

**General Contractual Conditions  
for Contracted Work**

## **GENERAL CONDITIONS**

### **1. Definitions**

- 1.1 The following clauses form the "General Conditions", which are applicable to each agreement, which is concluded by INEOS, hereinafter referred to as the "Principal". The General Conditions of the Contractor are expressly ruled out. These General Conditions, together with all annexes attached hereto, including possible applicable building site regulations for the petrochemical industry, form the "Agreement".
- 1.2 The Agreement relates to "lump-sum" work as well as to "hourly-rate" work or "piece work".  
"Lump-sum work" or "piece work" is understood to be work, which is carried out in exchange for payment of an amount that is determined according to hour tariffs or unit prices.  
Lump-sum work is understood to be: work, which is carried out for a predetermined price, whether or not subject to review in writing.
- 1.3 The Principal reserves the right to change the work that is the subject of the Agreement. The cost price of a greater or lesser amount of work shall be estimated on the basis of hourly tariffs or unit prices providing the Agreement relates to hourly work or piecework. When the Agreement relates to lump-sum work, the cost price shall be calculated on the basis of the price specified in advance. The period of execution of the Agreement shall be adjusted by mutual agreement, taking into account the duration of that greater or lesser amount of work. The Contractor may not impose any change to the Contract Price or period of execution without the prior written consent of the Principal.
- 1.4 The "Supervisor" is the person who acts on behalf of and for the account of the Principal and is charged with the management and supervision of the work to be carried out by the Contractor.
- 1.5. The "Contact" is the person whom the Contractor has designated from among its employees and whom the Client can contact to receive and discuss instructions relating to the performance of the work.

### **2. Authority of the Supervisor**

The Supervisor can convene meetings with the Contractor and, insofar as necessary, the Contact designated by the latter, in order to discuss the execution of the work and, insofar as necessary, to give instructions so as to have the work carried out in due time and in accordance with the Principal's wishes without this leading to the Contractor's subordinates and appointees being under the authority, management or supervision of the Principal.

He may take definitive decisions on behalf of the Principal for all matters, which relate to the execution of the work, as described in plans and specifications. He can also, if he deems it necessary for the good execution of the Agreement or for reasons inherent in the Principal's operation, temporarily halt the work. If after investigation it appears that the Contractor bears no responsibility whatsoever as regards the reason for which the work was temporarily halted, an appropriate compensation shall be due to the Contractor by the Principal. In all other cases no compensation shall be due.

### **3. Position of the Contractor's Personnel**

- Members of the Contractor's personnel remain at all times employees of the Contractor and are exclusively under his authority.
- The Contractor is responsible for paying salaries, hourly wages and extra legal allowances to his employees in accordance with Belgian Law.
- The Contractor undertakes to fulfil all obligations concerning social legislation for all the personnel he employs, as well as insuring his employees against accidents, physical injury and material damage, both in respect of his own damage and for any damage caused to third parties.
- The Client shall refrain from issuing instructions directly to the Contractor's employees. All instructions must pass through the Contractor or the Contact designated for this purpose.

### **4. Acceptance of the Contract**

The Contractor – without any written notice to the contrary on his part and within fourteen days of receipt of the order – declares his agreement with the complete contents of the Agreement and with the content of any supplements as specified in the Agreement.

### **5. Execution of the Work**

5.1 The Contractor shall carry out the work in complete autonomy. The Contractor may at any time ask the Principal for additional information in order thus to be able to carry out the work as required. The Contractor may, with the consent of the Principal, call in a specialist Sub-contractor.

The Contractor's personnel who carry out the contractually agreed work shall do this under the management, authority and responsibility of the Contractor. The latter personnel are not bound in any way whatsoever to the Principal.

The directions, which are given by the Principal, cannot under any circumstances at all be interpreted as an indication, which would indicate any relationship of authority.

5.2 The Contractor is regarded as having examined all of the information, records and drawings, which have been made available to him within the framework of the present agreement by or on behalf of the Principal. The Contractor is regarded as having visited the Site and having agreed with the circumstances in which the Contractor will have to execute the agreement.

5.3 The Contractor will comply fully with the regulations concerning safety, security, health and traffic regulation within the Principal's company. Before the contract commences, the applicable conditions will be made known and handed to the Contractor. The Principal reserves the right to alter those conditions. The new conditions are applicable from the time of their notification to the Contractor.

5.4 The Principal has the right to monitor the work during its execution. The Contractor shall take all necessary steps to make such an inspection possible. This does not detract from the autonomy under which the Contractor performs the work.

