振华石油
ZhenHua Oil

Provision of Supplying General Civil Work Package for EBS Oil Field

Contract No. 006-SC-18-E

1. **China ZhenHua Oil Co., Ltd. (EBS PROJECT)** hereinafter called as the "Company", represented by **Mr. Chen Pei**, President of the Company, as the first party,
2. **Noor Baghdad For Contracting Company** hereinafter called as the "Contractor", represented by **Mr. Raed Kadhim Hasan Al-Shakarchi** as the second party

Both parties agree with follows:

I. GENERAL

1 Effective date and duration

The effective date should be the date both parties signed the contract. And the duration for the contract will be one year from Oct 12, 2018 to Oct 11, 2019, and Company has the right to extend it for one optional year.

The workload and duration will be mentioned by work order issued by user dept. Contractor must supply the required service for EBS Oil Field after receiving the work order. Contractor will be fined 1% of work order total amount of each day delay unless there is un-controllable factor(s) affecting the duration of contract performance.

Any Change of the contract should be based on the mutual discussion according to the regulation.

2 Scope of work

Contractor shall, in accordance with international industry standards, practice, general engineering principles & project management principles, conduct to provide General Civil Work Package for EBS Oil Field. Scope of Work ref to attached Annex 1 & Attachment 1-1, 1-2, 1-3, 1-4, 1-5, 1-6, and also the technical data stated in the WORK ORDER

3 Contract Value

The Contract is the frame agreement. All the prices stated in the Contract are the ceiling prices. The final actual price and workload will be mentioned clearly in the proposed work order. The unit price of subsequent work order should not go over the ceiling price list.

4 Payment

All the payment will be via T/T, against two correct copies of original commercial invoice, proof of delivery and acceptance letter of work load from the user dept. The payment will be as follows:

- The contractor will submit the commercial invoice after finished the work for each work order
- Company will pay the contractor according to the actual work load provided, transported, installed and accepted.

General Manager
Raed Kadhim Al-Shakarchi
Noor Baghdad Company

- ❖ Relevant commercial invoices must been checked and approved by the financial department in one month. All the payment will be paid within 60 working days, upon received two original commercial correct invoice, acceptance letter of completion by the user dept. Otherwise the payment might be deferred at least for six months.
- ❖ Contractor shall be responsible to pay any and all taxes and duties levied by Iraqi government according to the IRAQI taxation law. Company shall deduct withholding tax from the payment.
- ❖ If the contractor fails to pay the tax in full and on time, causing Company to be punished by the relevant departments of the Iraqi Taxation Bureau, Company has the right to delay the payment or deduct the tax and fine from the payment.

5 Bank information

- **Beneficiary Name:** Noor Baghdad For Contracting Company
- **Beneficiary Account No**: 0023673
- **Beneficiary Bank:** BANK OF BAGHDAD
- **Branch No:** MAIN BRANCH
- **SWFT Code:** BABIIQBA
- **IBAN** IQ95BABI701 002367323750

All details fill up when correct invoice submitted. The beneficiary name, company name and stamp should be fully the same.

6 Warranty Period

Upon the final acceptance test, Contractor shall :

- ❖ Handover of all the technical documentation and design
- ❖ The warranty period will be one year after final acceptance test (quality guarantee with value is USD 50,000.00)
- ❖ The Contractor should provide the performance guarantee with value is USD 50,000.00 before signing the contract, and the duration should be one year from the date of signing the contract. If Company extends the contract for optional one year, the duration of performance guarantee should be extended.
- ❖ Contractor should warrant and imply that the items used hereunder are of the required quality and quantity and are fit for use for particular purpose.

7 COMPANY' S RIGHTS

- ❖ Company has the right at any time to cancel the contract in case of the contractor did not fulfill the service requirement.
- ❖ Company has its sole right to decide to dissolve or re-contract with other contractors in account of the 1st contractor,
- ❖ Company has the right to extend contract for another duration, such extension would be agreed on mutual agreement between two parties approved by Company Management
- ❖ Contractor is responsible directly to Company legally and ethically for all related work to the tender without interferes from any third party.

8 SUPERVISOR

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Noor Baghdad Company

- Supervisor of the Work is SE Dept. of the Company .
- Supervisor has the right to visit the manufacture of settling location at any time during the execution of the project.
- Supervisor has the right to change any contractor's stuff if the stuff makes problems to the work.
- Supervisor has the right to hold the invoice for period of the time in case of contractors did not response as quickly as required to fix any problems, interruption of the signal or in case of ongoing problem without any repair
- Supervisor has the right to change any equipment during the performance warranty period

9 SUBCONTRACTORS

The contractor shall not assign this contract (or any part thereof) to another company without prior consent of the client.

