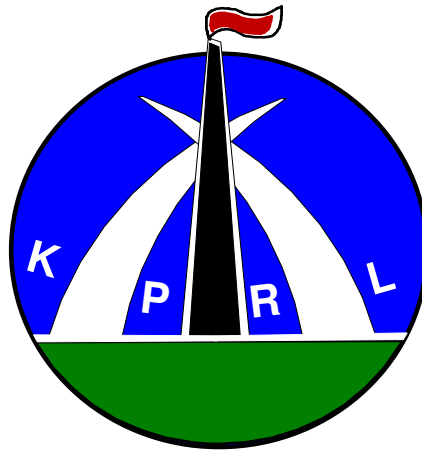


**GENERAL TERMS & CONDITIONS
OF
CONTRACT**



KENYA PETROLEUM REFINERIES LIMITED

KENYA PETROLEUM REFINERIES LIMITED
(Incorporated in Kenya)

GENERAL CONDITIONS

Interpretation:

1. In these conditions, except insofar as the context otherwise requires:-

“Company” means KENYA PETROLEUM REFINERIES LIMITED

“Contract” means the Contract Agreement/Memorandum of Agreement, these Conditions, the Specifications and Drawings, any written instructions issued by the Engineer hereunder, and any other document, which may properly be referred to for the purpose of ascertaining the rights and liabilities of the parties hereto:

“Contractor” has the same meaning as in the Contract Agreement/Memorandum of Agreement.

“Engineer” means the Company’s chief, or such other engineer as may from time to time be appointed by the Company.

“Materials” means any material used or intended to be used in the execution of the works

“Plant” means all plant, machinery, appliances, tools or other equipment required in or about the execution or maintenance of the works of temporary works, but does not include materials or anything forming or intending to form part of the works.

“Site” means the site of the works and such additional areas as may be allocated by the Engineer for the temporary use of the Contractor.

“Temporary Works” means all temporary works of any kind required in or about the execution or maintenance of the works.

“Works” means the works to be executed under the Contract

“Application legislation” means any Act enactment instrument bye-law regulation order notice direction or other requirement enacted issued made given or notified by or under the authority of the Government of Kenya or any regional or local government or any local or other authority or any statutory public or other competent board corporation company or body which whether generally or specifically relates to or affects any act matter or thing in the relevant context.

Execution of works:

2. The Contractor shall execute the works in accordance with the Contract in a sound and workmanlike manner and to the satisfaction of the Engineer. The Engineer may reject any work on the ground of inferior workmanship or materials and may require such work to be made good at the Contractor's expenses, except that the Contractor shall not be responsible for the quality or the suitability of materials supplied by the Company.

Programme, etc:

3. (i) As soon as may be after making the Contract, the Contractor shall, if so required by the Engineer, submit for the Engineers approval a detailed programme setting out in sequence the stages in which the work will be performed. Any such programme, modified in accordance with the Engineer's reasonable requirements (if any), shall be the programme to which the Contractor shall work. The submission to and approval by the Engineer of such a programme shall not relieve the Contractor of any of his duties or liabilities hereunder. Any such programme shall be subjected to revision from time to time as the Engineer may reasonably require.
- (ii) Work shall be commenced immediately after the Contractor has been admitted to the site and has received the Engineers instructions to proceed, and shall thereafter be prosecuted at the speed of working called for by the Engineer, or if no special speed of working is called for by the Engineer, with the utmost expedition consistent with proper economy
- (iii) The Engineer may at any time by notice in writing to the Contractor specify a reasonable time for the completion of the works or any part thereof, and the Contractor shall thereafter take such steps as may be necessary to secure completion in accordance with the notice
- (iv) The Engineer may at any time give directions in writing to the Contractor as to the order in which part of the work are to be executed and the Contractor shall comply with such directions
- (v) The Contractor shall keep the Engineer fully informed in advance upon all details of the Contractors intended procedure in performance of the Contract.