- 5.5 If the Agreement, laws, ordinances, proscriptions and/or regulations impose a government test and/or examination of the work, the Contractor must carry out the said test and/or examination at once or have it carried out.
- 5.6 The Contractor undertakes for the execution of the work to provide his personnel on site with the necessary safety helmet, safety spectacles, safety shoes and overall.
- 5.7 The Contractor undertakes to fulfil all obligations which are associated with the provision of services by his own personnel or by Sub-contractors on Belgian territory and guarantees that his employees or agents or his Sub-contractors and the employees or agents of those Sub-contractors will fulfil the obligations resting on them in this connection. This concerns, inter alia, but is not limited to:
- applying for E101 forms for seconded personnel;
  - compliance with all legal conditions concerning LIMOSA;
  - compliance with all legal conditions concerning DIMONA;
  - the fulfilment of the terms of the Law of 5th March 2002 for the conversion of Directive 96/71/EC of 16<sup>th</sup> December 1996 concerning the making available of employees with a view to the provision of services and introducing a simplified system for enterprises, which make employees available in Belgium to keep social documents up-to-date.
  - the fulfilment of all other Belgian laws, which relate to the employment of foreign employees.
- 5.8. The Principal has the right to deny access to the workshop for employees or appointees of the Contractor/Sub-contractor, who do not, or cannot demonstrate that they meet one or more of the above conditions, or who are not fitting for the execution the Agreement. The Contractor shall at the request of the Principal immediately remove these employees or appointees. In such case the Contractor/Sub-contractor shall not be able to claim any sum of compensation nor an extension of the execution period of the task. These employees or appointees may exclusively be re-employed with the written permission of the Principal.
- 5.9. The Contractor indemnifies the Principal and his employees, bodies and appointees against all direct and indirect damage, including damage under property law arising out of criminal convictions, which is the consequence of failure by the Contractor or his employees or appointees or by his Sub-contractors and the employees or appointees of these Sub-contractors, to respect one or more of the obligations incorporated in the Agreement.

## **6. Suspension or Termination of the Agreement**

- 6.1. The Principal may at any time suspend execution of the Agreement or part of it. In the event that the Agreement was suspended and later continued, the execution period of the Agreement shall be prolonged by a period agreed by the parties. Failing such agreement, a maximum extension equal to the suspended period shall apply. The Contractor undertakes to respect the new period of execution agreed in this way.

- 6.2. If the Contractor falls short in the fulfilment of any obligation resting upon him, including inter alia failure to respect laws, ordinances or regulations of any kind, or failure to respect contractual stipulations, the Principal is entitled to disband the agreement out of court to the detriment of the Contractor, subject to prior written notice of default and without owing any compensation, on any account.

In aforementioned case the Contractor shall compensate any and all damage having a causal connection to his fault(s), as well as, as additional compensation, all costs incurred by the Principal, including all reasonable extra-legal costs incurred.

- 6.3. The Principal may disband the agreement with immediate effect and without prior notice of default to the detriment of the Contractor in the event of bankruptcy, suspension of payment, liquidation of the Contractor, loss of the contractor's registration number, non-payment of the Sub-contractors, without being obliged to pay any form of compensation. The Contractor is obliged to compensate all damage and costs, which the Principal suffers as a consequence of this. In these cases all claims, which the Principal may have or obtain against the Contractor, shall be immediately due in full.
- 6.4. The Principal has the right to cancel the agreement in writing at any time, unilaterally, with a notice period of 14 days, without having to give any reason. The Contractor has no right to payment of costs made after the actual notice period, unless he can demonstrate that these were made within the scope of fulfilling the commitments entered into before the notice was served upon him. The cost price for partially completed parts of the work shall be calculated on the basis of hourly tariffs or unit prices. In the case of a fixed price, the cost price shall be calculated proportionately. The Principal is in no way obliged to pay a sum of compensation as the result of damage or loss of expected profit as a result of such termination of the contract.
- 6.5. In the event of termination of the agreement the Contractor must directly hand over to the Principal all technical construction details and information, which the Principal has provided him in connection with the agreement. The Contractor must hand over all

copies of all subcontracting contracts and purchase orders, regardless whether these works are complete, in execution or outstanding. The Contractor must provide a report, which indicates the precise status of execution of the Contracting Agreement, sub-contracting agreements and purchase orders. If the Principal agrees to a transfer of the Sub-contracting Agreements or purchase orders, the Contractor shall take all measures for the purpose of transferring these Sub-contracting Agreements or purchase orders to the Principal.

