



Date:	17/05/2015	2015/05/17	التاريخ:
Ref:	STC/15/L01	STC/15/L01	الرقم الإشاري
<b>Announcement for Invitation to Pre-qualification &amp; Tender</b>			
<b>إعلان للمشاركة في دعوة تأهيل والعطاء</b>			
<b>MABRUK OIL OPERATIONS</b> , hereinafter referred to as the COMPANY or MOO, invites interested local and international companies (or their representatives) who specializing in furnishing offshore marine services to participate in this combined invitation to Prequalification and Tender for the following Call for Tender "CFT": <b>CFT/LOG/366/2015/AJF - Anchor Handling &amp; Towing Tug Boat "AHT" Charter Services - Al Jurf Field.</b> As briefly described below		تدعو مبروك للعمليات النفطية (المشار إليها فيما بعد بكلمة شركة) جميع الشركات الوطنية والعالمية أو ممثلها والمتخصصه في القيام بعمليات وخدمات الاسناد والامداد البحري ، للمشاركة في للتأهيل وتقديم عطاء لغرض ايجار قاطرة اسناد وامداد للمنصات البحرية بحقل الجرف حسب الآتي:  <b>رقم العطاء الإشاري CFT/LOG/366/2015/AJF</b> <b>خدمات تأجير قاطرة بحرية AHT - حقل الجرف البحري</b> وفق الوصف التالي	
<b>Field location:</b> Al Jurf Field (contract area 15,16&32 ex concession C137) is an Offshore field located about 160 kilometers to the North- West of Tripoli City, Libya, at the coordinates: Longitude: 12° 03' 34" Latitude : 33° 51' 42"		<b>موقع الحقل:</b> يقع حقل الجرف النفطى إمتياز ( سي137 ) بمنطقة البحر الابيض المتوسط على بعد 160 كم شمال غرب مدينة طرابلس - ليبيا باحداثيات:  خط طول: 12° 03' 34" خط عرض: 33° 51' 42"	
<b>Scope of Work:</b> To provide, as from 1 <sup>st</sup> of July 2015, one Tug Boat Type AHT Charter Services within Libya water for production logistics support to AlJurf Field. For contract duration of eight (8) months divided as follows; three months + three months + one month +one month.		<b>وصف العمل:</b> عرض قاطره امداد ومراقبة واحدة لغرض للايجار من النوع AHT لتقديم الخدمات بالمياه الليبية لامداد واسناد عمليات الانتاج بحقل الجرف البحري إعتباراً من الاول من يوليو 2015 ولمدة ثمانية اشهر تعاقدية مقسمة علي النحو التالي ( ثلاثة اشهر + ثلاثة اشهر + شهر + شهر).	
<b>Qualification Requirements:</b> Interested companies to participate for this combined prequalification and tender must satisfy the requirements stated on the Pre-qualification questionnaire and tender documents and shall submit all required information.		<b>متطلبات التأهيل:</b> على الشركات الراغبة للتأهل ودخول العطاء المذكور أعلاه أن تستوفي كافة المتطلبات المنصوص عليها بنماذج التأهل/الإستبيان وكراسة العطاء وتقديم كافة البيانات المطلوبة.	

<p><b><u>Important Note:</u></b></p> <p><b>This is combined invitation to Pre-qualification and Tender</b></p> <p>Only qualified Bidders that meet the Pre-qualifying criteria, which shall be determined by <b>MOO</b> at its sole discretion, will be included in the bids evaluation. However, <b>MOO</b> reserves its right to reject any bids at its sole discretion. Such act by <b>MOO</b> shall be final and shall not be contested or challenged by any participants.</p> <p>All costs of whatsoever nature incurred in the preparation and submission of the Pre-qualification documents and bids, including visits, if any, incurred in connection with this invitation, shall be borne by the bidders.</p>	<p><b><u>ملاحظة هامة:</u></b></p> <p>هذه الدعوة مخصصة للمشاركة في التأهل وتقديم عطاء</p> <p>فقط الشركات المتمتعة بالمؤهلات المطلوبة والمستوفية لشروط التأهل، والتي ستحدد من قبل شركة أم أو أو سيتم حصرها وإعتبارها ضمن قائمة الشركات المعتمدة للتقدم للعطاء. علما بأن الشركة تحتفظ بالحق المطلق بمفردتها ودون منازع في رفض أي من الشركات ويعتبر قرارها نهائيا وليس قابلا للطعن.</p> <p>هذه الدعوة لا تلزم أو تربط الشركة بأي إلزام أو تعهد لإصدار أي عطاء أو الارتباط بأي تعاقد.</p> <p>ا يترتب على إعداد وتقديم المستندات المطلوبة من تكاليف بما في ذلك أي زيارات ميدانية أو أي تكاليف أخرى ذات العلاقة ستتحملها الشركات المتقدمة.</p>
<p><b><u>Participation :</u></b></p> <p>This announcement will remain posted on the <b>NOC &amp; MOO websites</b> until <b>12h00 noon Libya local time, 21/05/2015</b>. The last date to receive the prequalification &amp; tender documents shall be <b>28/05/2015 at 12h00 noon local time</b>. Accordingly, all interested Bidders should submit their offer as per (Pre-qualification questionnaire and tender documents) on <b>15/06/2015 at 12h00 noon Libya local time</b>. Any document submitted after this date will be disregarded.</p> <p>The Pre-qualification questionnaire and tender documents will be made available to interested companies by hand or email delivery upon formal request which should clearly indicate the name of the company, address, phone number, person to contact and its title, an email address and stating clearly their intention and interest to participate in this invitation.</p>	<p><b><u>المشاركة :</u></b></p> <p>هذه الدعوة ستبقى معلنة على موقعي المؤسسة الوطنية للنفط والشركة إلى غاية الساعة <b>12:00 ظهرا بالتوقيت المحلي من يوم الخميس 2015/05/21</b> وآخر موعد لاستلام مستندات التأهيل والعطاء هو يوم الخميس <b>2015/05/28 الساعة 12:00 ظهرا بالتوقيت المحلي</b> ، وسيتاح على كل الشركات الراغبة في المشاركة تقديم عروضهم حسب (استبيان التأهل وكراسة العطاء) يوم <b>الاثنين 2015/06/15 الساعة 12:00 ظهرا بالتوقيت المحلي</b> ، ولن ينظر لأية معلومات ترد بعد هذا الموعد وسيتم إستبعادها.</p> <p>سيتم توفير مستند استبيان التأهيل وكراسة العطاء للمقاولين الراغبين في المشاركة للاستلام عن طريق البريد الإلكتروني أو باليد بعد استلام طلبات رسمية منهم توضح إسم الشركة المتقدمة، وعنوانها البريدي، ورقم الهاتف، وأسماء المعنيين بالاتصال وعنوان البريد الإلكتروني مع ضرورة الإشارة والتوضيح بالرغبة في الدخول في عملية التأهل والعطاء.</p>



The request by interested Bidders for the invitation should be sent by **fax** and/or **email** strictly to the following Company's official address:

**MABRUK OIL OPERATIONS**  
**Dhat El-Imad, Tower 2, Floor 15**  
**P.O. Box 91171 Tripoli, Libya**  
**Invitation to Prequalification & Tender**  
**CFT/LOG/366/2015/AJF**  
**Anchor Handling & Towing "AHT"**  
**Tug Boat Charter Services - Al Jurf**  
**Field.**  
**Attn.: Mr. Abdussalam SELENI**  
**STC Chairman**  
**Fax: (00218-21) 335-0561**  
**Tel : (00218-21) 335-0401 Ext. 1421**  
**Email:**  
[abdussalam.seleni@mabruk-oil.com](mailto:abdussalam.seleni@mabruk-oil.com)

Upon completing the Pre-qualification questionnaire "PQQ" and providing all the required information is given in the CFT documents are to be submitted in one original plus two confirmed copies and one electronic file including your bid document (Technical & Commercial Offer) separately in a one sealed envelope to be sent or hand delivered prior to the specified deadline date to the above stated address:

**NOTE:**

Please contact **MOO** Reception desk in Tower 2, Ground Floor for direction in the event of hand delivery of the Documents.

توجه هذه الطلبات من قبل الشركات الراغبة في التأهل للمشاركة في العطاء عن طريق البريد المصور وكذلك عن طريق البريد الإلكتروني حصرا على العنوان الشركة التالي:

**شركه مبروك للعمليات النفطية**  
**مجمع ذات العماد برج 2، الدور 15**  
**ص. ب. 91171 ، طرابلس . ليبيا**

**دعوة التأهيل وتقديم عطاء**  
**خدمات تأجير قاطرة بحرية AHT - حقل الجرف**  
**البحري**

**CFT/LOG/366/2015/AJF**  
**عناية: الاخ/عبدالسلام ناجي السيليني**  
**رئيس لجنة العطاءات الخاصة**

**هاتف: 335-0401 (00218-21) داخلي 1421**  
**بريد مصور: 335-0561 (00218-21)**

**بريد إلكتروني:**

[abdussalam.seleni@mabruk-oil.com](mailto:abdussalam.seleni@mabruk-oil.com)

بعد إكمال الاستبيان وتوفير كافة المعلومات المطلوبة وفق كراسة العطاء يجب إعداد وتقديم المستندات الاصلية مع نسختين معتمدة ونسخة إلكترونية داخل ظرف مغلق وإرسالها او يسلم باليد قبل اوعند الموعد النهائي لاستلام العروض المشار إليه أعلاه على العنوان المشار غليه أعلاه.

**ملاحظة:**

يرجى مراجعة مكتب الإستعلامات لشركة أم أو -البرج 2 الطابق الأرضي، وذلك للمساعدة في عملية تسليم مستندات.

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## **TENDER DOCUMENTS INSTRUCTIONS TO BIDDERS**

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## 1.0 INTRODUCTION

**MABRUK OIL OPERATIONS**, known as “**MOO**” (hereinafter referred to as the “COMPANY”) plans to undertake and complete the following Call for Tender “CFT”:

### **ANCHOR HANDLING & TOWING “AHT” TUG BOAT CHARTER SERVICES**

#### **Call for Tender reference: CFT/LOG/366/2015/AJF**

The present inquiry is to obtain competitive offers for the execution of the subject CFT.

The Tender Documents comprise of the following:

- A. Invitation to Bid Letter
- B. Instruction to Bidder
- C. Form of Contract

## 2.0 INFORMATION PERTINENT TO OFFERS

The offers submitted by bidders will be deemed to take into account all information of whatsoever nature, which is required or necessary to permit the due and proper performance of the WORKS under the Contract.

### 2.1 QUERIES BY BIDDERS

Bidder is requested to submit all commercial, legal and technical queries pertaining to the Tender Documents by fax transmission to:

#### **MABRUK OIL OPERATIONS**

Dhat El-Imad Complex, Tower 2, 15<sup>th</sup> Floor  
P. O. Box 91171 Tripoli, State of Libya

Special Tender Committee “STC”

**Attention: Mr. Abdussalam SELENI, STC Chairman**

Tel: 00 218-21- 335 0401 Ext 1421

Fax: 00 218-21-335-0561

Email: [abdussalam.seleni@mabruk-oil.com](mailto:abdussalam.seleni@mabruk-oil.com)

### 2.2 ANSWERS TO BIDDERS QUESTIONS

The answers to any such questions will be notified to all bidders simultaneously, together with the text of the question.