10 TERMINATION

- If either party believes the other to be in fundamental breach of this contract they shall, within 15 days of the event or notice thereof, give a written notice to the other party stating the reason for and date of termination.
- Termination for convenience: Company shall reserve the right to terminate this contract, or any part hereof, for its sole convenience. In such case, the contractor shall immediately stop all work.
- If the contractor did not abide Company's service conditions; Company has the right to terminate the contract
- If the contractor did not provide enough suitable frame, truck and machine to supply and install the required items in time ,Company has the right to terminate the contract

11 Miscellaneous

- The contractor shall indemnify and hold Company harmless against all any claims made by third parties arising out of any loss or damage, resulting from their conduct of this project.
- The contractor is solely responsible for the safety of all employees, visitors to the worksite, end-user employees and invitees, resident and passerby.
- The contractor is solely responsible for securing his own tools, equipment and workspace at the worksite.
- Contractor will abide the environmental and cleanliness conditions and his employee's personnel hygiene and are having no epidemic diseases.
- Contractor should responsible to clean up the site work every day by providing his employees will all cleanliness' tools (rubbish bags, rubbish bin, rubbish collecting vehicles), otherwise Company will clean up the site by its employees and charging the contractor amount payment for each cleaning.

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Nool Baghdad Company

- Contractor will provide Company and OPF a list contains all the vehicles No. evolved, Driver name and address.
- Contractor should use suitable trucks and machine which is not affect to the environment
- Contractor should abide and complies with all company safety and security policy.
- Contractor guarantees allhis factory, trucks and machines and workmanship against dangerous defects and will follow normally accepted practices in assuring a safe working environment and product.

12 Contractor's Responsibility

- Contractor should provide all his employees with PPE equipment (such as: safety shoes, Safety helmet, safety uniform must be cotton shows the company logo and name, safety belt, safety gloves, first aid kits, fire extinguisher and company card for each labors).
- Contractor will be responsible for his employee's security background, behaviors. Also to provide the OPF labor's' information list contains labor's names, labor's address.
- The contractor is responsible for the related insurance for their employees, equipment etc.
- The contractor will be responsible for all his employees' issues but not limited to the food, transportation, social assurance, PPE, HSSE, accident etc. machines and tolls used in work in good condition.
- The contractor shall be responsible for providing ample drinking water for their personnel, subcontractors and any other non-Coalition personnel linked to this contract in any way.
- CONTRACTOR shall make, scrutinize, follow up and coordinate/deal all the necessary import and export formalities, permits, renew and rename of related papers and approvals from the related Iraqi and point of origin Custom/Port/the relevant governmental authorities for its equipment with the necessary documents assistance of COMPANY.
- Contractor shall fully consider the utilization of local employment and equipment from the land owner of working area, and have the obligation to maintain a good relationship with the local communities. Otherwise his failure to work properly may lead to cancellation of the contract.

13 Delay of the performance

The contractor should work according to each work order submit by user department, any unpredictable things that will effect on project progress the contractor should inform the company in 2 days advance, otherwise the company has the Authority to terminate the contract without any payment. In case of failure of completion of project by date specified, Company shall settle additional deadline of each work order and charge the contractor with conventional penalty of 1% of the contract value A DAY of Delay

14 Failure of complete

In case of failure of completion of the project by additional period of time, or below required quality, the client is entitled to dissolve the contract without prior notice.

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15 DISPUTES

Any dispute arising out of or in connection with this contract, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration under the LCIA Rules, which Rules are deemed to be incorporated by reference into this clause.

The number of arbitrators shall be three.

The seat, or legal place, of arbitration shall be London.

The language to be used in the arbitral proceedings shall be English.

The governing law of the contract shall be the substantive law of Iraq.

16 CHANGES

Any changes to this contract can only be made by written agreement of both partied to any expenditure for materials or services being performed.

On and after the date of the registration of the branch office of the EBS Project Company in the Republic of Iraq, a supplementary agreement shall be signed to secure the entire entitlements of the contracts and documents signed by the Authorized in the name of ZhenHua Oil to be wholly transferred to the EBS Project Company.

17 OTHERS

This contract is written in English language in two identical copies, one for each party.

Signing of the contract

China ZhenHua Oil Company (EBS PROJECT)

Name: Mr. Chen Pei

President

Signature: _____

Date: _____

Contractor Name: Noor Baghdad For Contracting Company

Executive Manger: Raed Kadhim Hasan -Al-Shakarchi

Signature: _____

Date: 12-10-2018