## **7. Confidentiality**

The Contractor hereby declares that he will keep strictly confidential all information, which he obtains from the Principal and which relates to the institutions and the production process, and that he will not pass them on to, or use them for third parties, and this for a period of 10 years after each instance of the information becoming available.

This information includes drafts, plans, specifications and all information of a technical or a technological nature. The Contractor shall only use and apply this information for the benefit of the Principal and for the execution of its activities at its company.

The Contractor shall give his personnel clear instructions concerning the respect of the confidentiality standards as described above, and shall supervise the strict observance of the standards set. The Contractor is liable for breaches of the confidentiality obligation by his employees or Sub-contractors.

The Contractor declares his agreement not to use any photographs, plans or other material relating to the Principals' institutions or the production process for advertisements or publications, without receiving written from permission the Principal to do so.

All documents mentioned under this "confidentiality" clause shall be returned to the Principal at the termination of the contract.

## **8. Subcontracting**

8.1. The Contractor is not entitled to contract out the contract, nor part of it to third parties, without written permission from the Principal. If the Principal is in agreement, the Contractor undertakes to incorporate the same conditions and stipulations into his contracts with Sub-contractors.

With regard to personnel management, the Contractor is not authorised to have work executed by people who are not on his own payroll, without prior approval from the Principal. In such case, a list of "personnel not belonging to the Contractor" including the Sub-contractor's company name shall be submitted to the Principal in advance, for approval.

8.2. No single clause of the Agreement shall bring about a contractual relationship between the Principal and the Sub-contractors.

8.3. When the Principal agrees with the Sub-contractor, the Contractor must supervise the Sub-contractor's undertaking of the following obligations:

- The Sub-contractor must respect the legal, regulatory and contractual stipulations with respect to his personnel, in the tax and social sphere, and with respect to safety, hygiene and general employment conditions.
- The Sub-contractor established in Belgium is to supply proof that he is registered as a Contractor, and is to undertake to retain his registration until such time as the agreement has been completely executed, thus until he has received the final payment. The Sub-contractor must present proof of registration. The Sub-contractor's invoices must mention the Sub-contractor's contractor's registration number. The contractor's registration must correspond to the activity to be performed. Any Sub-contractor whose registration is scrapped during the execution of the agreement, is to notify the Contractor of this, by registered letter within two working days of his being notified of the decision to scrap.
- If the Sub-contractor is not an employer established in Belgium, he must demonstrate that he has satisfied the legal obligations with respect to LIMOSA and DIMONA.

- The Sub-contractor, whether or not established in Belgium, must at the concluding of the agreement and with each invoice, demonstrate that he has no social debts. From 1 January 2009 on, unless an earlier implementation date is specified, the Sub-contractor shall likewise demonstrate that he has no tax debts.
  - If the Sub-contractor is an employer not established in Belgium, he shall at the concluding of the agreement, and at the request of the Principal, with each invoice, attach a copy of the valid E101 secondment certificates of his employees as well as proof from the Patronale Dienst voor Organisatie en Controle van de Bestaanszekerheidsstelsels (PDOK) (*Employers' Department for the Organisation and Inspection of Social Security Systems*) that he has no debts at the PDOK.
- 8.4. If the Sub-contractor has social debts, and from 1 January 2009 – unless an earlier implementation date is specified - tax debts, the Contractor shall perform the necessary deductions.
- 8.5. The Sub-contractor may only enlist Sub-contractors, approved by the Contractor and the Principal in advance, in writing.  
The Sub-contractor undertakes to incorporate the same obligations into his contracts with his Sub-contractors.
- 8.6. The Principal reserves the right to amicably disband the agreement, immediately and without prior notice of default to the detriment of the Contractor in consequence of any infringement of these stipulations or the failure to respect social or tax obligations, without prejudice to the right of the Principal to compensation for all detrimental consequences, which it may experience.

## **9. Retention Obligation – Registration**

- 9.1. Any Contractor established in Belgium declares that he is registered as a Contractor and undertakes to retain his registration until such time as the agreement has been completely executed, thus until he has received the final payment.  
The Contractor must submit proof of registration. The Contractor's invoices must mention the contractor's registration number of the Contractor. The contractor's registration must correspond to the activities, which the Contractor shall carry out for the account of the Principal. Any Contractor whose registration is scrapped during the execution of the agreement, is to notify the Principal of this immediately and no later than within two working days, by registered letter.
- 9.2. If the Contractor is not an employer established in Belgium, he must demonstrate that he has satisfied the legal obligations with respect to LIMOSA and DIMONA.
- 9.3. The Contractor, whether or not established in Belgium, must at the conclusion of the agreement and with each invoice, demonstrate that he has no social debts. From 1 January 2009, unless an earlier implementation date is specified, the Contractor shall also demonstrate that he has no tax debts.  
If the Contractor is not an employer established in Belgium, he shall at the concluding of the agreement and with each invoice at the request of the Principal attach a copy of the valid E101 secondment certificates of his employees as well as proof from the Patronale Dienst voor Organisatie en Controle van the Bestaanssecuritysstelsels (PDOK) that he has no debts with the PDOK.

