
- Delivery dates and respective amount for Procurement and Installation from each contractual item to be delivered from within the Employer's country.

2. TERMS OF PAYMENT:

For Any Method of Payment, all bank charges, Commissions, and expenses inside or outside Jordan are to be borne by the contractor.

The Terms of payment to the contractor shall be as follows:

2.1. Materials Supply (Procurement, Mandatory Spare Parts, Special Equipment & Tools):

The payment of the Materials Supply supplied from abroad or from within the Employer country shall be made to the contractor upon application as below:

- **Ten per cent (10%)** of material supply Amount as advance payment within 42 days after issuing the Letter of Acceptance or within 21 days after receiving the following documents whichever is later, against submitting of:

1. **Interim payment certificate** issued and signed by the Employer upon receiving Contractor's Statement accompanied with supporting documents as mentioned below from (2-4):

2. **Accepted advance payment Security** for the same value and same currency, valid until issuance of taking over Certificate, such guarantee may be progressively reduced by the amount repaid by the Contractor as indicated in the Payment Certificates.
3. **Accepted Performance Security** as specified in the contract.
4. **Commercial invoice** in the correct amount in two originals plus four copies.

- **Fifty per cent (50%)** of supplied material as interim payment for shipment of plant and/or material, within fifty-six (56) days upon receiving Contractor's STATEMENT accompanied with supporting Shipping documents as Follow:

1. **Interim payment certificate** issued and signed by the Employer upon receiving Contractor's Statement accompanied with supporting shipping documents as mentioned below from 2 to 8:
2. **Commercial invoice** in two originals and three copies, showing commodity description, quantity, unit price, total price and basis of delivery, reference to items as per Schedule of Prices, in case of material supplied from abroad.
3. **Bill of lading** - one negotiable plus three non-negotiable, in case of material supplied from within the Employer's country, just the Delivery Note in one original plus three copies are requested in this item.
4. **Packing list** in one original plus three copies.
5. **Certificate of origin** in one original plus three copies, in case of material supplied from abroad.
6. **Marine insurance** certificate in one original plus three copies issued from Local Jordanian insurance Co.
7. **Certificate of successfully Completed Factory Acceptance Test (FAT)** countersigned by Employer’s inspection Engineer.
8. **Other documents** required by the formalities of the loan agreement, if any.

2.2. **Installation & Commissioning for Foreign & Local Currency Portion:**

Payment for both foreign & local currency portion will be made as follows:

- **Eighty per cent (80%) of the Installation & Commissioning value** as interim payment proportional to the progress of works at site, within fifty-six (56) days upon receiving Contractor's STATEMENT accompanied with the Following supporting documents:

1. **Interim payment certificate** issued and signed by the Employer upon receiving Contractor's Statement accompanied with supporting documents as mentioned below from 2 to 3:
2. **Proportional progress Report** issued and signed by the contractor and countersigned by the Employer.
3. **Commercial invoice** in the correct value.

2.3. **FAT and/or Training and/or Type Test:**

Payment for FAT and/or Training and/or Type Test for both Local and Foreign Currency Portion will be made as follows

- **Eighty per cent (80%)** of FAT and/or Training and/or Type Test within fifty-six (56) days upon receiving Contractor's STATEMENT accompanied with the Following supporting documents:

1. **Interim payment certificate** issued and signed by the Employer upon receiving Contractor's Statement accompanied with supporting documents as mentioned below from 2 to 3:
2. **Commercial invoice** in the correct amount.
3. **FAT and /or Training and/or Type Test Report** issued and signed by the Employer as evidence that the FAT and/or Training and/or Type Test has been done according to the Employer's instructions.

2.4. **Release of Retentions:**

- **Twenty per cent (20%) of the Materials Supply (DAP value)** shipped from both abroad and from within the Employer country against the following:

1. **Material Receiving Report** issued and signed by the Employer as evidence that the material and/or equipment have been received at site or Employer warehouse in satisfactory conditions.
2. **Interim payment certificate** issued and signed by the Employer.
3. **Contractor's application** (payment request) in the correct value.