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### **3.0 CONDITIONS OF BID**

#### **3.1 ACKNOWLEDGEMENT**

Bidder is requested to check the completeness of the Tender Documents and acknowledge the receipt of the Tender Documents within three (3) days of receipt thereof by telefax or email to COMPANY at the number stated under paragraph 2.1 above.

#### **3.2 INTENTION TO BID**

Bidder is requested to confirm by telefax and/or email to COMPANY at the address stated in paragraph 2.1 above, his intention **TO BID** or **NOT TO BID**.

#### **3.3 VALIDITY**

Bids are required to be valid for **sixty (60) days** after the specified closing date.

#### **3.4 COMPLETE RESPONSE**

Bidder is requested to provide all the information stipulated in the present Instruction to Bidders.

Any bid which does not include all the requested information may be rejected.

#### **3.5 QUALIFICATION TO BID**

The bid is required to be prepared and returned by the pre-qualified bidder to whom the Tender Documents were issued. Bidder is required not to entrust the preparation of its bid or any part thereof to another company or companies without the prior consent of COMPANY.

#### **3.6 COST OF BIDDING TO BE BORNE BY BIDDER**

The whole of the cost incurred in preparation and submission of the bid, visits to the site, negotiations in connection with the bid and any other costs of whatsoever nature incurred by bidder in connection with the present tender inquiry, shall be borne by bidder.

#### **3.7 BIDS NOT BINDING**

The issue of the present tender inquiry by COMPANY to bidder shall in no way bind COMPANY to enter into any contract with bidder, neither shall it involve COMPANY in any financial commitment whatsoever towards bidder.

#### **3.8 TENDER DOCUMENTS**

The present tender documents are the property of COMPANY. Unsuccessful bidder or bidders who decline to submit a bid are required to undertake the responsibility to maintain the confidentiality of these tender documents regardless a bid was submitted or not.



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### 3.9 **LANGUAGE**

The bid submitted by Bidder shall be in the English language.

### 3.10 **BIDDER'S SIGNATORY**

Bids are required to be duly signed and sealed by an executive officer of Bidder's organization, duly authorized to bind the bidder.

Bidder is required to clearly indicate the name and position in bidder's organization of person signing the bid.

The relevant power of attorney or authorization for such person is required to be submitted with the bid.

Each sheet comprising the bid and any alterations thereto is required to be initiated by the signatory.

### 3.11 **CONFIDENTIALITY**

The data and information contained in the Tender Documents are strictly confidential. Within three (3) days of receipt of the Tender Documents, Bidders are requested to complete the form of Secrecy Agreement provided in Attachment 3 hereto and transmit a copy thereof by fax to COMPANY at the number stated under paragraph 2.1 above.

The original document shall be transmitted by courier fax or email to:

**MABRUK OIL OPERATIONS,  
Dhat El-Imad Complex, Tower 2, 15<sup>th</sup> Floor  
P. O. Box 91171 Tripoli  
State of Libya**

**Tender Committee  
Attention: Mr. Abdussalam SELENI, TC Chairman  
Tel: 00218-21- 335 0401 Ext 1421  
Fax: 00218-21-335-0561  
Email: [abdussalam.seleni@mabruk-oil.com](mailto:abdussalam.seleni@mabruk-oil.com)**

### 3.12 **RIGHTS RESERVED BY COMPANY**

**COMPANY** reserves the right to reject any bid without any reason whatsoever.

### 4.0 **BID FORMAT**

The bid shall be prepared and submitted in **three (3) separate parts** as follows:

- **PART 1:- COMMERCIAL PROPOSAL**
- **PART 2:-TECHNICAL PROPOSAL**
- **PART 3:- CONTRACTUAL PROPOSAL**

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#### 4.1 **PART 1– COMMERCIAL PROPOSAL**

One (1) original and one (1) copy of the “**COMMERCIAL PROPOSAL**” shall be submitted in a separate sealed envelope labeled and marked “**COMMERCIAL PROPOSAL**”.

The Commercial Proposal Forms shall be presented in the same Sections and order as the said Attachment “Appendix 4”. Bidder’s name should appear on all pages thereof.

All items which are not explicitly described in the Tender Documents and which are necessary for the proper execution of the Works and/or Services shall be deemed to be indicated in the bid proposal.

The Commercial Proposal shall be submitted in accordance with the following format;

##### 4.1.1 **FORM C1 - CONTRACT PRICE**

The offer price shall be submitted under this section of the Commercial Proposal in accordance with APPENDIX - 4 REMUNERATIONS, in Part 1.

The price submitted by the Successful Bidder and agreed by COMPANY will be included in the CONTRACT as APPENDIX - 4 REMUNERATIONS.

The Contract price and rates herein are required for the purpose of establishing the increase or decrease in the Contract Price.

The applicable prices and rates herein shall be deemed to provide for all costs of whatsoever nature incurred by CONTRACTOR (or to be deducted from the Contract Price) in connection with the performance of services.

##### 4.1.2 **FORM C2 – COMPLIANCE & QUALIFICATIONS**

Bidder may submit for consideration by COMPANY any qualifications to his proposal, to the terms and conditions stipulated in the Tender Documents, in any form provided below.

COMPANY will consider any proposed amendments to the terms and conditions by bidder and submitted in accordance with the requirements of the following table:

<b>Tender Document Reference (1)</b>	<b>Proposed Variation</b>	<b>Reason for Proposed Variation</b>
<b>(1)</b> Page number, Article, Sub-article and clause, reference and title, paragraph number and line number must be included		

No amendments will be considered by COMPANY, unless it is submitted in accordance with the said requirements.

The CONTRACT with the Successful Bidder will be amended on the basis of any such proposed amendment(s), subject to formal acceptance thereof by COMPANY.



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## 4.2 **PART 2 - TECHNICAL PROPOSAL**

One (1) original and one (1) copy of the “**TECHNICAL PROPOSAL**” shall be submitted in a separate sealed envelope labeled and marked “**TECHNICAL PROPOSAL**”.

### 4.2.1 **FORM T1- EXECUTION PLAN**

Bidder's Technical Proposal is required to provide a description of the bidder's plans for execution of the Services.

Key points concerning the execution proposal should be described and Bidder's standard procedures and/or documents may be added.

Drawings/sketches and calculations if necessary created by Bidder and documents of proposed equipment shall be included under this form.

### 4.2.2 **FORM T2 - CONTRACT SCHEDULE & DELIVERY**

Bidder is required to propose a detailed logical breakdown of the Works in bar chart form, in which each activity should be identified in sequence from Effective Date to Final Acceptance and in which critical paths should be shown.

The schedule proposed by bidder should be included.

The schedule submitted by the Successful Bidder and approved by COMPANY, will become the Contract Schedule.

### 4.2.3 **FORM T3 - ORGANIZATION CHART**

Bidder is required to submit a comprehensive organization chart showing Bidder's proposal with respect to the aspects of the Services listed hereunder.

- Organization for coordination and management

Bidder's proposed organization for Quality Assurance/Quality Control, Planning and Scheduling, Progress Control and Reporting and Liaison between COMPANY and CONTRACTOR should be shown, as well as lines of authority/responsibility and communication.

### 4.2.4 **FORM T4 – HSE & QUALITY ASSURANCE / QUALITY CONTROL**

Bidder is required to submit in an attachment hereto outline proposals for Health Safety & Environment program, quality assurance and quality in respect of the Works and Services to confirm to International Standard ISO 9001 and Health and Safety code.

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Bidder is also required to submit copies of the documents noted hereunder as part of its offer.

- I. Bidder's current internal quality audit schedule.
- II. A recent internal quality audit on Bidder's organization.

#### 4.2.5 FORM T5 - PLANNING, SCHEDULING AND PROGRESS CONTROL

Bidder is required to submit in an attachment hereto outline proposals for planning, scheduling and progress control of the Works.

The proposed means of identifying and avoiding potential delays shall be summarized.

#### 4.2.6 FORM T6 – RESUMES OF KEY PERSONNEL

Bidder is required to submit in an attachment hereto resumes of personnel proposed for the key positions in the bidder's Organization Chart, and the resumes of second nominations for such key positions.

The information listed hereunder shall be included in the resumes.

- Position within bidder's organization.
- Ability with respect to the English language, oral and written.
- Age and nationality
- Qualifications
- Relevant experience

#### 4.3 PART 3 - CONTRACTUAL PROPOSAL

One (1) original and one (1) copy of the “**CONTRACTUAL PROPOSAL**” shall be submitted in a separate sealed envelope labeled and marked “**CONTRACTUAL PROPOSAL**”.

##### 4.3.1 COMPLIANCE & QUALIFICATIONS

Bidder may submit for consideration by COMPANY any deviations from COMPANY CONTRACTUAL requirements as stipulated in the Tender Documents and/or qualifications to his **CONTRACTUAL PROPOSAL**, in the form provided below.

COMPANY will consider only those proposed CONTRACTUAL deviation or CONTRACTUAL qualifications which are submitted in accordance with the requirements of the following table.

S/N	Tender Document Reference (1)	Proposed Deviation or Qualification	Reason for Proposed Deviation or Qualification
(1) Section number, Page number, Article, sub-article or clause, and reference and title, paragraph number and line number must be included.			

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If no CONTRACTUAL deviations or CONTRACTUAL qualifications to the TERMS& Conditions of the proposed FORM OF CONTRACT, it will be assumed that the bidder's proposal is in strict compliance with the entire contractual requirement stipulated in the FORM OF CONTRACT.

The Bidder is expected to submit a Statement of Compliance if no deviations are taken or qualifications stated.

## **5.0 SUBMISSION PROCEDURE**

Bidder shall submit its bid strictly in accordance with the instructions to bidders as outlined in the covering letter.

Any bid submitted out of conformity with the stipulations contained herein may be disqualified.

## **6.0 BID OPENING AND EVALUATION**

The bid most favorable to COMPANY will be selected.

Bidders are required not to contact COMPANY for any matter relating to its bid, from the closing date until the Contract is awarded, unless requested by COMPANY.

Any effort by bidder to influence COMPANY in the bid evaluation, bid comparison or contract award decisions will result in rejection of bidder's proposal.

## **7.0 AWARD OF CONTRACT**

COMPANY reserves the right to award the Contract by a letter of intent, or letter of award followed by formal signature of the Contract.

## **8.0 ATTACHMENTS**

	<b>STATE OF LIBYA – TRIPOLI</b>	Date	19/05/2015
	<b>MABRUK OIL OPERATIONS</b> مبروك للعمليات النفطية	Rev	0
	<b>CONTRACTS DEPARTMENT</b>	Ref.	
	<b>INSTRUCTION TO BIDDERS</b>	Page	9 of 9

## 8.1 ATTACHMENT (1) - SECRECY DECLARATION

Bidder is required to sign the following form of **Secrecy Declaration** and to return the same to COMPANY at the address shown under paragraph 2.1 of the Instruction to Bidders, within 3 (three) working days of receipt of the Invitation to Tender.

### SECRECY DECLARATION

With respect to our bid proposal for the preparation of bid regarding **MABRUK OIL OPERATIONS** Call for Tender **ANCHOR HANDLING & TOWING “AHT” TUG BOAT CHARTER SERVICES - Call for Tender reference: CFT/LOG/366/2015/AJF** and to any eventual contract arising there from, we, **<NAME OF CONTRACTOR>** hereby declare that all records, data, reports and other information obtained from COMPANY in connection therewith, shall be deemed to belong to COMPANY and we shall treat the same as confidential and shall adopt and follow such precautionary measure in handling such items as may be necessary to prevent any third party from obtaining any information or development thereof.