9.4. If the Contractor has social debts, and from 1 January 2009 - unless an earlier implementation date is specified - tax debts, the Principal shall perform the necessary deductions.

If the Principal establishes that he has erroneously made no deductions, he may withhold sums corresponding to the maximum fine, which the authorities may impose on him for late payment, and give them into cantonnement until such time as it is established that no, or a smaller fine is imposed, whereupon the Principal is to transfer the remaining sums to the Contractor.

9.5. The Contractor shall compensate and indemnify the Principal for each detriment suffered that directly or indirectly arises out of the contracting, incl. the failure to respect tax and social laws. The Contractor undertakes to unconditionally support the Principal and to participate voluntarily in all administrative or legal proceedings, which shall be instigated against the Principal on account of any activity or deed of the Contractor or his personnel, his agents and Sub-contractors.

The Principal also reserves the right to amicably disband the Agreement immediately and without prior notice of default to the detriment of the Contractor as a consequence of any infringement of these stipulations or the failure to respect social or tax obligations, without prejudice to the Principal's right to compensation for all detrimental consequences, which the Principal may experience.

## **10. Social Legislation:**

The Contractor must respect all prevailing social legislation. In this way, any Contractor who is subject to Belgian social legislation, acknowledges that he is aware of the legal stipulations contained in the Law of 27 April 2007 (Programme Law) and the decisions for its execution, and shall closely execute all of the formalities mentioned therein if the activities of the Contractor fall under the area of application of the law.

Employees of a Contractor not subject to Belgian social legislation, must at all times hold the documents required by Belgian law, which permit them to perform the activities in Belgium without deduction of the compulsory tax and social security contributions, (for EC citizens inter alia document E101).

The Principal reserves the right, where necessary, to amicably disband the agreement, immediately and without prior notice of default to the detriment of the Contractor in consequence of any infringement of these stipulations, without prejudice to the Principal's right to compensation for all detrimental consequences, which the Principal may experience, when infringement of the legal proscriptions is established in the matter.

## **11. Foreign Companies:**

The Contractor is entirely responsible for fulfilling all VAT obligations.

Should, as a direct or indirect consequence of the incomplete or incorrect application of VAT legislation by the Contractor or one of his subcontractors, an obligation arise for the Principal, whether or not based on a several obligation, to pay any sum in VAT of fines, or any limitations or refusals of the right to VAT deduction, or any other disadvantage, the Contractor shall be required to compensate the Principal for any and all sums owed by the Principal, and any and all damage.



When goods are imported by the Contractor, the Principal cannot be designated as consignee for the application of VAT and customs legislation. The Contractor shall, within the boundaries define by VAT legislation, do all he can do to avoid that the Principal, as consignee or in whatever other capacity, would be required to pay import VAT or any other import charges whatsoever to the Belgian or foreign authorities. Neither can the import VAT be charged on to the Principal in any way.

## **12. True and Faithful Accounting**

The Contractor must ensure that his bookkeeping accurately reflects the execution of the work and its payment, and that he has an efficient system of internal audit, and finally that all financial settlements, reports, invoices and all other documents, which he draws up in execution of the agreement, are a true and faithful representation and are complete.

The Principal has the right to suspend the payment of non-detailed invoices or invoices not foreseen with the necessary documentary evidence, until the Contractor supplies proof that these invoices are a true and faithful representation.

## **13. Execution of the Work - Legal Proscriptions - Materials - Personnel - Meetings with the Principal**

The Contractor undertakes to execute the work, in accordance with the applicable proscriptions for Construction work and factory regulations, to inspect these and to complete them within the set period, in a proper and professional manner, to the satisfaction of the Principal, and observing the stipulations of the Agreement. Each amendment of or deviation from the stipulations of the Agreement is only valid following prior, written approval from the Principal.

If conflicts arise in connection with the meaning in any document, and parties are unable to solve the conflict by mutual consultation, the interpretation of the exact meaning shall be left to the discretion of a third party, i.e. an expert in the field of construction appointed by both parties and authorised to act as a court expert.