• **Ten per cent (10%)** of the Total Contract Value to be paid upon issuance of **taking over certificate** and submitting of the following:

1. **Interim payment certificate** issued and signed by the Employer.
2. **Contractor's application** (payment request) in the correct value.
3. **Delay damages report**

• **Five (5%)** per cent of the Total Contract Value will be paid against the following:

1. **Interim payment certificate** issued and signed by the Employer upon receiving the following supporting documents from 2 to 3:
2. **Contractor's application** (payment request) in the correct value.
3. **Finalizing Pending Items Report** approved by Employer of the respective Section of the works.

• **Last Five (5%)** per cent of the Total Contract Value will be paid against receipt of contractor's application for performance certificate payment (invoice) supplemented with the following documents:

1. **Interim payment certificate** issued and signed by the Engineer upon receiving the following supporting documents from 2 to 9:
2. **Contractor's application** (payment request) in the correct value.
3. **Performance Certificate** issued by Employer for the respective section of the work.
4. **Release Certificate** from Social Security Corporation.
5. **Release Certificate** from Tax authorities.
6. **Release of lien**, The Contractor and all Subcontractors **performing work** at the Site must sign the release of liens.
7. **Release Certificate** from customs department.
8. **Release Certificate** from the ministry of Laboure.
9. **Release Certificate** from the ministry of labour regarding foreign subcontractors, if any.

The above Terms of Payment shall be applied to any variation orders issued by the Employer.

PAYMENT PROCEDURES

The procedures to be followed in applying for certification and making payments shall be as mentioned in the Particular Condition of Contract (PCC), Sub-Clause 14.4.

PROHIBITED PAYMENTS

The Contractor is herein notified that he or his agents are not entitled to give any prohibited payments in any manner or any time to any of the Employer's personnel, and if so, they shall declare these payments officially.
Meanwhile the contractor will submit evidences of all the payments regarding this contract, released by him to his agents … etc.

Other Payments

1. Contractor has fully disclosed in the declaration for other payments attached to this contract and all direct or indirect commissions, consulting fees, agent fees, tenders fees or other payments, or inducements or the giving of anything of value (collectively, ”third payments“) to third parties other than any Government person (a “third party“), including without limitation a detailed description of the basis therefore, made or to be made, directly or indirectly, by or on behalf of contractor, its subcontractors and its or their employees, agents or representatives, in connection with the solicitation, bidding, negotiation, award or performance of this contract; and hereby covenants and agrees promptly to disclose to the first party (The Employer) in writing the existence of any Third party payments including without limitation, a detailed description of the basis therefore. Upon the earliest to occur of contractor making or being obligated to make, any such Third-party payment.

2. In the event of any violation or breach of the provisions of paragraph 1 of this Clause, the first party (The Employer) at its sole option and discretion shall take all or any of the following actions:

   a) terminate the contract and / or
   b) deduct from all or any payments due to contract under this contract an amount equal to two times the amount of any Third-party payments and /or
   c) demand that contractor pay forthwith to the first party (The Employer), which demand that contractor hereby irrevocably agrees

to honor, an amount equal to two times the amount of any Third party payments, it being the intention, subject to paragraph D below, that the aggregate of all amounts to which the first party (The Employer), is entitled under paragraph B shall not exceed the amount which is two times the amount of all Third party payments.

3. Contractor agrees that provisions substantially similar (but in no event less restrictive) to paragraph 1 and 2 above shall be incorporated by contractor in all agreements with contractor, sub-contractor, Suppliers or contractor arising out of or relating to this contract, and shall also expressly provide that same may, at the first party (The Employer), sole discretion, be enforced directly by the first party (The Employer), contractor further agrees promptly to supply to the first party (The Employer), true and complete copies of such agreements together with evidence of their inclusion in such agreements, forthwith upon the entering into by contractor of such agreements,

4. Nothing in this Section shall expressly or impliedly make lawful or permissible any Third-party payments that are otherwise prohibited under applicable law or regulations. The rights and remedies of the first party (The Employer), under this Clause are in addition to and not in derogation of any other rights the first party (The Employer), may have under applicable law or regulations.