We agree that we shall continue to maintain the confidentiality of said information after the termination of our involvement in connection therewith.

**Agreed to and signed at .....on dd/mm/2015.**

**Signature:** .....

**Name:** .....

**Title:** .....

**Stamp:**



## CALL FOR TENDER SPECIAL INSTRUCTIONS

**MABRUK OIL OPERATIONS, known as “MOO”** (referred to as Company herein) plans to undertake and complete the subject CFT. This enquiry is to obtain competitive offers on the bases of granting an equal bidding opportunity among the qualified participated Tenderers (Bidders) for the following Call for Tender:

**CFT/LOG/366/2015/AJF - ANCHOR HANDLING & TOWING**

**“AHT” TUG BOAT CHARTER SERVICES- AL JURF FIELD**

### 1. Submission of Bid Proposal

The submission of the Bid Proposal and/or Offer must be addressed to the Chairman of the Tender Committee and may be mailed or hand delivered to the following Company address, but it should be received at our main office in Tripoli, Libya **not later than the specified Closing Date on Monday, 15/06/2015 at 12h00 Tripoli, Libya Local time**, otherwise the Bidder's Bid Proposal will be rejected;

### **MABRUK OIL OPERATIONS**

**Attention: Mr. Abdussalam SELENI – Special Tender Committee Chairman**

Dhat El Imad Towers Complex, Tower 2, Floor 15, Office # 7  
Tripoli, Libya.

Tel: + 218 (0) 21 33 50 401 - Ext.: 1421

Direct Fax: +218 (0) 21 33 50 561

Email: [abdussalam.seleni@mabruk-oil.com](mailto:abdussalam.seleni@mabruk-oil.com)

### 2. Intension to Bid

It is mandatory that the Tenderer (Bidder) is requested to confirm his intention to bid or not, within three (3) days from the date of the Letter of Invitation.

### 3. Signatory Authority

Your Bid Proposal/Offer should include the Bid Price; your Bid should be signed by your authorized representative. The authorized representative signing for and on behalf of his company must possess a notarized and authenticated valid Power of Attorney.

### 4. Bid Proposal Validity

The validity of such Bid Proposal must be one hundred and **sixty (60) days** from the specified Closing Date on **15/06/2015 at 12h00 Tripoli, Libya Local Time**.

## **5. Confidentiality**

A Bidder (whether or not he submits his proposal/offer) shall treat the details of the Bid Document, as private and confidential. He should also return all CFT document unmarked to **MABRUK OIL OPERATIONS** if he declines from bidding.

## **6. Preparation of Bid Proposals**

The Bid Proposal must be prepared and submitted by the Bidder in **three (3)** separate parts (packages) as follows;

- 6.1 Volume 1 - Commercial Proposal;**
- 6.2 Volume 2 - Technical Proposal;**
- 6.3 Volume 2 – Contractual Proposal**

Each Volume packages of the above Bid Proposal must be submitted in one original plus one copy placed in a separate sealed and clearly labeled/marked envelop, then all the above three (3) packages are placed into one large sealed and clearly labeled/marked envelop or box.

## **7. Format of Bid Proposals**

The Bidder must prepare his Bid Proposals in two (2) separate parts/packages, it is important that each Volume must be kept in separate binder (or any form of folder and/or box file) clearly labeled and marked with dividers clearly labeled in professional manner.

## **8. Bidder's Compliance Statement**

The Bidder is expected to submit a statement of compliance if no qualifications stated in his bid. The Bidder is requested to comply and adhere to the CFT requirements including his acceptance to the form of Contract. Bidder may submit for Company considerations any qualifications (including exceptions and deviations) whereas the Contract with the Successful Bidder will be awarded on the basis of any such proposed qualifications subject to formal acceptance by Company; however such qualifications must be discussed, clarified, agreed and accepted by Company.

## **9. Company Rights**

The Bid most favorable to **MABRUK OIL OPERATIONS** will be selected. However, COMPANY reserves the right not to accept the lowest bid and to reject any bid without any reason.

## **10. Successful Bidder**

**MABRUK OIL OPERATIONS** will notify the Successful Bidder by an official Letter of Award stating award of contract, the Successful Bidder must reply within **three (3) days**



from such notification stating his acceptance to the Tender Award and then Contract will be made accordingly and sign jointly by both Parties. Failure to do so will result to not inviting the Successful Bidder for future tenders.

Furthermore, the Contract with the Successful Bidder will be awarded on the bases of any such clarifications, qualifications (including exception and deviation) raised and closed by both parties during tendering process, therefore the Successful Bidder must ensure that his outstanding qualifications (if any ) are clearly discussed and closed before the Award; otherwise **MABRUK OIL OPERATIONS** will not entertain such qualifications after the Letter of Award is issued and accepted by the Successful Bidder.

#### **11. Bidder's Registration Document**

It is essential that valid legal and administration registration documentations and certifications are deemed required by **MABRUK OIL OPERATIONS**, must be provided by the Bidders as part of Volume 3 - Contractual Proposal as follows;

- 11.1 Article of Association or Incorporation and/or Company By Law,
- 11.2 Certificates in the Corporate Ownership,
- 11.3 Registration Certificate in Corporate's home country,
- 11.4 Parent Company Guarantee, (if any),
- 11.5 Financial Statement and Bank references,
- 11.6 Insurance Policies,
- 11.7 Joint Venture or Cooperation Agreement and/or Local Agent (if any),
- 11.8 Valid Notarized and Authenticated Power of Attorney,( for authorized person signing for and on behalf of his company),
- 11.9 Valid Registration and Work Permit and/or License allowing your company to conduct business in Libya, specially copy from the Local Commercial Register

# **STATE OF LIBYA**

## ***MABRUK OIL OPERATIONS TRIPOLI, LIBYA***

### **CALL FOR TENDER**

**Reference №: CFT/LOG/366/2015/AJF**

### **FORM OF CONTRACT AGREEMENT**

### **FOR**

**ANCHOR HANDLING, TOWING (AHT) TUG BOAT CHARTER  
SERVICES – AL JURF FIELD**

**VESSEL: “name”**

**Between**

**MABRUK OIL OPERATIONS**

**&**

**<NAME OF CONTRACTOR>**

<b>CONTRACT №</b>	
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**ANCHOR HANDLING, TOWING (AHT) TUG BOAT  
CHARTER SERVICES – AL JURF FIELD**

This **CONTRACT** is made and entered into effect on **dd/mm/2015** at Tripoli, State of Libya

**BY AND BETWEEN**

**MABRUK OIL OPERATIONS**, a company organized and existing under the laws of France having its registered office at 2, Place de la Coupole, La Défense 6, 92400, Courbevoie, France, Trade and Companies Register of Nanterre 562 095 661, and having a registered branch in the Commercial Registry of Tripoli under № 25636, with an office at Tower 4 - Floor 3, Dhat El Imad Complex, P. O. Box. 91171, Tripoli, Libya, appointed as an OPERATOR for both the onshore "Mabruk Field" contract area 70 & 78 (Ex-concession Block C17) AND the offshore "Al Jurf Field"; contract area 15, 16, & 32 (Ex-concession Block C137) pursuant to Exploration Production Sharing Agreement "EPSA", hereinafter referred to as "**COMPANY**" and represented by;

Mr. **Fituri Ibrahim ELHAG**, Chairman of the Operator's Management Committee,

**OF THE ONE PART,**

**AND**

..... (herein referred to as "**CONTRACTOR**")  
a company organized and existing under the laws of .....  
having its registered office at .....  
and having a registered branch in the Commercial Registry of Tripoli under No. xxxxxx, with an office at xxxxx, P. O. Box xxxxxxxx, Tripoli, Libya, represented by Mr. .... in its capacity of ..... duly empowered to sign contracts

**OF THE OTHER PART,**

**PREAMBLE**

**WHEREAS** COMPANY desires to have the SERVICES performed,

And

**WHEREAS** CONTRACTOR is willing to do so under the terms and conditions set out herein.

**NOW, THEREFORE IN CONSIDERATION OF THE FOREGOING AND THE MUTUAL COVENANTS SET OUT BELOW, THE PARTIES AGREE AS FOLLOWS:**

**ANCHOR HANDLING, TOWING (AHT) TUG BOAT  
CHARTER SERVICES – AL JURF FIELD**

ARTICLE 1 - GENERAL

**1.1 Object of the CONTRACT**

In support of its petroleum activities in the OPERATIONAL AREA, offshore Libya, COMPANY hereby entrusts CONTRACTOR and CONTRACTOR hereby agrees to perform the SERVICES as defined in APPENDIX 1, using the Anchor Handling and Towing (AHT) Tug Boat named "....." ("the VESSEL") under the terms and conditions of the CONTRACT.

**1.2 Definitions**

Expressions and derivatives thereof appearing in capital letters in the CONTRACT shall have the meaning hereby assigned to them unless otherwise specified:

**AFFILIATE:**

means in relation to any company, at any time, any other entity:

- a) in which such company directly or indirectly controls more than fifty per cent (50%) of the registered capital or rights to vote; or
- b) which directly or indirectly controls more than fifty per cent (50%) of the registered capital or rights to vote of such company; or
- c) of which an entity as mentioned in b) here above controls directly or indirectly more than fifty per cent (50%) of the registered capital or rights to vote.

**APPLICABLE LAWS:**

means all laws, ordinances, rules, regulations, by-laws, orders and the like, whether of governmental, federal, national or local authority or other agencies or other authority having jurisdiction over the OPERATIONAL AREA and/or the PARTIES and which are or may become applicable.

**BREAKDOWN:**

means inability to perform the SERVICES due to act or omission of CONTRACTOR or CONTRACTOR's PERSONNEL, or to any maintenance including possible inspections and modifications to comply with APPLICABLE LAWS or to failure of the VESSEL or to LOCAL STRIKES. Subject to the provisions of sub-article 4.2.2.4, BREAKDOWN includes unavailability of the VESSEL.

CLAIM: means any claim, demand, cause of action, proceedings, judgments, award (including reasonable legal fees, costs and expenses and reasonable sums paid by way of settlement) liability, loss, expense, penalty, fine, and damages arising from, relating to or in connection with the performance, mis-performance or non-performance of the CONTRACT.

**COMPANY GROUP:**

means COMPANY, the PARTICIPANTS, and to the extent they are involved in the subject matter of the CONTRACT, its/their respective AFFILIATES and COMPANY's PERSONNEL, or any of the foregoing, as the case may be, but shall not include any member of CONTRACTOR GROUP.

**ANCHOR HANDLING, TOWING (AHT) TUG BOAT  
CHARTER SERVICES – AL JURF FIELD**

**COMPANY REPRESENTATIVE:**

means the PERSON designated by COMPANY who shall have full authority to represent COMPANY on WORKSITE in all matters regarding the subject of the CONTRACT, except for modifying any of the provisions of the CONTRACT.

**CONSEQUENTIAL LOSS:**

means indirect or consequential loss and direct or indirect loss of: revenue, profit, anticipated profit, use, production, productivity, contracts, business opportunity and losses, costs and/or expenses resulting from business interruption, deferral of production.