The Contractor undertakes to obtain the necessary permits and licences with a view to the execution of the Agreement.

The Contractor shall in the execution of this agreement strictly observe all of the applicable legal and regulatory proscriptions. The Contractor shall obtain all of the required permits and authorizations applicable to him necessary for the execution of the work, as described in the "Safety Regulations for Contractors". These documents vary depending on the site. The Contractor must verify that he, in fact, has the correct documents.

The Contractor shall, unless agreed otherwise, supply all materials, machinery, tools, equipment, appliances, machines, installations, transport and any kind of other means and products necessary for the execution of the work.

The Contractor shall employ the necessary work force for the execution of the work. He shall finally, unless agreed differently, provide all of the temporary necessities, including transport and accommodation, for all personnel employed by and for him.

The Contractor shall attend all meetings organised and announced by the Principal in order to discuss the activities and to receive instructions. All of the decisions taken and information given there are binding for the Contractor, irrespective of the manner in which the Contractor is represented at these meetings.

#### **14. Inspection of the Work and Use of Materials**

The Principal shall at all times be able to inspect the work and the materials used. The Contractor shall take all measures necessary to facilitate this access and inspection.

The Contractor shall check all materials, machinery, tools, equipment, appliances, machines, installations, and other means or products, necessary for the execution of the work, supplied or ordered by the Principal, upon their being made available at the site (or the company) for their suitability for proper and safe execution of the work. If the Contractor establishes that one of these goods was not delivered to him in the appropriate condition, he shall immediately notify the Principal of this, if not he is to be considered as having received them in that appropriate condition.

##### **14.1. Applicable on supply of materials, serving as an installation component:**

Irrespective of all other inspections foreseen in the Agreement, the Principal may at any time order an inspection of work or materials, which appear to him to be of unreliable quality.

In this case, the Contractor is obliged to make this part of the work or materials accessible for inspection. If as a result of this it appears that the work and/or material does indeed comply with the stipulations of the Agreement, the costs of making the work and materials available and of the inspection, the repair and any replacement are for the account of the Principal. In the opposite case, all of these costs are for the Contractor.

All of the materials used must be new and of the best quality, they must conform to the agreement and be used in a professional manner. All materials used must comply with the most recent publication of the relevant Belgian standards, irrespective of whether they are included in the agreement. If reference is made in the Agreement to British, American or other standards and/or manufacturer's recommendations, the officially equivalent Belgian standard takes precedence. At the request of the Principal the Contractor shall furnish all information required relating to the origin and specifications of the materials used by him. If this request is not acted upon, the Principal reserves the right to refuse the materials in question, or to have them replaced at the expense and for the account of the Contractor.

Materials, whether or not processed, and work carried out, which does not comply with the Agreement shall be replaced and removed by the Contractor at no extra cost to the Principal. The Contractor must likewise bear all of the costs for damage, which the Principal suffers as the result of such replacement and removal. If the Contractor fails to carry out this removal and replacement work, the Principal shall be able to execute all of the necessary work at the expense of and for the account of the Contractor, and deduct this sum from the price stipulated in the Agreement.

## **15. Audits**

The Principal or his representative is to have access to the offices and other institutions of the Contractor, and also to his personnel, and to all of his archives, books, dossiers, correspondence, regulations, plans, designs, information, supporting documents, documents to be booked and agreements relating to the work foreseen in the project, at any reasonable time, and this exclusively with the aim of verifying invoicing, costs, time worked, performance or any other elements, which are dictate the costs of the Contractor and to investigate whether the Contractor is fulfilling all of the stipulations and conditions of the Agreement.

## **16. Liability**

16.1. Except in the case of deliberate fault of the Principal or of another Fellow Contracting Party of the Principal, the Contractor is liable for all damage having a causal connection to faults regarding the execution of this agreement, faults on the part of his employees (also temporary workers) and his agents, faults on the part of his subcontractors and any other person – also merely de facto – brought in or hired by him.

In this way, the Contractor shall inter alia be responsible for all materials, machinery, tools, equipment, appliances, machines, installations and other means or products, supplied by anyone at all, and which are necessary for the execution of the work, even during transportation by or under instruction from the Contractor.

16.2. In the event that a fault attributable to the Contractor, as intended in article 16.1., causes damage to third parties, the Contractor alone shall be liable. He explicitly waives any and all recourse against the Principal and against other Fellow Contracting Parties of the Principal. The personnel members, appointees and agents of the Principal are third parties with respect to the Contractor.