Alternations, Additions and Omissions

4. (i) The Engineer may from time to time by written instructions to the Contractor vary the works to be executed under the Contract, and may in particular by such instructions direct that any part of the works shall be omitted or direct that additional works shall be executed. Where such variations or the total of all such variations does not involve a net decrease of more than 10 per cent of the contract price, the Contractor shall not be entitled to compensation for any loss of profits that may result from such decrease

- (ii) The Contractor shall not deviate from the Contract nor vary the works except in pursuance of and in accordance with such instructions as aforesaid and shall not be entitled to any payment whatsoever for any extra work incurred in or necessitated by any variation or deviation effected in contravention of this Clause but shall if required to do so by the Engineer carry out at his own expense all remedial works necessitated by such unauthorized variations or deviations

Plant, Temporary Works etc

- 5. (i) The Contractor shall provide all such plant and stores and all such transport and other services and shall carry out and maintain all such temporary works, other than those to be provided by the Company, as are necessary for executing or preparing for the execution of the works. The Contractors duties under this provision shall be Performed in a manner satisfactory to the Engineer and in accordance with any direction given by him.
- (ii) The plant, transport and temporary works shall be at the risk of the Contractor and any loss or damage thereto shall be made good by the Contractor
- (iii) If the plant includes any boilers or air receivers, such boiler or air receivers shall, before being brought on to the site, be inspected and certified safe by a qualified inspector approved by the Engineer

Staff, Site Organization, etc:

- 6. (i) The Contractor shall at all times secure that the work is carried on by an adequate site organization under the supervision of a fully qualified representative appointed to represent the Contractor on the site and giving his whole time and attention to the works. The said representative shall be a person approved by the Engineer, and such approval may be withheld or at any time withdrawn by the Engineer in his discretion
- (ii) The Contractor shall employ on the works a sufficient workmen and of trustworthy, skilful and experienced foremen and tradesmen. His duties under this sub-clause shall be performed to the satisfaction of the Engineer, and in a manner comfortable with the requirement of any applicable legislation
- (iii) Subject to such requirement of any applicable legislation as aforesaid and subject to any agreement understanding or policy with reference to labour or the employment thereof (whether or not of legal or statutory force) regarded by fair employers as binding on them or to be observed by them, the Contractor shall dismiss from the works any employee who in his opinion or that of the Engineer is redundant, unsuitable or incompetent

- (iv) The temporary works provided by the Contractor together with those provided by the Company, shall to the satisfaction of the Engineer include adequate and efficient offices, canteens, latrines and other necessary accommodation for the Contractor's own staff, and also, if required by the Engineer, for the staff of the Engineer.

Materials

- 7. (i) The materials purchased by the Contractor shall be suitable for their purposes and of the best quality or the quality approved by the Engineer. Save as directed by the Engineer, they shall comply with British or Dutch standard specification
- (ii) Except as otherwise agreed, the materials shall be supplied by the Contractor. Materials supplied by the Contractor shall be subject to the approval of the Engineer, and samples of such materials shall, if required by the Engineer, be submitted to him before they are delivered to the site. The Engineer may carry out such tests and inspections of such materials as he may at any time think necessary and may reject any such materials if in his opinion they are unsuitable. The Contractor shall, if so required by the Engineer, use his best endeavours to arrange for the inspection and testing of such materials by or on behalf of the Engineer at the Supplier's works
- (iii) All motor spirit, lubricating oils, fuel and diesel oils, bitumen and other petroleum products used by the Contractor shall be obtained only from such suppliers as the company shall currently approve whose names it shall be the duty of the Contractor to ascertain from the Company.
- (iv) Any materials purchased by the Contractor which the Engineer considers to be unsuitable or to be in excess of what is required for the time being shall be removed from the site at the Contractors expenses
- (v) The Contractor shall be responsible for off-loading materials supplied by the company
- (vi) The Contractor shall be responsible for storing and protecting materials on the site
- (vii) The Contractor shall arrange deliveries of materials on the site with due regard to efficient, continuous and economical working

Plant and Materials on Site

- 8. No plant materials or temporary works shall be removed from the site without the consent in writing of the Engineer, which consent shall not be unreasonable withheld

Wages and Working Conditions

- 9. (i) The Contractor shall not employ or permit to be employed on the site any person under the age of 16 years