**CONTRACT:**

means the terms and conditions that comprise the main body of the CONTRACT and its Appendices with any future amendments thereto.

**CONTRACTOR GROUP:**

means CONTRACTOR, SUBCONTRACTOR(S), the owner(s) and the operator(s) of the VESSEL and its Master, officers and crew, and to the extent they are involved in the subject matter of the CONTRACT, his/their AFFILIATES and CONTRACTOR's PERSONNEL, or any of the foregoing, as the case may be, but shall not include any member of COMPANY GROUP.

**CONTRACTOR REPRESENTATIVE:**

means the PERSON designated by CONTRACTOR who shall have full authority to represent CONTRACTOR on WORKSITE in all matters regarding the subject of the CONTRACT except for modifying any of the provisions of the CONTRACT.

**DELIVERY DATE:**

means the date, as indicated in sub-article 2.3.2, when CONTRACTOR has actually mobilized the VESSEL, ready for continuous operations from Tripoli Port in Libya or Zarzis Port in Tunisia in accordance with the requirements of the CONTRACT, including the acknowledgement of customs clearance of the VESSEL, its conformity with the relevant APPLICABLE LAWS and the approval by COMPANY of the VESSEL after inspection.

**EFFECTIVE DATE:**

Means the date on which the CONTRACT comes into force as being specified in sub-article 2.3.1.

**FORCE MAJEURE:**

means the effective occurrence of any act/event which is unforeseeable, insurmountable and outside the control of the PARTY which invokes it, and which renders said PARTY unable to comply with whole or part of its/his obligations under the CONTRACT. Provided such criteria are met all together, FORCE MAJEURE includes events such as but not limited to loss or unserviceability of the UNIT, acts of God (epidemic, tidal wave, lightning, earthquake, hurricane, flooding,...), war (whether declared or not), riots (otherwise than among CONTRACTOR's PERSONNEL or COMPANY's PERSONNEL), civil or military disturbances, national or regional strikes (except LOCAL STRIKES) and acts of any court, GOVERNMENT or governmental authority or any representative thereof.

FORCE MAJEURE does not include events such as insolvency of any PARTY, and/or LOCAL STRIKES.

**ANCHOR HANDLING, TOWING (AHT) TUG BOAT  
CHARTER SERVICES – AL JURF FIELD**

**GOOD MARINE AND OIL AND GAS FIELD:**

means practices, methods and procedures and that degree of skill, diligence, prudence and foresight which would reasonably be expected to be observed by a skilled and experienced contractor of international repute engaged in carrying out activities the same as, or similar to, those contemplated under the CONTRACT under the same or similar circumstances.

**GOVERNMENT:**

means any federal, national or local authority, or their agencies and instrumentalities having jurisdiction over the PERMIT AREA.

**GROSS NEGLIGENCE:**

means, for the purpose of the CONTRACT, any conduct (by act or failure to act, whether sole, contributory, joint or concurrent) of any PERSON with (a) a wanton disregard of GOOD OIL AND GAS FIELD PRACTICE and/or any of terms and conditions of the CONTRACT and/or (b) a wanton indifference to avoidable and harmful consequences that such PERSON should have known such conduct would have on the safety or property of another PERSON. For avoidance of doubt, GROSS NEGLIGENCE requires a significantly greater degree of lack of care than would be required to constitute simple negligence.

**GROUP:**

means COMPANY GROUP and/or CONTRACTOR GROUP, as the case may be.

LOCAL STRIKES: means strikes, lockouts or labour disputes limited to CONTRACTOR's PERSONNEL or originated within CONTRACTOR's PERSONNEL before any extension to other companies.

**OPERATIONAL AREA:**

means the area where the VESSEL is used according to the provisions of the CONTRACT, particularly in the waters offshore Libya and OPERATIONAL AREA includes the PERMIT AREA and the WORKSITE.

**OPERATIONAL PERIOD:**

means the period between the DELIVERY DATE and either the REDELIVERY DATE or the date on which the CONTRACT has been terminated pursuant to the provisions of Article 7, whichever occurs first.

**PARTICIPANT:**

means any PERSON with whom COMPANY has entered into an Operating Agreement or the like, for the purposes of searching, developing and producing hydrocarbons in the PERMIT AREA.

**PARTY:**

means either COMPANY or CONTRACTOR as the case may be and PARTIES shall be construed accordingly.

**PERMIT AREA:**

means the permit area known as “**C137**” offshore Libya on which COMPANY has the right to conduct petroleum operations.

**PERSON:**

means any individual, company, firm, partnership, association or body corporate.

**PERSONNEL:**

means, as the case may be, directors, officers, employees, agents, and/or invitees of:



## **ANCHOR HANDLING, TOWING (AHT) TUG BOAT**

### **CHARTER SERVICES – AL JURF FIELD**

- (a) CONTRACTOR GROUP including the Master, Officers and crew of the VESSEL (herein sometimes referred to as “CONTRACTOR’s PERSONNEL”); and/or
- (b) COMPANY GROUP (herein sometimes referred to as “COMPANY’s PERSONNEL”).

#### **REDELIVERY DATE:**

means the actual date when the performance of the SERVICES has been satisfactorily completed in conformity with the CONTRACT and CONTRACTOR has actually demobilized the VESSEL and CONTRACTOR’s PERSONNEL.

#### **SERVICES:**

means all activities to be performed by CONTRACTOR under the CONTRACT as required in Appendix 1, which include the provision by CONTRACTOR of the VESSEL and CONTRACTOR’s PERSONNEL according to Appendices 2 and 3 together with all necessary and/or incidental supplies, labour, base facilities and works (other than those supplies, facilities, and works to be provided/paid for under the CONTRACT by COMPANY) as may be inferred therefrom.

#### **STAND-BY:**

means inability to perform the SERVICES due to COMPANY or to COMPANY’s other contractors; CONTRACTOR being ready to resume SERVICES according to the CONTRACT. STAND-BY does not include any circumstances of BREAKDOWN.

#### **SUBCONTRACTOR(S):**

means any PERSON to whom CONTRACTOR has subcontracted directly or indirectly at any level the performance of all or any part of the SERVICES.

#### **THIRD PARTY:**

means any PERSON that is not a member of COMPANY GROUP or a member of CONTRACTOR GROUP.

#### **UNIT:**

means COMPANY GROUP’s offshore installations and/or the mobile offshore units, including any drilling unit contracted by COMPANY GROUP, used by COMPANY GROUP in connection with its activities, in the OPERATIONAL AREA.

#### **VESSEL:**

means the boat, as designated and specified in Appendix 2, complete with spare parts, tools, ancillary equipment, consumables and other CONTRACTOR GROUP’s equipment (other than those to be provided/paid for under the CONTRACT by COMPANY), including all related documentation and certification, and suitable for carrying out the SERVICES specified in Appendix 1. The term VESSEL may also include, as may be specified in the CONTRACT:

- i) the Master, Officers and crew, listed in Appendix 3,
- ii) a replacement vessel.

#### **WILFUL MISCONDUCT:**

means, for the purpose of the CONTRACT, any conduct (by act or failure to act, whether sole, contributory, joint or concurrent) of any PERSON with (a) an intentional or conscious or reckless disregard of GOOD OIL AND GAS FIELD PRACTICE and/or any of the terms and conditions of the CONTRACT, and/or (b) an utter or reckless disregard of avoidable and harmful consequences that such PERSON knew, or should have known, such conduct would have on the safety or property of another PERSON.

#### **WORKSITE:**

means any location in the OPERATIONAL AREA where CONTRACTOR shall perform the SERVICES. When and as relevant in the CONTRACT, WORKSITE shall include the UNIT

## **ANCHOR HANDLING, TOWING (AHT) TUG BOAT**

### **CHARTER SERVICES – AL JURF FIELD**

and/or the COMPANY's base or facilities in Tripoli (Libya) or Zarzis (Tunisia) and/or any existing or future ports in Libya or Tunisia or Malta and/or routes in between, where CONTRACTOR shall perform all or part of the SERVICES.

#### **1.3 Significance of Expressions**

a) At any time and unless expressly stated otherwise, when the following expressions and description and derivatives thereof appear in the CONTRACT, their connotations shall be extended or limited as set out here-below:

- "including", "included", "such as", "comprising", "comprise" and the like shall be deemed to be completed by the expression "but not limited to".
- "report", "require", "request", "submit", "answer", "notify", "instruct", "instruction", "state", "inform", "agree", "consent", "approve", "approval", "approved" and the like shall be deemed to be completed by the expression "in writing".
- "days" shall mean "consecutive calendar days", it being understood that all dates and time periods referred to in the CONTRACT relate to Gregorian calendar.
- "property" and "equipment" shall be deemed to include property and equipment owned, operated, leased or otherwise provided by the relevant PERSON.

b) Where the context so requires, the singular includes the plural and vice versa and words of one gender include all genders.

c) The terms "he", "him" and "his" are used in relation to CONTRACTOR, whereas the terms "it" and "its" are used in relation to COMPANY.

d) Headings and table of contents are inserted only for convenience and shall not in any way limit or govern the construction of the CONTRACT.

e) Approval or instruction by COMPANY shall in no way be construed as relieving CONTRACTOR of any of his obligations, responsibilities or liabilities under the CONTRACT or otherwise.

#### **1.4 Entire Agreement – Modification – Non Waiver**

a) The CONTRACT constitutes the entire agreement between the PARTIES and supersedes all prior oral and written negotiations, understandings, representations and/or agreements with respect to the performance of the SERVICES made between the PARTIES prior to EFFECTIVE DATE.

b) The rights and obligations of the PARTIES shall not be limited to those set out in the CONTRACT when the law of the CONTRACT provides or enforces other rights and obligations, provided however that the CONTRACT shall always take precedence over any APPLICABLE LAWS with which it conflicts or which are expressly excluded by the CONTRACT as far as legally permissible.

c) No modification to the CONTRACT shall be effective unless set out in writing by duly authorized representatives of the PARTIES.

d) No failure or failures on the part of either PARTY to enforce, from time to time, all or any portion of the terms and conditions of the CONTRACT shall be interpreted as a waiver of such terms or conditions.

e) In the event of ambiguity or contradiction between the main body of the CONTRACT and its Appendices, the main body of the CONTRACT (13 Articles) shall prevail over its Appendices to the extent necessary to resolve the conflict.

#### **1.5 Language of the CONTRACT**

Unless otherwise specified in the CONTRACT, all matters (including documentation) pertaining to the CONTRACT and the relations between the PARTIES under the CONTRACT, shall be conducted in English, as being the language of the CONTRACT.

**ANCHOR HANDLING, TOWING (AHT) TUG BOAT  
CHARTER SERVICES – AL JURF FIELD**

**1.6 Sub-let – Assignment – Subcontracting**

**1.6.1 By COMPANY**

a) COMPANY, as its sole discretion and by simple notice of assignment or sub-letting to CONTRACTOR, is entitled to assign the CONTRACT and/or sublet the VESSEL to any COMPANY's AFFILIATE; COMPANY is entitled to assign the CONTRACT and/or sublet the VESSEL, with the prior written consent of CONTRACTOR which shall not be unreasonably withheld or delayed, to any present or future PARTICIPANTS or to their AFFILIATES and/or to any THIRD PARTY.

b) When COMPANY exercises the above mentioned assignment or sublet in order to have CONTRACTOR performing, for itself or its AFFILIATE(S), all or part of the SERVICES in a new permit area, in this case:

- the PARTIES shall make the necessary modifications to the CONTRACT related to the laws and regulations applicable in the new permit area;
- COMPANY shall reimburse CONTRACTOR, for reasonable and documented costs related to the VESSEL and transportation of CONTRACTOR's PERSONNEL to the new permit area;
- the applicable rates indicated in Appendix 4 shall remain unchanged, unless one PARTY evidences to the other by written justification, that such rates shall be modified with regard to the increase or decrease in cost of operating in such new permit area (including those relating to taxes assessed or levied on CONTRACTOR by any government having jurisdiction over such new permit area), in which case the new rates shall be mutually determined in good faith by the PARTIES.