5. This Clause shall survive the termination of this contract.

Prohibited Payments

1. The contractor hereby presents and warrants to the first party (The Employer), in the attached declaration for prohibited payments that no direct or indirect commissions, consulting fees, Contracts fees of other payments, and no inducements or the giving of anything of value, have been made or promised to be made, directly or indirectly, by or on behalf of the contractor, its Sub-contractors and its or their employees, agents or representatives, to the first party (The Employer), (collectively,

"prohibited payments"), including without limitation any official employee, agent or representative (whether or not acting in an official capacity) of the first party (The Employer), (A Government person"), in connection with the solicitation, bidding negotiation, award or performance of this contract; and hereby covenants and agrees that no prohibited payment shall be made or promised to be made, directly or indirectly, by or on behalf of contractor, its Sub- contractors and its or their employees, agents or representatives, to any Government person in connection with the amendment, modification, renewal, extension or performance of this contract.

2. In the event of any violation or breach of the provisions of paragraph 1 of this Clause, the first party (The Employer), at its sole option and discretion shall take all or any of the following actions

   a) terminate the contract, and / or
   b) deduct from all or any payments due to contractor under this contract an amount equal to two times the amount of any prohibited payment: and / or
   c) demand that contractor pay forthwith to the first party (The Employer), which demand contractor hereby irrevocably agrees to honor, an amount equal to two times the of any prohibited payment, it being the intention, subject to paragraph D below, that the aggregate of all amounts to which

      the first party (The Employer), is entitled under paragraph B shall not exceed the amount which is two times the amount of all prohibited payments.

3. Contractor agrees that provisions substantially similar (but in no event less restrictive) to paragraphs 1 and 2 above shall be incorporated by contractor in all agreements with contractor's Sub- Contractors, suppliers or contractors arising out of or relating to this contract, and which provisions shall also expressly provide that the same may, at the

first party's (the Employer's) sole discretion be enforced directly by the first party (The Employer), contractor further agrees promptly to supply to the first party (The Employer), true and complete copies of such agreements together with evidence of their inclusion in such agreements, forthwith upon the entering into by contractor such agreements.

4. The rights and remedies of the first party (The Employer), under this Clause are in addition to and not in derogation of any other rights the first party (The Employer) may have under applicable low or regulations.

5. This Clause shall survive the termination of this contract.

IV. Insurance Requirements

1. GENERAL REQUIREMENTS

The Contractor shall comprehensively insure all the works, Plant, Materials, Contractor's documents, the costs of demolition, removal of debris and professional fees and profit.

The Contractor shall effect and maintain all the insurances required by him with an insurer and in terms approved by the Employer, and for the duration of the Contractor's obligations under this Contract. In each insurance the Contractor shall be named jointly with the Employer, in addition to himself, as the insured. The Contractor shall be responsible to see that all of his Subcontractors are named as insured parties in the Contractor's.

The Contractor shall within the respective periods stated in the Appendix to Contract
(Calculated from the Commencement Date), submit to the Employer:

- evidence that the insurances required by him have been affected,
- copies of the policies, and
- for each insurance, evidence of paying the premium.

The Policies shall contain a provision that coverage will not be cancelled or materially changed without Forty-Five (45) days written notice to the Employer. The Employer shall have the full right of negotiating coverage with the insurance company and shall be entitled for requesting any extension of the insurance policy to cover the execution of the work. Any agreement reached between the Employer and the insurance company shall be considered as binding to the Contractor.

Prior to moving his equipment onto the site or beginning any operations at the site, the Contractor shall have provided to the Employer's representative at the site copies of the approved certificates.