- (ii) The Contractor shall ensure that all labour employed on the site by him or his sub-contractor shall be employed only upon and subject to such applicable wages rates allowance terms and conditions as shall or may be prescribed by any regulations made under the Regulation of Wages and Conditions of Employment Act (Cap. 229) or by any other applicable legislation or by any agreement with the relevant trade union or unions for the time being in force or (subject to the foregoing) as may be in accordance with any such agreement understanding or policy as is referred to in Clause 6 (iii)
- (iii) The contract price shall be deemed to have been based upon (*inter alia*) the wage rates allowance terms and conditions referred to in sub-clause (ii) in force as at the date of the Contract but neither party shall be entitled to any adjustment of the Contract price by reason of overtime working or any fluctuation in or any factor affecting such wages rates allowance terms or conditions after the date of the Contract except as herein otherwise expressly provided
- (iv) The Contractor shall keep and require his sub-contractors to keep in their customary form full and complete records of all wages and allowances of whatever nature paid to their employees on the site and shall whenever reasonably so to do produce such records for inspection by an authorized representative of the Company
- (v) The Contractor shall not seek or agree to any amendment to the Site Agreement without the prior written consent of the Company
- (vi) If any dispute or difference should arise between the Contractors and any other contractors on the site, with reference to wages and working, overtime or premium pay, the Company shall be entitled to call for immediate consultations between the Contractor and contractors in question to resolve the said dispute
- (vii) If any question which is likely to give rise to a dispute is raised by or on behalf of any other or all of the employees of the Contractor or his sub-contractors, then the negotiation procedure laid down in the Site Agreement shall be followed unless a national federation or similar trade agreement which is binding on the Contractor or sub-contractor requires the adoption of other negotiating procedures
- (viii) In this clause “Site Agreement” means any agreement for the time being in force between contractors and the unions and approved by the Company which by general or specific application regulates wages rates and/or terms and conditions of employment on the site

Occupational Health & Safety Act 2007 (OSHA 2007).

10. The Contractor shall in regard to safety health and welfare observe the requirements of the OSHA 2007 and of any other applicable legislation and shall ensure that the same are observed by his sub-contractors

Electrical Circuits

11. The Contractor shall in regard to any electrical circuits which he may install for the purposes of the Contract observe the requirements of any applicable legislation. The Engineer may test any electrical circuits used in connection with the execution of the works, and if he is dissatisfied with any such circuits it shall not be used. The Contractor shall secure that compliance with this clause is made a condition of any sub-contract

Fencing, Watching and Lighting

12. (i) The Contractor shall provide and maintain to the satisfaction of the Engineer: -

- (a) a sufficient number of watchmen
- (b) any fencing reasonably necessary to prevent trespass, or injury to life or property, and
- (c) sufficient lighting for the plant and temporary works supplied by him.

(ii) Site lighting (other than lighting on the plant or temporary works supplied by the Contractor) shall be provided by the Company.

(iii) The Contractor shall use his best endeavors to secure that no unauthorized person is permitted to enter or remain on the site.

Compliance with Acts and Regulations Generally

13. (i) The Contractor shall give all notices and pay all fees the giving or payment of which in relation to the execution of the works or any temporary works is required by or under any applicable legislation.

(ii) The Contractor shall conform with the provisions of any applicable legislation as aforesaid in regard to the execution of the works and of any temporary works and shall (in accordance with Clause 23) indemnify the Company its servants and agents from and against all penalties and liabilities of whatsoever nature and kind arising out of or in respect of the breach of any applicable legislation as aforesaid.

(iii) If, owing to any applicable legislation as aforesaid , any variation of the works is necessary, the Contractor shall notify the Engineer that such is the case.

Contractor to Inform himself Fully.

14. The Contractor shall be deemed to have obtained, before entering into the Contract, all requisite information as to the site, as to local condition and facilities, and as to any other relevant matter of whatever nature. The Company shall not be liable for any inaccuracy or insufficiency in the information available to the Contractor

Setting out.

15. The Contractor shall not be responsible for any error in the setting out of the works which is due to incorrect instructions or information given in writing by the Engineer. Save as aforesaid, the Contractor shall be responsible for the true and accurate setting out of the works and shall not be relieved of his responsibility by any tests or inspections carried out by the Engineer. The Contractor shall carefully protect and preserve all bench marks, site rails, pegs and other things used in setting out the works. "Setting out" in this clause includes obtaining correct positions, levels, dimensions and alignments.