**1.6.2 By CONTRACTOR**

a) CONTRACTOR shall ensure that his SUBCONTRACTORS are solvent and sufficiently experienced and equipped to perform the subcontracted part of the SERVICES.

b) CONTRACTOR shall guarantee that his SUBCONTRACTORS comply with the provisions of the CONTRACT as if all SERVICES were performed by CONTRACTOR, and shall be solely liable to COMPANY for any failure of his SUBCONTRACTORS.

c) CONTRACTOR undertakes and warrants not to assign or subcontract the whole or part of the CONTRACT, including to any of its AFFILIATES, without the prior written consent of COMPANY which consent shall not be unreasonably withheld. Any consent of COMPANY shall be conditioned upon, without exception, CONTRACTOR obtaining and remitting to COMPANY a signed copy of the "Mutual Indemnity and Waiver of Recourse Agreement" attached hereto as Appendix 6B and a signed copy of the "Liability and Insurance Agreement from Subcontractors" attached hereto as Appendix 6C.

Consent by COMPANY to any SUBCONTRACTOR shall not create any contractual relationship whatsoever between COMPANY and such SUBCONTRACTOR.

Neither the granting of such assignment nor subcontract shall absolve CONTRACTOR from any of his obligations and liabilities in respect of the CONTRACT.

d) Without prejudice to the provisions of Articles 5 and 6 hereof, CONTRACTOR shall be solely responsible for all costs and expenses due to subcontracting and arising therefrom, and for any and all consequences including delays incurred by CONTRACTOR GROUP.

## **ANCHOR HANDLING, TOWING (AHT) TUG BOAT**

### **CHARTER SERVICES – AL JURF FIELD**

CONTRACTOR shall defend, indemnify and hold harmless COMPANY GROUP against all acts/omissions and negligence of SUBCONTRACTORS, and against any consequence of use of SUBCONTRACTORS.

In case of any SUBCONTRACTOR not performing the SERVICES in accordance with the provisions of the CONTRACT, CONTRACTOR shall immediately remove any such SUBCONTRACTOR and without undue delay replace same with a competent approved substitute at no extra cost to COMPANY.

#### **1.7 Severance of Invalid Provisions**

If and for so long as any provision of the CONTRACT shall be deemed to be judged invalid for any reason whatsoever, such invalidity shall not affect the validity or operation of any other provision of the CONTRACT except only so far as shall be necessary to give effect to the construction of such invalidity and any such invalid provision shall be deemed severed from the CONTRACT without affecting in any way the validity or the balance of the CONTRACT.

#### **1.8 List of CONTRACT Documents**

The following Appendices attached hereto, shall be considered a part of this CONTRACT to the same extent as if incorporated in the body hereof.

- APPENDIX – 1 SCOPE OF SERVICES
- APPENDIX – 2 SPECIFICATION OF VESSEL
- APPENDIX – 3 CONTRACTOR'S PERSONNEL
- APPENDIX – 4 REMUNERATIONS
- APPENDIX – 5 MUTUAL INDEMNITY AND WAIVER RECOURSE AGREEMENT
- APPENDIX – 6 INSURANCE STATUS
- APPENDIX – 7 ISPS REQUIREMENTS
- APPENDIX – 8 HSE REQUIREMENTS
- APPENDIX – 9 LIST OF DOCUMENTATIONS

### **ARTICLE 2 - PERFORMANCE OF THE SERVICES**

#### **1.9 Independent contractor**

- a) CONTRACTOR represents that he possesses the necessary know-how, he is fully experienced and technically competent to perform the SERVICES and that he is properly financed, organized and equipped to perform such SERVICES.
- b) CONTRACTOR shall conduct his operations in a lawful manner and shall exercise all care and diligence to prevent any actions or conditions which could result in a conflict with COMPANY's best interests.
- c) CONTRACTOR shall be acting as an independent contractor and neither CONTRACTOR nor CONTRACTOR's PERSONNEL shall be deemed for any purpose to be the employee, agent, servant or representative of COMPANY in the performance of the SERVICES herein contracted for.
- d) CONTRACTOR shall therefore assume all costs and expenses appropriate to his independent status including but not limited to salaries, bonuses, insurance and social welfare contributions of any kind related to CONTRACTOR's PERSONNEL.

#### **1.10 COMPANY's instructions**

**ANCHOR HANDLING, TOWING (AHT) TUG BOAT  
CHARTER SERVICES – AL JURF FIELD**

Subject to the provisions of Sub-Article 2.1, COMPANY shall have the right to instruct CONTRACTOR as to the programme to be followed in the performance of the SERVICES, to give instructions to the Master as to the time, place and nature of operations to be carried out by the VESSEL and to inspect the performance of the SERVICES at all stages of its execution in order to ascertain that this programme is followed and that the SERVICES are being carried out in accordance with the requirements of the CONTRACT.

**1.11 Duration**

**1.11.1 EFFECTIVE DATE**

The CONTRACT shall come into force on the date of its signature by the PARTIES which shall be the EFFECTIVE DATE.  
It shall continue in force until all the obligations hereunder of both PARTIES have been fulfilled.

**1.11.2 DELIVERY DATE**

**CONTRACTOR shall mobilize the VESSEL in due time in order to be ready for COMPANY's inspection**  
**The DELIVERY DATE is requested to be on <15<sup>th</sup> July 2015>.**

**1.11.3 Initial OPERATIONAL PERIOD**

**Subject to Article 7, the initial OPERATIONAL PERIOD shall be three (3) months.**

**1.11.4 Right to extend**

**COMPANY shall have the right to extend the initial OPERATIONAL PERIOD as follows:**

- **1<sup>st</sup> period of three (3) months**
- **2<sup>nd</sup> period of one (1) month**
- **3<sup>rd</sup> period of one (1) month**

The right to extend shall be subject to a written notice given by COMPANY to CONTRACTOR not less than fifteen (15) days before the end of the initial OPERATIONAL PERIOD or any extension period.

However, CONTRACTOR accepts that the initial OPERATIONAL PERIOD or any extension granted shall always be extended to complete the operations to be carried out in connection with the UNIT at the end of the corresponding period provided however, that such extension shall not exceed ninety (90) days without CONTRACTOR's prior written consent.

**1.12 COMPANY's base**

During the OPERATIONAL PERIOD, COMPANY's base shall be located in Libya. In the event of change of location during the OPERATIONAL PERIOD, the new location shall be formally notified to CONTRACTOR and COMPANY shall reimburse any direct expense (provided they are reasonable and documented) incurred by CONTRACTOR arising from or in any way related to such change of location.

**1.13 CONTRACTOR's base**

**ANCHOR HANDLING, TOWING (AHT) TUG BOAT  
CHARTER SERVICES – AL JURF FIELD**

During the OPERATIONAL PERIOD, CONTRACTOR's base shall be located at ...<To be filled in according to Selected TENDERER>... In the event of change of the location of CONTRACTOR's base during the OPERATIONAL PERIOD, the new location shall be formally notified to COMPANY. Such change shall be done only after the prior written consent of COMPANY has been received, such consent not to be unreasonably withheld. CONTRACTOR's associated costs in connection with such relocation shall be borne by CONTRACTOR. Should COMPANY request CONTRACTOR to change the location of his base, the direct costs (provided they are reasonable and documented) associated with such a change shall be borne by COMPANY.

#### **1.14 Mobilization**

CONTRACTOR shall mobilize the VESSEL and CONTRACTOR's PERSONNEL in order to comply with the DELIVERY DATE specified in Sub-Article 2.3.2 and under the terms and conditions set out in Sub-Article 4.1.1.

CONTRACTOR is requested to mobilize the VESSEL, for COMPANY's inspection, at COMPANY's port quay in Tripoli (Libya) or Zarzis (Tunisia) (the delivery place), where the VESSEL can safely lie always afloat, with the deck free of cargo, with the tanks clean, except as otherwise mutually agreed by the PARTIES, ready for continuous operations and in accordance with the requirements of the CONTRACT. The exact delivery place (in Libya or Tunisia) will be notified by COMPANY to CONTRACTOR in due time.

CONTRACTOR represents and warrants that the VESSEL and CONTRACTOR's PERSONNEL shall be mobilized free from any other contractual obligations and/or liens, charges or encumbrances of whatever kind, for the whole duration of the OPERATIONAL PERIOD.

#### **1.15 Demobilization**

CONTRACTOR shall demobilize the VESSEL and CONTRACTOR's PERSONNEL at existing or future COMPANY's port quay in Libya (the redelivery place) with the deck free of cargo and with the tanks clean (liquid and solid), except as otherwise mutually agreed by the PARTIES, at REDELIVERY DATE under the terms and conditions set out in 4.1.2 or in accordance with the provisions of Article 7, whichever occurs first.

The final redelivery place (in Libya) will be notified by COMPANY to CONTRACTOR in due time.

#### **1.16 Transportation**

Without prejudice to the provisions of Sub-Articles 4.1.1 and 4.1.2, CONTRACTOR shall make all the necessary arrangements and shall bear all the costs and expenses for the transportation of his spare parts, tools, ancillary equipment and consumables, necessary for carrying out the operations, between their point of origin and COMPANY's base or the port designated by COMPANY.

Without prejudice to the provisions of Sub-Articles 4.1.1 and 4.1.2, CONTRACTOR shall make all the necessary arrangements and shall bear all the costs and expenses for the transportation of CONTRACTOR's PERSONNEL between their point of origin and COMPANY's base or the port designated by COMPANY.

When provided by COMPANY, means and type of transport shall be at the discretion of COMPANY. COMPANY shall not be liable at all with respect to its involvement in the transportation of CONTRACTOR's PERSONNEL, the role of COMPANY being limited to the procurement of the relevant transport/handling services from recognized carriers.



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**1.17 Work time-tables – continuous operations**

CONTRACTOR shall organize and provide the relief of CONTRACTOR's PERSONNEL and the availability of the VESSEL and CONTRACTOR's PERSONNEL in order to undertake the continuous performance of the SERVICES, by day and by night, including during local feast days and national holidays.

**1.18 COMPANY GROUP's property and equipment**

COMPANY reserves the right to install, or have installed, on board of the VESSEL, COMPANY GROUP's property and equipment for the performance of the SERVICES and in addition to the equipment of the VESSEL and spare parts, tools, ancillary equipment and consumables.

CONTRACTOR shall bring his best attention to such COMPANY GROUP's property and equipment on board of the VESSEL and on the WORKSITE.

The use of such COMPANY GROUP's property and equipment shall not entitle CONTRACTOR to extra remuneration.

CONTRACTOR shall exercise the utmost degree of care of such COMPANY GROUP's property and equipment when under his custody on board of the VESSEL and on the WORKSITE, provided that any direct extra expenditure reasonably and irrevocably incurred and documented by CONTRACTOR in so doing shall be reimbursed by COMPANY.