The Contractor's insurance for Transport, Erection, and the Defects liability period shall be placed with a licensed insurance company in Jordan.
The Contractor and his Subcontractors shall deal only with local Insurance companies and their affiliates and subsidiaries in insuring equipment/material, plant, personal property and personnel.

2. TRANSPORT "ALL RISKS" INSURANCE

All equipment and material during transportation from places of manufacture up to the relevant places of destination for the installation as well as intermediate storage shall be covered by insurance against risks, according to institute Cargo Clauses (All risks) including war risk, fire, flood, loss in transit, riots, strikes, civil commotion, theft, pilferage, vandalism. Loss and/or damage caused by sea,
fresh water and rainwater, condensation, hooks, mud, oil, fire, ordinary breakage, bending, denting, twisting, and rusting howsoever caused.

The coverage shall be made for one hundred and twenty percent (110%) of the DAP part of the Contract value of the equipment and material to be supplied.

The insurance shall cover all risks from the factory to the site (warehouse to warehouse). All insurance policies for individual consignment shall be valid for ninety (90) days after the delivery of material by the Contractor at the site thus enabling a thorough check for loss and damage.

All formalities in connection with the processing of insurance claims shall be solely the responsibility of the Contractor. The Contractor shall collect payments for replacements for damage/lost material or equipment from the insurance company.

Order for replacement for material and equipment reported to be lost or damaged shall be processed on a priority basis without awaiting settlement of insurance claims.

All monies received under any such policy shall be applied towards the replacement or repair of the works lost, damaged or destroyed but this provision shall not affect the Contractors liabilities under the Contract.

3. ERECTION "ALL RISKS" INSURANCE

The insurance shall cover:

- All supplies and services under the Contract to one hundred and twenty percent (110%) of the full Contract value from delivery of materials and equipment to the site for the whole of the works and during defects liability period until releasing the Contractor of any obligations.
- The existing property at the site, which belong to the Employer or held in care, custody, or control by him, the coverage shall be for its replacement value according to the Employer estimation.

The coverage of this insurance shall be against all risks, with deductible limits not exceeding those stated in the Appendix. The insurance shall be established through an Employer approved insurance company licensed in Jordan in the joint names of the Employer, the Contractor and Subcontractors and shall be payable in a free convertible currency. The insurance coverage between the "transport" and the "erection" all risks insurances shall be without any interruption. All monies received under any such insurance shall be applied in or towards the replacement and repair of the work destroyed or damaged. The Employer/ Engineer shall decide the method of execution of repairs. The validity of these policies shall be up to the releasing the Contractor from any obligations.

4. ACCIDENT OR INJURY TO WORKMEN

The Employer will not be liable for any damages or compensation payable at law in respect or in consequence of any accident or injury to any workman or other person in the employment of the Contractor or any Subcontractor and the Contractor shall indemnify and hold harmless the Employer against all claims, demands, proceedings, costs, charges and expenses whatsoever in relation thereto.

Insurance Against Accident etc. to Workmen

Before commencing the execution of the Works on the site, the Contractor shall insure against his responsibilities towards his employees with an insurance company licensed in Jordan and approved by the Employer and shall continue such insurance for the entire time that any persons are employed by him or his Subcontractors on the Work, and shall, when required, provide the Engineer with such policies of insurance and the receipt for payment of the current premiums.

The Contractor shall present to the Employer satisfactory evidence that he has complied with the statutory obligations for workmen's compensation under the labor and social security laws of Jordan.

The contractor shall maintain insurance against any loss or damage arising during the Defects Liability Period to insure the Contractor's liability for making good any loss or damage to the work while the Contractor is on site.

5. CONTRACTOR'S EQUIPMENT

The Contractor shall insure the Contractor's equipment for its full replacement value whilst in transit to the site, from the commencement of loading until completion of unloading at the site, while on the site and until unloading at its return destination against all loss or damage caused by any of the Contactor's Risk".