Furthermore, the Contractor shall indemnify the Principal and other Fellow Contracting Parties against any claim from the prejudiced third parties. The Contractor undertakes to unconditionally join and support the Principal and to voluntarily intervene in any administrative or legal procedure initiated against the Principal on account of any activity or act of the Contractor, his personnel, his appointees or on account of the subcontracting.

16.3. The contractor is in all respects, as mentioned above, liable for errors on the part of his subcontractors.

16.4. The Contractor shall compensate and indemnify the Principal for each detriment suffered that arises directly or indirectly out of a pledge or distraint, or any nature at all against the Contractor or his Sub-contractors. The Contractor undertakes straight away to have the pledges and distraints lifted.

16.5. The Principal be entitled to deduct from each payment owing to the Contractor on account of the current agreement, the sum corresponding to the damage, which the Principal has incurred due to an error for which the Contractor is liable, including (without this constituting a limitation) the costs for terminating the work. All sums, which are greater than that payment, shall be paid to the Principal by the Contractor.

16.6. The Principal or other Fellow Contracting Party of the Principal are only liable for a deliberate fault on their part.

## **17. Insurance**

### **17.1. Liability insurance policies**

The Contractor shall take out all necessary liability insurance policies, including a Civil Liability Business Insurance policy, and in as much as they are applicable, a Civil Liability After-Delivery insurance policy and a Professional Liability insurance policy.

A minimum of the following damage must be covered by the Public Liability Business Insurance policy: compensation for physical injury, compensation for material and immaterial damage, damage to goods entrusted to the Contractor, damage by fire, smoke, explosion and water, pure immaterial damage, hindrance of neighbours, accidental damage to the environment, damage of all kinds of origin, the liability of the company for deeds of the Sub-contractors. The guaranteed sums for the Civil Liability Business Insurance policy must total a minimum of 10 000 000 EURO per case of damage.

The sums insured in the Civil Liability After Delivery or Professional Liability insurance policy must amount to a minimum sum of 10 000 000 EURO per insurance year.

The insured sums may be reduced by written agreement of the Principal.

17.2. The Contractor shall take out all other necessary insurance, including all insurance policies compulsory by law, such as the legally imposed industrial accident insurance and the legally imposed Civil Liability for Vehicles insurance, as well as a transport insurance policy in the case of transportation of goods.

17.3. The Contractor shall conclude the insurance policies with a solvent insurance company, with a minimum of the A-rating awarded by Standard & Poor's or by Moody's or another equivalent international rating body.

Before commencing the activities covered by this agreement, the Contractor shall hand over to the Principal the insurance certificate, signed by the Contractor and by his insurance company(ies), or by his insurance broker, and also proof of payment of the premium. The insurance certificate must mention the following: name of the insurance company, name of the insured, commencement and end-date of the policy, the guaranteed capitals for physical injury and material damage, a brief description of the risks covered and excluded, signature of the competent person of the insurance company. The insurance certificate must also mention that the Insurer has acquainted himself with the Contracting Agreement, incl. General Conditions and that the Insurer agrees to cover of the liability of the insured party, as mentioned in Article 16 of the General Conditions.

The insurance policies concluded by the Contractor shall contain a Waiver of Redress clause, whereby the Insurer relinquishes every form of redress against the Principal and other Fellow Contracting Parties of the Principal.

If according to the Principal, these policy(ies) provide insufficient cover for the Contractor's liability, the Contractor shall have these policy(ies) amended, immediately at the request of the Principal, so that all liabilities are covered. The policy(ies) concluded by the Contractor must contain a clause, which specifies that the insurance policy, for any reason at all may only be terminated, provided the Principal is notified of this beforehand in writing.

If the Contractor neglects or refuses to conclude the required insurance policies, or if these insurance policies are disbanded without being replaced, the Principal shall have the right to take out these insurance policies himself, at the expense and for the account of the Contractor.

If the Contractor works with Sub-contractors, he shall ensure that the Sub-contractors also take out the necessary insurance policies, unless these risks are covered by the Contractor's insurance. The Contractor shall only give his Sub-contractors permission to start the work once the insurance policies required by this article have been concluded.

## **18. Health and Safety**

The Contractor is to respect all legal requirements with respect to safety and hygiene, such as inter alia laid down in the A.R.A.B., the Employment Agreement Law and the Welfare Law of 4 August 1996.

Employees of the Contractor shall perform the activities on company premises, in full compliance with the specific applicable Safety Regulations of the Principal. If required, the Principal's safety department is authorised to provide additional and specific safety training for the personnel of the Contractor, to be given on company premises.