CONTRACTOR shall visually inspect such COMPANY GROUP's property and equipment before using same and shall notify COMPANY in writing of any apparent defects therein.

CONTRACTOR's use of such COMPANY GROUP's property and equipment without notifying COMPANY of apparent defect before use shall be deemed to be conclusive evidence that such COMPANY GROUP's property and equipment was free from apparent defect.

CONTRACTOR shall undertake that such COMPANY GROUP's property and equipment shall not be used for any purpose other than the performance of the SERVICES and that it shall be returned to COMPANY after the completion of the SERVICES in the same condition as when CONTRACTOR received it (fair wear and tear only excepted).

COMPANY shall undertake to remove such COMPANY GROUP's property and equipment before REDELIVERY DATE and, if necessary to restore the VESSEL to its pre- installation condition (fair wear and tear excepted) at COMPANY's cost and expense.

**1.19 VESSEL's space**

CONTRACTOR shall make available to COMPANY the whole reach and burthen and decks of the VESSEL while reserving proper and sufficient space for CONTRACTOR's PERSONNEL, tackle, apparel, furniture, provisions and stores.

**1.20 VESSEL's speed**

For fuel saving purposes, except in cases of safety, urgency, towage, or specific order from COMPANY REPRESENTATIVE, average speed of the VESSEL during transportation shall be mutually agreed between COMPANY REPRESENTATIVE and CONTRACTOR REPRESENTATIVE.

**1.21 Cargo**

The VESSEL shall carry all lawful cargoes, as designated by COMPANY, including explosives and dangerous cargo, provided that the latter have been packed and identified in accordance with applicable regulations and those related to in [Appendix 8, Clause 3.2.1.](#)

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**1.22 Passengers**

The VESSEL shall have enough seats and/or berths to accommodate all of the passengers of COMPANY's PERSONNEL according to Appendix 1, other than the CONTRACTOR's PERSONNEL.

The actual cost of bedding and catering services for passengers shall be paid by COMPANY as specified in Appendix 4.

**1.23 Supplies, services provided by CONTRACTOR**

CONTRACTOR shall provide and pay for the following:

- i) Lubricants and greases,
- ii) Deck and engine room stores,
- iii) Spare parts and ropes and slings used for mooring the VESSEL,
- iv) Provisions,
- v) Wages and other benefits for CONTRACTOR's PERSONNEL,
- vi) Charts and navigational publications,
- vii) Safety and rescue equipment (life jacket, inflatable life rafts) as requested by the International Convention for the "Safety Of Life At Sea's - SOLAS " - latest amendments.

At the request of COMPANY and on its behalf, CONTRACTOR shall cooperate fully with COMPANY so as to obtain from the relevant authorities (i.e. with regard to both the VESSEL's registration and/or the OPERATIONAL AREA) such waivers and authorizations as may be required, including those for special transport and for the transport of dangerous materials or equipment, it being understood that any extra expenses in connection therewith shall be reimbursed by COMPANY.

For the performance of the SERVICES, CONTRACTOR shall provide at COMPANY's request, additional supplies and/or services as may be required, under the conditions of sub-article 4.4.

CONTRACTOR shall, on the REDELIVERY DATE, take over and pay to COMPANY for the following on board the VESSEL:

- a) fuel, according to the current price at the redelivery place,
- b) potable water, according to the current price at the redelivery place.

**1.24 Tow & working wires**

At CONTRACTOR's expense, the VESSEL shall be equipped with a working wire and a tow wire and nylon spring suitable for towing the UNIT. If during the OPERATIONAL PERIOD such working line and/or towline and/or spring become(s) damaged and unserviceable as a result of anchor handling and/or towing operations, a replacement working line and/or towline and/or spring shall be provided by CONTRACTOR and provided that such damaged working line and/or towline and/or spring had been used in accordance with GOOD MARINE AND OIL AND GAS FIELD PRACTICES and specially in anchor handling and towage, the replacement cost thereof shall be invoiced by CONTRACTOR to COMPANY, according to the age of the equipment as follows:

- Less or equal than 4 years: 0% except if CONTRACTOR can demonstrate such damage results from COMPANY's instructions
- More than 4 years less or equal than 5 years: 70 %
- More than 5 years less or equal than 6 years: 60 %
- More than 7 years less or equal than 10 years: 50 %
- More than 10 years: 0 %

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### **1.25 Services provided by COMPANY**

All services as mentioned in this sub-article shall be provided and paid for as specified in the summary table in **Appendix 4**.

The services which COMPANY shall provide and pay for shall include:

- all fuel and transport thereof (including auxiliary machinery and galley fuel),
- water, oil dispersants, firefighting foam, welding and cutting gasses used on the COMPANY's business, and welding rods used on the COMPANY's business.
- port charges, pilotage **wharfage**, stevedoring, cleaning of liquid bulk tanks, agency fees, clearance expenses and boatmen (whether compulsory or not),
- light dues, tug assistance, consular charges (except those appertaining to CONTRACTOR's PERSONNEL), dock and other dues and charges, dock, harbor and tonnage dues at the ports of delivery and redelivery, agencies and commissions incurred on COMPANY's business, and of quarantine (if occasioned by the nature of the cargo carried or the ports visited whilst used under the CONTRACT but not otherwise).

COMPANY shall reimburse CONTRACTOR for all necessary dunnage, uprights and shoring equipment for securing deck cargo, all cordage (excluding such as is required for ordinary ships purposes, mooring alongside in harbour but including such as is required for securing to UNIT or necessitated by any special requirements or the harbour authorities). Ropes, slings and special runners (including bulk, water and bunker cargo discharge hoses and couplings) actually used for loading and discharging are at the sole expense of CONTRACTOR and are deemed to be included in the rates given in the Appendix 4.

COMPANY shall take over and pay CONTRACTOR for the following as on board the VESSEL on the DELIVERY DATE:

- a) fuel, according to the price paid at the last place of loading duly documented by CONTRACTOR,
- b) water, according to the price paid at the last place of loading duly documented by CONTRACTOR,

### **1.26 Structural alterations**

COMPANY shall have the option of making, at its own expense, structural alterations to the VESSEL with the written consent of CONTRACTOR which shall not be unreasonably withheld, but unless otherwise agreed the VESSEL shall be re-delivered re-instated to its original condition. The VESSEL shall remain on hire during any period of these alterations or re-instatement.

Any structural alterations or re-instatement should comply with the requirements of the organisation which has classified the VESSEL or which carries out the VESSEL annual inspection visits. Any fee charged by either of the foregoing in connection with such alterations or re-instatement shall be for COMPANY's account.

### **1.27 Sunken items**

When removal of wreckage or debris is compulsory under APPLICABLE LAWS or when COMPANY considers that the wreckage or debris may interfere with any operation of COMPANY GROUP, CONTRACTOR shall forthwith raise and/or remove any craft and/or object sunken or made derelict by the act or omission or negligence of CONTRACTOR GROUP and shall deal with the same as COMPANY may direct.

Until such sunken craft and/or object are raised and removed, CONTRACTOR shall set such buoys and display such lights and do all such things for the safety of navigation as

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may be required by the authorities concerned or by COMPANY. The fact that such property and equipment is insured and has been declared a total loss shall not relieve CONTRACTOR from his obligations to raise and remove the same.

**1.28 Measurements – records – reports delivery**

a) CONTRACTOR shall be able at all times during the performance of the SERVICES, to monitor, measure, record and report all the data or parameters in conformity with operations programme pursuant to Appendix 1 for the SERVICES performed in conformity with COMPANY's specifications and instructions and requirements of the CONTRACT.

b) When applicable, CONTRACTOR shall provide, install and undertake the maintenance of all recording devices he operates under the CONTRACT such as various sensors, gauges, records, video screen displays logs and alarms. For measurement purpose, CONTRACTOR shall use properly and regularly calibrated instruments and recording devices.

c) The Master shall accurately record in the "ship's log book" and under the COMPANY's forms (when and as provided by COMPANY) times, events, instructions, operations requested and carried out, periods of VESSEL's unavailability rounded off to the nearest half of an hour, etc... The log shall be kept in duplicate. One daily copy, signed by the Master, shall be supplied at the earliest opportunity to COMPANY REPRESENTATIVE, together with the detailed reports as listed in Appendix 10. Such reports shall be the basis for the establishment of invoices.

d) On REDELIVERY DATE, CONTRACTOR shall immediately deliver to COMPANY all correspondence, documents, specifications and all other papers and property belonging to COMPANY which may be in his possession or under his control.

**1.29 Documentation – Quality Assurance (QA) / Quality Control (QC)**

Prior to DELIVERY DATE:

- CONTRACTOR shall provide COMPANY with the documentation referenced in Appendix 10 (other than the reports to be filed monthly and daily).
- CONTRACTOR shall have an established quality assurance system which shall cover all activities related to the performance of the SERVICES.

CONTRACTOR shall establish and implement a Quality Plan. The Quality Plan shall describe how COMPANY's specific quality requirements are adhered to and implemented in connection with the performance of the SERVICES.

**ARTICLE 3 - PERFORMANCE CONDITIONS**

**1.30 Compliance with APPLICABLE LAWS and the CONTRACT requirements**

CONTRACTOR shall:

- a) Perform the SERVICES in accordance with the CONTRACT, COMPANY's instructions and operations programme, GOOD MARINE AND OIL AND GAS FIELD PRACTICES, in a good, safe and workmanlike manner, consistently with his status of independent contractor all with due diligence and care and without unnecessary delays or interruptions.
- b) Remain solely responsible for complying with all his obligations under the CONTRACT, notwithstanding any act(s) and/or omission(s) such as:
  - i) any issuance of any certificate by COMPANY and/or any inspecting PERSON; and/or

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- ii) any comment whatsoever or absence of comment by COMPANY; and/or
- iii) the presence or absence of COMPANY REPRESENTATIVE during the performance of any operation such as tests or inspections; and/or
- iv) any payment made by COMPANY.

No such act(s) or omission(s) as stated above shall imply acceptance by COMPANY of defective performance of the SERVICES, and CONTRACTOR shall promptly remove and replace, or repair (as adequate in the opinion of COMPANY for the performance of the SERVICES) any piece of (equipment of) the VESSEL, which fails to meet the requirements of the CONTRACT.