6. REMEDY ON THE CONTRACTOR'S FAILURE TO INSURE

If the Contractor fails to effect and keep in force the insurance required thereof or any other insurance which may be required to be effected under the terms of the Contract, then the Employer without any obligations to the Contractor, may effect and keep in force any such insurance at the Contractor's expense and pay such premium or premiums as may be necessary for that purpose and from time to time deduct the amount so paid by the Employer, plus an additional ten per cent (10%) to cover administrative costs, from any monies which are due or may become due to the Contractor, or recover the same as a debt due from the performance security without notarial warning or judicial proceedings.

7. INSURANCES TO BE TAKEN OUT BY THE CONTRACTOR

In accordance with the provisions of GCC Clause 18, the Contractor shall at its expense take out and maintain in effect, or cause to be taken out and maintained in effect, during the performance of the Contract, the insurances set forth below in the sums and with the deductibles and other conditions specified. The identity of the insurers and the form of the policies shall be subject to the approval of the Employer, such approval not to be unreasonably withheld.

a) **Cargo Insurance**

Covering loss or damage occurring while in transit from the supplier's or manufacturer's works or stores until arrival at the Site, to the Facilities (including spare parts therefore) and to the construction equipment to be provided by the Contractor or its Subcontractors.

Amount: 110% of the Contract price for the Plant and Equipment shipped
Deductible limits: 1% of the value of shipment
Parties insured: Contractor plus Employer as co-insured
From: Contractor's or Subcontractor's works
To: Arrival at the Site

b) **Installation All Risks Insurance**

This insurance shall be all Risks Insurance covering physical loss of or damage to the Works, Plant, Materials and Contractor's documents for which the Contractor and/or the Subcontractors (if any) are liable, occurring from the Commencement Date to the issue of the Taking-Over Certificate and for the loss or damage caused by the Contractor and/or Subcontractors in the course of any other operations (including Defects liability Period) with an extended maintenance coverage for the Contractor's liability in respect of any loss or damage occurring until the date of issue of the Performance Certificate.

Amount: The insuring party shall insure the Works, Plant, Materials and Contractor's Documents for not less than 110 % of the Contract amount.

Deductible limits: No more than (30,000) JD Thirty thousand JD

Parties insured: Contractor, Subcontractor plus Employer as co-insured for each event

From: Commencement Date

To: End of Defect Liability Period

c) **Third Party Liability Insurance**

Covering bodily injury or death suffered by third parties (including the Employer's personnel) and loss of or damage to property (including the Employer's property and any parts of the Facilities that have been accepted by the Employer) occurring in connection with the supply and installation of the Facilities.

Amount: 2,000,000 JD

Deductible limits: 10,000 JD. from the insurance amount.

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Parties insured: Contractor plus Subcontractor plus Employer as co-insured

From: Commencement Date

To: Issue of Performance Certificate

d) **Automobile Liability Insurance**

Covering use of all vehicles used by the Contractor or its Subcontractors (whether or not owned by them) in connection with the supply and installation of the Facilities. Comprehensive insurance in accordance with statutory requirements.

e) **Workers' Compensation**

In accordance with the statutory requirements applicable in any country where the Facilities or any part thereof is executed.

f) **Employer's Liability**

In accordance with the statutory requirements applicable in any country where the Facilities or any part thereof is executed.

The Employer shall be named as co-insured under all insurance policies taken out by the
Contractor pursuant to GCC Clause 18, except for the Third-Pa r t y Liability, Workers' Compensation and Employer's Liability Insurances, and the Contractor's Subcontractors shall be named as co-insured under all insurance policies taken out by the Contractor pursuant to GCC Clause 18, except for the Cargo, Workers' Compensation and Employer's Liability Insurances. All insurer's rights of subrogation against such co-insured for losses or claims arising out of the performance of the Contract shall be waived under such policies.

8. INSURANCES TO BE TAKEN OUT BY THE EMPLOYER

Not Applicable.