Failure to respect the safety regulations constitutes a contractual default and entitles the Principal to amicably disband the agreement immediately and without prior notice of default to the detriment of the Contractor, without prejudice to the right of the Principal to compensation for all detrimental consequences, which it may experience.

## **19. "Hourly-Tariff" or Piece Work**

### **19.1. Hour Arrangement (Where applicable)**

- a. In the interests of safety and the correct execution of the agreement, it is the obligation of the Contractor to ensure that his employees always report in the morning for a new day task, except if the work of the previous day continued so late after 00.00 thus rendering nightly rest impossible. If these circumstances occur, and if by mutual agreement with the Principal's supervisor, your personnel do not present itself for the new task of the day, the Principal must pay no further remuneration, beyond the overtime arrangement as mentioned in the Project.

Normal working hours: from 08.00 o'clock a.m. to 16.30 o'clock p.m.

Half an hour for meals is unremunerated.

- b. Personnel of the Contractor shall follow the same time schedule as that, which applies within INEOS. Deviations from the time schedule may only occur with the written approval of the Principal's supervisor.

## 19.2. General

The aforesaid hourly tariffs / piece prices as mentioned in Pos. 1.2. are "All-in" prices and include:

- the basic hourly pay of the relevant employee(s), in the case of piece prices or unit prices, where necessary an additional section for "materials";
- the employer's social security contribution;
- the employees' social security contributions;
- the General costs of the employer;
- the transportation costs to and from the site;
- the working clothes required by the (ARAB) law;
- insurance against industrial accidents, sickness, employee invalidity, and also the civil liability of the Contractor with respect to third parties;
- the provision of the customary manual tools, adapted to the area of expertise of the employee in question. A list of contents of the toolbox must be made placed at the disposal of the Principal.
- Replacement of these tools is for the account of the Contractor;
- the Contractor is to provide: washing and changing rooms, individual lockable changing areas, office space, eating area and lockable cupboards for tools, and this for all of the personnel in his employ.

## 19.3. Registration of Hours Worked – Work Sheets

Unless mentioned otherwise in the contract, each hour worked shall be reported to the Principal by means of the Contractor's own work sheet.

### Procedure:

The Contractor mentions the hours worked, each day or by arrangement on a work sheet, drawn up in triplicate.

The relevant sheet is signed for approval by the Principal's supervisor charged with supervising the work to be carried out.

The original remains with the Principal, the two remaining copies are for the Contractor, and the Contractor sends one copy together with the relevant invoice to the Principal.

## 19.4. Supervision of Hours

If an employee working for the Contractor reports late to the site, after 5 minutes each period of delay may be regarded by the Principal as a minimum of fifteen minutes or a multiple of this.

The invoicing of hours worked shall never be settled in minutes.

One working day comprises 8 (full) hours.

Invoicing is to occur on the basis of the approved work sheets and the details from the time registration. In the event of variance between these two, the time registration details are decisive.

## 19.5. Piece price - invoicing

If the Principal detects variances during checks, the Principal has the right to extrapolate this variance across the whole project.

## **20. Guarantee:**

The Contractor guarantees that all goods are free of all flaws in material and finish, for a period of 12 months from being taken into service by the Principal, with a maximum of 18 months from delivery.

The Contractor guarantees that the goods and services comply with the specifications.

## **21. General - Access to Company Premises**

On arrival at INEOS company premises, each employee shall receive a badge. This badge permits access to our premises and serves control entry and exit. In addition, the Contractor is obliged, at his own initiative and every day before 09.00 o'clock, to deposit with the porter a list of the names of the employees employed that day, which is also to mention his supervisor under whose surveillance work takes place.

## **22. Invoicing**

Invoices shall be sent to the accounts department of INEOS at the time(s) mentioned in the order. To facilitate rapid payment, the relevant work sheet should be attached to the hourly work and also to each invoice, as proof of the hours worked, and should be clearly signed by the Supervisor.

Invoices shall be sent in triplicate.

Invoices must be drawn up in the same sequence as mentioned on the respective order or advance order, mentioning clearly whether this order or advance order number and/or the framework agreement number, if not, it is highly likely that this will lead to serious delay in the payment of the invoice.

## **23. Payment**

Unless specifically mentioned otherwise in the contract, all invoices are payable according to the standard payment conditions of the Principal, namely net .60 days end-of-month invoice date and following execution of the work or services.

All sums, incl. payment, which are owed to the Principal by the Contractor, may be settled by the Principal, directly and without prior notice of default, against the sums, which are due to the Contractor in respect of the work.