Facilities for Site Contact

16. The Contractor shall provide the site contact or his representative with such facilities and assistance as the site contact or his representative may require in taking levels, checking dimensions, examining work, testing and inspecting materials and workmanship and otherwise watching and supervising the work and their executions.

Facilities for Other Contractor etc

17. The Contractor shall, in accordance with the requirement of the Engineer, afford all reasonable facilities for the servants of the Company in the performance of their duty, and for any other person, body or authority who may be lawfully employed or engaged on or in connection with the site.

Company's roads.

18. The Contractor shall have free use of the Company's roads for the purpose of obtaining access to the and carrying men, plant and materials thereto.

Fossils

19. All fossils or coins or other articles of value or antiquity and all structures or remains or other things of geological or archaeological interest discovered on the site shall, as between the Company and the Contractor, be deemed to the property of the Company, and the Contractor shall take reasonable precautions to prevent his workmen or any other person from removing or damaging any such articles or things and shall, immediately on discovery thereof and before their removal, inform the Engineer of such discovery and carry out at the expense of the Company the Engineer's directions as to the disposal thereof.

Returns and Information

20. The Contractor shall make reports to the Engineer at such intervals and on such occasions as the Engineer may from time to time require. Such reports shall contain in the form and detail called for by the Engineer, such information as the Engineer may require with respect to labour, materials, plant, the progress of the work or other relevant matter.

Work on Existing Installation

21.(i) If the works are to be carried out within an existing installation of the Company, care should be taken to avoid any hindrance of the normal operations at the installation.

- (ii) The Contractor shall strictly observe all rules as to smoking, carrying matches and lighters and striking sparks, and all other safety regulations as defined in and required by Appendix No. 1 of these Conditions.
- (iii) The Company shall be at liberty (although not being obliged to do so) to order an immediate cessation of the whole or any part of the works in the event of any breach of any of the said safety Regulations and to refuse to permit the same to be recommenced unless and until such breach shall have been remedied to its satisfaction without incurring in any such case any liability towards the Contractor for any loss or damage which the Contractor shall or may suffer.

Injuries to Company's and Contractor's property

- 22. (i) The Contractor shall take reasonable care to avoid damage to the works or to any other property of the Company and shall indemnify the Company its servants or agents against all claims arising out of damage to the Contractor's or any Sub-contractor's property insofar as any such damage arising out of or is connected with the execution of the works and whether or not such damage is caused or contributed to by the Company its servants or agents.
- (ii) The Contractor shall take due and proper care of all and any plant machinery tools appliances and equipment which the Company shall or may provide or make available to the Contractor for or in connection with the works and shall keep the said equipment In good repair order and condition and preserved from loss damage or injury (except such as may be caused only by fair wear and tear in the reasonable use thereof) and shall forthwith on satisfaction of the purpose for which such equipment shall have been so provided or made available or earlier if the Company shall so require return the same to the Company entire and in such state of repair order and condition as shall be in strict compliance with the foregoing obligation and in the event of any loss, damage or injury (except as aforesaid) the Contractor shall on demand compensate the Company therefor in damages being the cost of repair or (in the case of loss or irreparable damage or injury) the cost of replacement
- (iii) The Contractor shall ensure that all and any employees of the Contractor shall forthwith on demand made at any time by or on behalf of the Company, submit to being searched by any official of the Company for property belonging to the Company which is or is suspected to be in the possession or control of any such employee.

Injuries to Third Parties and their Property, etc.

- 23. (i) The Contractor shall indemnify the Company, its servants and agents, against all claims by and liabilities in respect of: -
 - (a) personal injury, including death and industrial disease, sustained by any employee of the Contractor or of a sub-contractor,

- (b) loss or damage to the property and personal injury including death, to the person of any Third party, and
- (c) loss or damage to the property, equipment or tools of the Contractor, a sub-contractor or any of their employees

Insofar as any such claims or liabilities arise out of or are connected with the execution of the works, whether or not the negligence or other breach of duty of the Company, its servants or agents shall have caused or contributed to any such personal injury, loss or damage, and shall indemnify the Company, its servants and agents, against all actions, proceedings, damages, costs, charges, expense or payment, taken against or payable or made by the Company, its servants and agents in respect of any such claims or liabilities:

Provided that in respect of paragraph (b) above of this sub-clause the indemnity shall not cover liabilities arising out of personal injury to servants and agents of the Company where there has been no negligence by the Contractor his servants or agents or his sub-contractor their servants or agents.