- c) Warrant, in respect of the CONTRACT or the matters which are subject of the CONTRACT, that he has not made or offered and will not make or offer any payment, gift, promise or other advantage, whether directly or through intermediaries, to or for the use of any public official (i.e. any PERSON holding a legislative, administrative or judicial office, including any PERSON exercising a public function for a public agency, a public enterprise or a public international organisation), where such payment, gift, promise or advantage would violate the APPLICABLE LAWS, or the principles described in the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, signed in Paris on December 17, 1997 or the Convention on the fight against corruption involving officials of the European Communities or officials of the Member States of the European Union, signed in Brussels on May 26, 1997.
- d) Ensure that the CONTRACTOR's PERSONNEL and his SUBCONTRACTORS shall be bound and comply with the obligations set forth hereabove.
- e) Ensure that CONTRACTOR GROUP, in all respects, observes, is bound and complies with APPLICABLE LAWS as well as the laws applicable to his operations and to any CONTRACTOR's PERSONNEL and/or the VESSEL used by CONTRACTOR GROUP and/or property and equipment used by CONTRACTOR GROUP hereunder. **In particular, CONTRACTOR warrants that he is duly registered and authorized to do business in Libya and he shall present, in due time, the CONTRACT to the Libyan Tax Authorities and pay the Libyan taxes assessed in connection with the CONTRACT. Such taxes include, but are not limited to, contract registration tax, stamp duty fees, taxes on employees and income tax on profits.** A copy of the tax registration shall be furnished to COMPANY and COMPANY shall have the right to request CONTRACTOR to present Tax Clearance Certificates in evidence that CONTRACTOR is in compliance with his taxation obligations.
- f) Unless otherwise provided for in the CONTRACT, CONTRACTOR shall be liable for and shall defend, indemnify and hold COMPANY GROUP harmless from and against all fines and penalties and all other consequences harmful to COMPANY GROUP resulting from a breach of such APPLICABLE LAWS by CONTRACTOR GROUP.
- g) Represent and warrant that from and including EFFECTIVE DATE, compliance by CONTRACTOR GROUP with APPLICABLE LAWS applying to CONTRACTOR GROUP does not prevent CONTRACTOR GROUP from performing all his obligations under the CONTRACT.

#### **1.31 Compliance with international labor standards**

CONTRACTOR shall comply with the international labor standards and in particular:

- The International Standards for combating forced work including the international Convention of the Rights of the Child adopted by the United Nations General Assembly on November 20, 1989 and entered into in force on September 2, 1990,
- The International Standards for combating forced work including the International Convention adopted under the sponsorship of the International Labor Organization such as

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the Forced Labor Convention of 1930 and the Supplementary Convention on the Abolition of Slavery entered into force on April 30, 1957.

### **1.32 GOVERNMENT authorizations**

CONTRACTOR shall be responsible for obtaining and maintaining at his own cost, in compliance with all APPLICABLE LAWS, all GOVERNMENT authorizations necessary for the performance of the SERVICES, for CONTRACTOR's PERSONNEL and for the VESSEL including all visas, residence permits, work permits, clearance certificates (others than customs clearance certificates) and all applicable licenses.

### **1.33 Health, Safety and Environment (H.S.E.)**

CONTRACTOR shall refer to the Appendix 8 for any specific COMPANY's requirements. CONTRACTOR shall ensure that CONTRACTOR GROUP complies with any provisions of the CONTRACT and that they have demonstrated evidence of an efficient health, safety and environment ("HSE"), Management System ("HSE MS") in compliance with COMPANY's HSE MS summarized hereunder the following 12 fundamental principles :

#### **01-RESPECT FOR LAWS AND REGULATIONS**

Follow up and compliance with local and corporate regulations and industrial standard - Follow up of legal authorisations for operating - Contacts with local authorities

#### **02-RESPONSIBILITIES OF MANAGEMENT**

HSE management committee - Management commitment - Communication with local communities - Definition of responsibilities - OPCO or Shared Activities - HSE Management system - HSE MS documentation system - Suitability resources/HSE MS requirements - Change in the organization - HSE action plans – Communication - Clarity and comprehension of communication - Control of HSE MS knowledge - HSE awareness program.

#### **03-OPERATIONAL RESPONSIBILITY**

HSE committee - HSE content of job description – Procedures - HSE awareness -Hand over Exemptions - Temporary installations - HSE documentation - HSE personnel evaluation Contractor HSE Authority on site.

#### **04-RISK EVALUATION AND MANAGEMENT**

Identification and risk evaluation procedure - Risky activity - Critical operations - Downgraded situations - Asset acquisition and cession - Risk management in design and modification - Job safety analysis - Supervision of critical and risk activity - Installation safety dossier - Housekeeping - Identification of equipment - Lifting and handling device

#### **05-RESPECT FOR THE ENVIRONMENT**

Organisation - Environmental status (EBS) -Respect of the environment - Future abandonment and installations dismantling - Environment impact mitigation measures - Objectives, program and environmental indicators - Waste management plan - Accidental disposal prevention - Accidental disposal reporting - Sustainable development

#### **06-SAFEGUARDING OF HEALTH**

Industrial Hygiene risk management - Industrial Hygiene risk evaluation - Industrial Hygiene risk management (organisational technique) - Medical response to industrial risk - Premises inspection and health conditions - Physical aptitude - Personal protective



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equipment and clothing - Driving policy and application (refer to 04 Risk evaluation and management) - Hazardous material and products

#### **07-SUBCONTRACTORS AND SUPPLIERS**

HSE requirement in the contractual process - Contractual strategy - Sub-Contractors evaluation - Sub-Contractors selection - Contractual clauses  
HSE evaluation and communication during pre-mobilisation, mobilisation and demobilization - Sub-Contractor supervision - HSE performance evaluation - Suppliers selection - Inspection and control

#### **08-PERSONNEL COMPETENCY AND TRAINING**

Competence definition – Training - PPE and Emergency equipment training - HSE training

#### **09-EMERGENCY PREPAREDNESS**

Identification of critical situation - Emergency response plan – Training -External assistance - Relation with local authorities - Drills and exercises - Specific procedure

#### **10-INCIDENT ANALYSIS**

Incident reporting system - Event analysis - Feed back

#### **11-AUDITS AND INSPECTIONS**

Audits HSE-MS - Specific information to entities concerned - Action Plan - Planned inspections and internal review - Test of critical equipment - Premises inspection

#### **12-PERFORMANCE IMPROVEMENT**

Action plan follow up - HSE MS updating -Feedback

### **1.34 Security**

CONTRACTOR shall co-operate with COMPANY on all security matters and shall promptly comply with any security requirements.

CONTRACTOR shall immediately report to COMPANY any incidents with respect to security matters on the VESSEL and at WORKSITE including losses, thefts, vandalism and/or unexplained disappearances.

CONTRACTOR and COMPANY undertake to comply with the ISPS requirements set forth in Appendix 11.

### **1.35 CONTRACTOR's PERSONNEL**

#### **1.35.1 CONTRACTOR's PERSONNEL**

a) CONTRACTOR's PERSONNEL shall be appropriately trained, competent, skilled, experienced and in sufficient number with respect to a normal and efficient performance of the SERVICES or as set forth in the CONTRACT. CONTRACTOR shall maintain records and certificates of all such training and shall provide them to COMPANY upon its request.

b) CONTRACTOR's PERSONNEL shall, within their field of specialisation, cooperate with COMPANY's PERSONNEL and COMPANY's other contractors so as to secure optimal working efficiency.

c) CONTRACTOR shall:

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- i) organise CONTRACTOR's PERSONNEL teams so that no language problems arise between and among the CONTRACTOR's PERSONNEL and COMPANY's PERSONNEL,
- ii) organise CONTRACTOR's PERSONNEL shifts in accordance with COMPANY's instructions and the shift schedule given in Appendix 3,
- iii) ensure that none of CONTRACTOR's PERSONNEL shall stay on the VESSEL for **a period in excess of two (2) months** without prior written approval of COMPANY or such maximum period imposed by APPLICABLE LAWS, whichever is the shortest.

#### **1.35.2 CONTRACTOR's Key PERSONNEL**

The Master and Chief Engineer of the VESSEL shall be fully qualified and experienced in their position. CONTRACTOR shall submit, for prior approval by COMPANY, the name and resume of any Master and Chief Engineer of the VESSEL and shall not change any of them except in cases of serious illness or injury, or definitive resignation or other significant reason (such as career development) duly justified by CONTRACTOR. In such cases, CONTRACTOR shall submit for prior approval by COMPANY the name and resume of CONTRACTOR's proposed substitute master and chief engineer of the VESSEL. Other CONTRACTOR's Key PERSONNEL shall be fully qualified and experienced in the position which they occupy. CONTRACTOR shall submit, for prior approval by COMPANY which shall not be unreasonably withheld, the names and resumes of these other CONTRACTOR's Key PERSONNEL.

#### **1.35.3 Master's responsibilities**

- Compliance with instructions: the Master shall comply with the instructions of COMPANY REPRESENTATIVE for the direction of operations, provided that such instructions do not exceed the scope of the SERVICES and the capability of the VESSEL.
- Performance of operations: the Master shall be entitled to reject any instruction which, in the performance thereof, would threaten the safety of the VESSEL or CONTRACTOR's PERSONNEL. When such right is exercised, the Master shall inform COMPANY REPRESENTATIVE at the earliest opportunity.

#### **1.35.4 Duties of CONTRACTOR's PERSONNEL**

CONTRACTOR's PERSONNEL, under the supervision of the Master, shall perform the following services with diligence and promptness:

- i) operation of the VESSEL's machinery,
- ii) connection and disconnection of electric cables, fuel, water, liquid muds and pneumatic hoses, sling and hook on and off pre-slung single point lift cargo, when the VESSEL is alongside the UNIT or in port where port regulations and labour union rules so permit.

#### **1.35.5 Replacement of CONTRACTOR's PERSONNEL**

In the event of default, shortcoming, illness, injury, professional inadequacy, serious misconduct or error, or negligence, or non-compliance with discipline or safety regulations by any of the CONTRACTOR's PERSONNEL, CONTRACTOR shall promptly replace at his own expense, whether requested by COMPANY or not, such any of the CONTRACTOR's PERSONNEL.

The same provision shall apply where the behaviour of any of CONTRACTOR's PERSONNEL is liable to jeopardise the relations between COMPANY and GOVERNMENT.

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**1.36 CONTRACTOR's VESSEL**

**1.36.1 Rights and powers to use the VESSEL**

CONTRACTOR represents and warrants that he has full and lawful rights and powers to use the VESSEL for the purpose of the CONTRACT.

**1.36.2 Standards of equipment – maintenance of the VESSEL**

To perform the SERVICES, CONTRACTOR shall provide and mobilise the VESSEL fit to operate effectively at all times for the performance of the SERVICES and shall maintain same at all times throughout the OPERATIONAL PERIOD, in good operating condition with appropriate and uninterrupted valid certification and in accordance with APPLICABLE LAWS and the CONTRACT.

COMPANY shall have access to the technical characteristics of the VESSEL and, whenever necessary, the operating manuals on board of the VESSEL.

CONTRACTOR shall mobilise and maintain the VESSEL in such condition that it shall always be safe and ready for immediate use.

CONTRACTOR shall install, operate, maintain in satisfactory condition and regularly test the VESSEL's fire, life saving and all other safety CONTRACTOR GROUP's property and equipment.

Tools, pressure vessels, lifting gear, machinery and facilities subject to certifying authority approval shall be so approved prior to their use or deployment. All items subject to statutory examination shall be so examined prior to use and accompanied by valid certification available for inspection on request. All electrical CONTRACTOR GROUP's property and equipment shall be suitable for its area of use. All rotating or moving parts of CONTRACTOR GROUP's property and equipment shall be adequately guarded to prevent accidental contact by PERSON.

CONTRACTOR represents and warrants that the VESSEL and other CONTRACTOR GROUP's property and equipment are in good working condition and are not scheduled to undergo any regular dry docking and/or overhaul - other than those planned in Appendix 2 - which would interrupt the SERVICES during the OPERATIONAL PERIOD.

CONTRACTOR shall promptly notify COMPANY of any failure or malfunction of the VESSEL and other CONTRACTOR GROUP's property and equipment liable to materially affect the performance of the SERVICES.