If the Principal establishes contractual defaults, irregularities or deviations, the Principal is entitled to suspend payment of the Contractor's outstanding invoices without prior notice of default.

All payments in the framework of the agreement are to occur exclusively for the benefit of the Contractor and shall not be interpreted as an acceptance by the Principal of the work or part thereof.

## **24. Payment to Third Parties**

The Contractor is obliged to satisfy the Principal, that all sums owed by him to Sub-contractors and suppliers, and other costs for his account relating to work, are regularly paid. The Principal reserves the right to satisfy claims against the Contractor, for which he is approached, on behalf of and for the discharge of the Contractor, and to settle such sums against the sums, which are due to the Contractor in respect of the work.

The Contractor shall indemnify the Principal against any and all claims of subcontractors against the Principal. The Contractor undertakes to unconditionally join and support the Principal and to voluntarily intervene in any administrative or legal procedure initiated against the Principal by a subcontractor.

## **25. Force Majeure**

Strict adherence to the schedule is of vital importance to the Principal. In the event of "force majeure" work shall only be suspended provided the Contractor has made this known by registered letter to the Principal, within three working days of the unforeseen occurrence. The execution period for the work is to be extended by a maximum of the duration of the "force majeure" period.

The Contractor waives all claims for compensation from the Principal on account of such situation of "force majeure".

The Parties expressly agreed that the following occurrences are not to be considered as "force majeure":

- a) bad weather conditions, of which the duration, intensity and frequency are lower than, or equal to the average of the last 5 years.
- b) strikes with the exception of sector strikes, irrespective of their duration;
- c) period of time necessary for the official approval of documents or samples;
- d) activities of the other contractors or suppliers, of agents and representatives of the Contractor;
- e) delays in the delivery of materials and raw materials;
- f) bankruptcy, postponement of payment, concordat or application for composition or private agreement by the Contractor or of one or more suppliers

## **26. Right of Ownership**

26.1. All diagrams, plans, sketches, models, prototypes, stipulations, information and notes, memoranda and other documents of a technical or financial nature, which the Principal passes on to the Contractor for the purpose of completing the work, are and remain the property of the Principal. On termination of the work all documents and also all copies are to be passed to the Principal directly on request. Information, which has been lost, damaged or destroyed, must be repaired or replaced by the Contractor. This commitment shall, however, only apply during the warranty period.

26.2. All intellectual property rights, which arise as a result of the Agreement, belong to the Principal. The Contractor shall take all measures necessary to secure these rights for the Principal.



26.3. As an exception to article. 26.2., the Contractor shall be able to claim intellectual property rights for his own account, provided that these rights (a) were notified to the Principal prior to the execution of the contract and in writing, and (b) were registered by the Contractor with a legally authorised body (Patent Office, Trademark Office etc.).

## **27. Transfer**

No single party may transfer the rights and/or obligations arising out of this agreement, in part or as a whole, to a third party, without the written permission of the other party.

## **28. Removal of Waste Material and Rubble**

During the execution of the work the Contractor must remove all waste material and rubble, which is no longer required for completion of the work. In the event of failure by the Contractor to respect this obligation, the Principal shall have the necessary clearing work carried out. The costs of this are to be charged to the Contractor.

## **29. Applicable Law – Settlement of Disputes**

29.1. The current agreement constitutes a complete reflection of that which was agreed between the parties in relation to the execution of the work. This agreement replaces all earlier letters, declarations or agreements relating to the subject of this agreement. The agreement can only be amended by a written agreement signed by all parties.

29.2. If any stipulation or undertaking in this agreement proves not to be enforceable or conflicts with a stipulation of imperative law, the latter unenforceability or invalidity shall not affect the enforceability and validity of other stipulations in the Agreement nor of that part of the relevant stipulation that is enforceable or valid. The parties shall replace the conflicting stipulations with other stipulations, which do not conflict, and which most closely correspond to the result of the first stipulations.

29.3. No single party may be considered as having waived a right or claim arising out of this agreement or relating to a default of another party, unless this waiver is made known in writing. If in application of the previous paragraph a party waives rights or claims under this agreement, this waiver can never be interpreted as a waiver of any other right under the agreement or relating to a default or other default of the other party, even if both cases display significant correlations.

## **30. Competent Courts: Applicable Law**

All disputes to which the execution of this agreement can give rise shall fall exclusively under the competency the Courts of Antwerp passing judgment according to Belgian Law.

## **31. Final provision**

All announcements, notices of default and other notices between the parties of this agreement shall be validly effected by registered letter and by fax, without prejudice to other means of evidence admitted by common law.