Provided further that in respect of paragraph (c) above of this sub-clause the indemnity shall not cover liabilities directly arising out of written instructions to the Contractor his servants or agents from the Company or its servants or agents.

- (ii) The Contractor undertakes that he or his sub-contractors shall maintain insurance to cover both themselves, the Company, its servants or agents for such liabilities referred to in sub-clause (i) of this clause up to the sum so specified in the Contract Agreement /Memorandum of Agreement, in respect of any one incident or series of incidents arising from one event.
- (iii) Notwithstanding the foregoing the Company shall hold the Contractor, his servants or agents and his sub-contractors and their servants or agents, harmless from any such liabilities to third parties which may arise out of or in consequence of the performance of this Contract whether negligence or otherwise in excess of the sum so specified in the Contract Agreement /Memorandum of Agreement, in respect of any one incident or series of incidents arising from one event. Provided that the preceding provisions of this sub-clause (iii) shall not apply to the liabilities of the Contractor or his sub-contractors for personal injury to their own personnel and in the case of such personal injuries the indemnity provisions of sub-clause (i) of this clause shall apply without limitation and the provisions of sub-clause (ii) shall also apply.
- (iv) In this clause “personal injury” includes fatal injury and disease and “third party” means any person other than the Contractor and the Company and includes (without prejudice to the generality of the foregoing) sub-contractor and servants and agents of the Company, the Contractor and sub-contractors.

Assignment

- 24. The Contractor shall not assign the Contract or any part thereof or any benefit or interest thereunder without the written consent of the Company.

- Sub-letting** 25. (i) The Contractor shall not sub-let the whole of the works.
- (ii) Subject to the provisions of the Contract, the Contractor shall not sub-let any part of the works without the written consent of the Engineer, and such consent, if given shall not relieve the Contractor from any obligation under the Contract.
- (iii) The Engineer may require the Contractor to sub-let particular parts of the works to a sub-contractor selected by the Engineer and it shall be the duty of the Contractor to use his best endeavours to comply with any such requirements, but compliance therewith shall not relieve the Contractor from any obligation under the Contract
- (iv) The Contractor shall be responsible for the acts, omissions, defaults and neglects of any sub-contractor, his agent, servants or workmen as fully as if they were the acts, omissions, defaults or neglects of the Contractor, his agents, servants or workmen.
- Prime cost Contracts.** 26. In prime cost contracts the Contractor shall endeavour to secure the utmost economy compatible with his obligations under the Contract, and shall use his best endeavours to obtain and shall allow to the Company the benefit of any rebates or discounts. The Contractor shall use his best endeavours in such contracts to obtain competitive tenders or quotations for the supply of materials and also (subject to the requirement of the Engineer) for the carrying out of work proposed to be sub-contracted, and shall keep the Engineer informed of all invitations to tender or quote and shall obtain the Engineer's approval in writing before accepting any tender or quotation.
- Adjustments for Variations, Overtime, etc.** 27. (i) Payment for extra work shall not be made on a day work basis unless before undertaking the work the Contractor has obtained the written consent of the Engineer to his carrying out the Work on that basis.
- (ii) The Engineer shall determine the amount (if any) to be added to or deducted from the contract price in respect of any variations, additions or omissions made on his written instructions. The said amount shall be a reasonable sum calculated with due regard to the rates (if any) set out in the Contract and to all other relevant circumstances. In the case of extra work done on a day work basis, the said amount shall be based on the Contractor's expenditure, together with profit thereon at a reasonable rate.
- (iii) If the Company requests the Contractor to work overtime for any reason not relating to any default by the Contractor, the net extra cost shall be paid by the Company to the Contractor.
- Provisional cost and Prime Cost Items** 28 (i) Except as the Engineer may direct, the Contractor shall not incur any expenditure on prime cost items or items covered in the Contract by provisional sums.
- (ii) In respect of expenditure incurred by him on such items the Contractor shall be entitled to receive the net amount of the said expenditure (after taking account of all discounts for cash in excess if

2½ per cent and all other discounts, rebates and allowances) together with profit on the said net amount at such reasonable rate as, in default of agreement, may be determined by arbitration under the provisions hereinafter contained.

Variations in cost

- (iii) Where the Contract price as specified in the Contract includes any provisional sums or any sums in respect of prime cost items, in ascertaining the final contract price, those shall be deducted and the sums payable to the Contractor under sub-clause (ii) of this clause shall be added.
29. (i) The Contract price shall be subject to adjustments to meet any increase or reduction in the cost of the works due to any general rise or fall in the cost of labour or materials, provided that no account shall be taken of any increase in the cost of the works which is attributable to the Contractor's failure to work at the proper speed.
- (ii) The amount of any such adjustment shall be the net increase or reduction in the costs incurred by the Contractor, without any allowance for overhead charges or profits. Adjustments to meet increase shall be allowed only in so far as the Contractor has suffered loss without any compensating gain.
- (iii) No adjustments shall be made for variation in boot money, tool money, dirt money, or the like, or for holidays with pay contributions, or for traveling time, fares, or guaranteed minimum period.
- (iv) The Contractor shall notify the Company of any relevant rise or fall in costs as it comes into operation.
- (v) Adjustments under this clause must be separately invoiced. Claims by the Contractor for such adjustments shall be made as soon as known, and in any event all outstanding claims accruing prior to the 31st December in any year, before 15th January following. Claims by the Contractor shall be supported by adequate documentary evidence to the satisfaction of the Engineer, and the Company may require the Contractor to produce his books to the company for the purpose of enabling the Company to verify any such claims.

Account

30. All accounts submitted by the Contractor shall be in triplicate. The Contractor shall submit separate accounts relating to any extra work done on a day work basis.

Payments

31. (i) The Company shall make to the Contractor after the end of each month a monthly payment which when taken together with the previous monthly payments equals 90 per cent of either:
- (a) the value as certified by the Engineer of work done in accordance with the Contract on a schedule rate basis or a lump sum basis (such value to be calculated by reference to the schedule rates, or not to exceed a due proportion of the lump sum, as the case may require), or;

- (b) the amount as shown by invoices of wages paid, materials purchased, plant hired and other disbursements made in accordance with the Contract on a prime cost basis.

Such invoices for any month shall be submitted by the Contractor to the Company for approval within 7 days after the end of the month and the monthly payment shall be made within 21 days thereafter.

- (i) The balance shall be paid by the Company to the Contractor when the maintenance work has been completed and the Contractor has notified the Company in writing that he has no further claim with respect to the Contract or any matter relating thereto. After acceptance of the said balance the Contractor shall not make or proceed with any such claim.
- (ii) Any payment made or certificate issued or approval given under this clause shall not preclude the Company from questioning the extent, quality or adequacy of the work done by the Contractor.

Maintenance

32. The Contractor shall carry out with all possible speed such maintenance work (including work necessary to remedy defects) as may be found necessary and ordered by the Engineer during a period of twelve months after the Engineer has certified that works have been completed. The Contractor shall be paid for such work in accordance with provisions of the Contract relating to additional work, except in the case of work rendered necessary owing to defective materials supplied by the Contractor or workmanship, the cost of which shall be borne by the Contractor. The provisions of the this clause apply whether or not the works are used during the maintenance period, and whether or not some part thereof is used before completion of the whole.

Clearance of site during progress and on completion

33. The Contractor shall ensure that during the progress of the works debris is not allowed to enter or be washed into any drainage system and that on completion of the works all surplus or scrap materials, general rubbish and all his gear and plant is removed from the site and that the site is left in a clean and tidy condition.

Drawings etc.

34. Drawings, tracings, designs and specifications supplied by the Company shall be and remain the property of the Company and shall be treated by the Contractor as confidential. They may not be reproduced by the Contractor except for purposes connected with the preparation of the Contractor's tender or the execution of the Contract. All copies thereof must be returned to the Company with the Contractor's tender, and, if the tender is accepted, within one month from the completion of the works or the earlier termination of the Contract.

Contractor's

35. If either: -
- (a) the Contractor contravenes or makes default in the performance of any of the provisions of the Contract, and the contravention or default continues for 7 day after the Company has given notice in writing to the Contractor specifying the contravention or default, or

- (b) the Contractor becomes bankrupt, or has a receiving order made against him, or presents his petition in bankruptcy, or makes an arrangement or assignment in favour of his creditors, or agrees to carry out the Contract under a committee of inspection, or goes into liquidation (other than voluntary liquidation for the purposes of amalgamation or reconstruction), or has execution levied on his goods,

the Company may, without prejudice to rights available to them, by notice in writing to the Contractor forthwith determine the Contract, and may retain all moneys then due or thereafter falling due under the Contract and apply them towards making good any loss or damage arising from the contravention or default or the termination of the Contract aforesaid. A certificate of the Engineer that the contractor has contravened or made default in the performance of any of the provisions of the Contract and that contravention or default has continued for seven days after the Company has given notice in writing to the Contractor specifying the contravention or default shall be conclusive evidence of these facts for the purposes of this clause.

**Suspension
Special
Powers of
Termination**

- 36. (i) The Company may at any time and from time to time by notice in **and** writing to the Contractor suspend the execution of the works or any portion thereof for such periods as may be specified in notice. All reasonable expenses incurred by the Contractor by reason of suspension of the works or any portion thereof by the Company (otherwise than in consequence of some default on the part of the Contractor) shall be added to the Contract price, provided that no claim shall be made under this clause unless the Contractor has, within a reasonable time after the event giving rise to the claim, given notice in writing to the Company of his intention to make such claim.
- (ii) The Company may at any time by 14 days, notice in writing to the Contractor determine the Contract, and on the determination of the Contract by such notice:
 - (a) The Contractor shall, if so required by the Engineer and if it is practicable to do so on terms approved by the Engineer, assign to the Company the benefit of any sub-contract entered into by the Contractor in connection with works or terminate any such sub-contract,
 - (b) the Engineer shall certify: -
 - (i) the sums remaining payable to the Contractor under the terms of the Contract in respect of work done, materials supplied and plant provided up to the determination
 - (ii) any sums which have necessarily been paid by the Contractor in order to carry out his obligations under paragraph (a)hereof
 - (iii) any other reasonable cost or expenses incurred by the Contractor by reason of the determination,

and the Contractor shall be entitled to be paid the sums so certified, but shall not be entitled to any further payment.

- Termination Generally** 37. The termination of this Contract shall not prejudice any rights or remedies accruing before, at or in consequence of the determination, or any proceedings with respect to any such rights or remedies, including proceedings by way of arbitration hereunder.
- Destruction and damage** 38. If before the end of the maintenance period the works are destroyed or damaged either wholly or in part, the Contractor shall make good such destruction or damage. Except where the destruction or damage is due to any neglect or default on the part of the Contractor, he shall be entitled to be paid for the work of making good the destruction or damage in accordance with the provisions of the Contract relating to additional work.
- Arbitration** 39. (i) All disputes and difference between the Company and the Contractor arising out of or in connection with the Contract shall be referred to a single arbitrator to be agreed upon between the parties.
- (ii) Any such reference shall be deemed to be a submission to arbitration within the meaning of the Arbitration Act (Cap 49), or any statutory modification or re-enactment thereof for the time being in force.
- Notices** 40. (i) Any notice authorized or required to be given to the Company hereunder shall be deemed to be sufficiently given if sent by post addressed to the Company at their address as specified in the Contract Agreement /Memorandum of Agreement.
- (ii) Any notice authorized or required to be given to the Contractor hereunder shall be deemed to be sufficiently given if sent by post addressed to the Contractor at his address as specified in the Contract Agreement /Memorandum of Agreement.
- (iii) Notices sent by post as aforesaid shall be deemed to have been given at the time when they would be received in the ordinary course of post
- (iv) proof of posting shall be proof of delivery.

SAFETY REGULATIONS:

The Contractor's attention is drawn to KPRL HEALTH AND SAFETY HANDBOOK MANUAL. All instructions contained therein must be adhered to all the times, while working within the Refinery Restricted areas.

The instructions shall also apply at Contractor sites while working on KPRL jobs.