CONTRACTOR shall assume responsibility for all and any delays to maintain and immediately replace or repair at his own cost and risk any defective CONTRACTOR GROUP's property and equipment and supply necessary spare parts and/or consumables therefore.

**1.36.3 Maximum capacity**

CONTRACTOR undertakes that the VESSEL, including deadweight, deck cargo and tank capacities, bollard pull, speed, number of PERSONNEL transported, and other CONTRACTOR GROUP's property and equipment can be used continuously and safely to the maximum capacity as rated by the manufacturer and/or accepted by a recognised certification agency agreed by COMPANY. Inability of the VESSEL or other CONTRACTOR GROUP's property and equipment to perform continuously at such maximum capacity shall entitle COMPANY either to continue the SERVICES under Suspension Rate as per sub-article 4.2.2.3 or to suspend the performance of the SERVICES under the BREAKDOWN provisions.

**1.36.4 Use of the VESSEL**

**1.36.4.1 General**

COMPANY shall be entitled to use the VESSEL anywhere in the OPERATIONAL AREA provided that:

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- i) it can remain safely moored and afloat;
- ii) due account is taken of the safety of the VESSEL and its capabilities;
- iii) the operations undertaken by the VESSEL are lawful and in connection with COMPANY's activities.

COMPANY reserves the right to use the VESSEL to perform other operations in the OPERATIONAL AREA compatible with the VESSEL's capabilities and not in conflict with Appendix 1 without incurring any change in financial conditions.

If COMPANY utilises the VESSEL for operations not contained in Appendix 1 and such operations cause a documented increase in CONTRACTOR's costs, any revision in financial conditions for the VESSEL shall be determined in good faith by the PARTIES.

COMPANY reserves the right to use the VESSEL to perform other operations outside the OPERATIONAL AREA compatible with the VESSEL's capabilities and if such operations cause a documented increase in CONTRACTOR's costs, any revision in financial conditions for the VESSEL shall be determined in good faith by the PARTIES.

#### **1.36.4.2 Excluded zones**

Unless CONTRACTOR's consent is first obtained, COMPANY shall not order the VESSEL:

- a) To enter any place where fever or epidemics are prevalent.
- b) To go or continue to any place or on any voyage nor use the VESSEL in any service which would bring it within a zone which is dangerous as the result of any actual or threatened act of war, hostilities, warlike operations, acts of piracy or of hostility or malicious damage against the VESSEL or any other vessel or its cargo by any PERSON, body or state whatsoever, revolution, civil war, civil commotion or the operation of international law, nor expose it in any way to any risks or penalties whatsoever consequent upon the imposition of sanctions, nor require it to carry any goods that may in any way expose the VESSEL to any risks of seizure, capture, penalties or any other interference of any kind whatsoever by the belligerent or fighting powers or parties or by any GOVERNEMENT or Ruler.
- c) In the event of insurance premiums, the wages of CONTRACTOR's PERSONNEL or the cost of provisions and/or stores for deck and/or engine room being increased by reason of or during the existence of any of the matters mentioned in this sub-article 3.6.4.2 paragraph b) hereabove, the amount of such increase shall be paid by COMPANY along with the relevant monthly invoice.

#### **1.37 COMPANY's inspections**

Prior to DELIVERY DATE, CONTRACTOR shall provide COMPANY with copies of the classification certificates listed in Appendix 2.

COMPANY shall have the right to send representative(s) of COMPANY and/or surveyor(s) from THIRD PARTIES inspection companies who shall prior to or after the DELIVERY DATE have at all times access to the VESSEL for the purpose of inspecting the VESSEL in order to judge whether the VESSEL and/or the performance of the SERVICES are in accordance with the provisions of the CONTRACT; it being understood that CONTRACTOR agrees to remedy immediately at his sole cost and expense any defect evidenced by such inspection(s).

Prior to the DELIVERY DATE tests and within a period of twenty four (24) hours, COMPANY REPRESENTATIVE shall be entitled to verify that the VESSEL and CONTRACTOR's PERSONNEL are in accordance with the provisions of the CONTRACT and to carry out acceptance tests of the VESSEL and any CONTRACTOR GROUP's property and equipment on the VESSEL; it being understood that CONTRACTOR agrees to immediately remedy at his sole cost and expense any defect evidenced by such tests.

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COMPANY shall have the right to postpone DELIVERY DATE until such time as CONTRACTOR, at his own cost and expense, has remedied the non-conformity of the VESSEL or CONTRACTOR's PERSONNEL.

Although COMPANY shall be entitled to inspect the VESSEL, it shall be the responsibility of CONTRACTOR as an independent contractor, to use only property and equipment fit for their use and any failure of COMPANY to inspect or reject any defective piece of such any CONTRACTOR GROUP's property of equipment, shall not relieve CONTRACTOR from any of his obligations under the CONTRACT.

**1.38 Major repairs, and/or dry docking of the VESSEL**

a) CONTRACTOR represents and warrants that the VESSEL and other marine CONTRACTOR GROUP's property and equipment are in good working conditions and are not scheduled to undergo any overhaul and/or dry docking – other than those regular planned in Appendix 2 - which would interrupt the SERVICES herein contracted for during the OPERATIONAL PERIOD.

b) Throughout the OPERATIONAL PERIOD and at his own costs and expenses, CONTRACTOR shall maintain the VESSEL and other marine CONTRACTOR GROUP's property and equipment in good working condition, carry out any necessary repairs and maintain the classification of same.

c) Any maintenance, repairs for classification and/or dry docking operations which could possibly hinder COMPANY's operations and which may become necessary during the OPERATIONAL PERIOD shall be planned and performed solely by CONTRACTOR but shall require COMPANY's prior written consent ninety (90) days in advance.

d) CONTRACTOR shall solely be responsible and bear all related costs and expenses for maintenance and/or repair for classification and/or dry-docking including towing and mooring means for these purposes.

No remuneration whatsoever shall be due by COMPANY to CONTRACTOR during such periods, except as otherwise provided for in Sub-Article 4.2.2.4. 2)b).

**1.39 Title to results of the SERVICES**

All results of the SERVICES, including information, data and all related documents or electronic, magnetic or optical supports issued by CONTRACTOR to COMPANY resulting from the performance of the SERVICES, shall as from DELIVERY DATE thereon, become COMPANY's exclusive property and shall be delivered to COMPANY immediately upon its request.

**1.40 Confidentiality**

a) CONTRACTOR acknowledges that the confidentiality of all information and data resulting from the performance of the SERVICES is of the utmost importance.

b) Unless he obtains COMPANY's prior consent or instruction, CONTRACTOR shall, neither before nor after REDELIVERY DATE or termination of the CONTRACT, disclose or make available to any PERSON or use directly or indirectly any information and data obtained from COMPANY or otherwise by CONTRACTOR in connection with the performance of the SERVICES or the activities of COMPANY GROUP and/or COMPANY's others contractors.

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c) The non-disclosure obligation under this sub-Article 3.10 shall not apply to information and data which, as evidenced by CONTRACTOR:

- i) are already in the public domain at the time of disclosure through no fault of CONTRACTOR;
- ii) are required to be disclosed under APPLICABLE LAWS or by a governmental order, decree, regulation or rule (provided CONTRACTOR shall give notice to COMPANY prior to such disclosure).

d) CONTRACTOR furthermore undertakes to limit access to such information and data to those of CONTRACTOR's PERSONNEL reasonably requiring the same for the performance of the SERVICES and shall not use any of such data and information in any way other than for the purpose aforesaid.

e) If disclosure to any PERSON of such information and data are required for the performance of the CONTRACT and COMPANY consents in writing to such disclosure, CONTRACTOR undertakes to ensure that the recipients of such information and data sign with CONTRACTOR, a confidentiality undertaking at least as stringent as that contained in the provisions of this Sub-Article 3.10.

f) CONTRACTOR shall take all necessary and appropriate measures to ensure that CONTRACTOR's PERSONNEL adhere to and comply with the provisions of this Sub-Article 3.10 and CONTRACTOR shall be liable for any disclosure of such information and data howsoever arising by any of CONTRACTOR's PERSONNEL.

g) A breach of CONTRACTOR's obligations under this Sub-Article 3.10 shall be considered as a material breach and without prejudice to any of its rights under the CONTRACT or at law, COMPANY shall be entitled to terminate the CONTRACT in accordance with the provisions of Article 7.

h) Back up copies

CONTRACTOR shall retain record copies of such information and data on printed or electronic, magnetic or optical supports until the expiry of all his obligations under the CONTRACT, subject to the provisions of Sub-Article 3.10 with respect to confidentiality.

#### **1.41 Adverse weather conditions**

In the event of adverse weather conditions impeding the normal performance of the SERVICES, COMPANY REPRESENTATIVE and CONTRACTOR REPRESENTATIVE shall jointly review the situation whether to institute precautionary measures in order to safeguard the PERSONEL, the environment, COMPANY GROUP's property and equipment, the VESSEL as well as any THIRD PARTIES' property and equipment.

In the event that they cannot reach an agreement on procedures and/or practices, CONTRACTOR REPRESENTATIVE's decision shall prevail without prejudice to the provisions of sub-Article 3.3.

#### **1.42 Local resources**

CONTRACTOR shall endeavour to use, as far as compatible with the performance of the SERVICES and provided that prices (including transportation and taxes), qualities and delivery conditions remain competitive, such labour, materials, equipment and services that are available in Libya.

#### **1.43 "NOC and TOTAL" products**

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CONTRACTOR GROUP shall use fuel, greases and lubricants and paints marketed by companies of the NOC and TOTAL Group subject to availability and provided that prices are competitive and that they meet the VESSEL's machinery manufacturers' specifications.

**ARTICLE 4 - FINANCIAL CONDITIONS**

In full consideration of the performance of the SERVICES, COMPANY shall pay CONTRACTOR the amounts due and calculated according to the applicable rates and fees set out in this Article and Appendix 4.

The rates and fees shall remain **fixed and firm** and not subject to revision nor any adjustment due to currency fluctuations and no escalation shall be made during the initial OPERATIONAL PERIOD and any extension(s) thereof, unless otherwise provided for in the CONTRACT.

**1.44 Lump Sum Fees**

**1.44.1 4.1.1 Mobilization Fee**

The mobilization fee shall be construed as the only remuneration, to the exclusion of any other compensation of whatever nature, to be paid by COMPANY for any and all operations and services carried out by CONTRACTOR prior to the DELIVERY DATE including the time spent by COMPANY, within the limit of twenty four (24) hours, to inspect the VESSEL as per Sub-Article 3.7 and the time spent by CONTRACTOR to make the correction of any defect, if any.'

Mobilization fee will be invoiced on DELIVERY DATE.

**1.44.2 Demobilizations Fee**

The demobilization fee shall be construed as the only remuneration, to the exclusion of any other compensation of whatever nature, to be paid by COMPANY for any and all operations and services carried out by CONTRACTOR after the REDELIVERY DATE or the date on which the CONTRACT has been terminated pursuant to the provisions of Article 7 whichever occurs first.

demobilization fee will be invoiced at the earliest on REDELIVERY DATE.

**1.45 Rates**

- The remuneration of CONTRACTOR for the performance of the SERVICES throughout the OPERATIONAL PERIOD shall be on the basis of the rates indicated in Appendix 4, unless otherwise provided for in the CONTRACT.

- The daily rates shall be applicable for a twenty-four (24) hours period or prorata thereof to the nearest half of an hour.

**1.45.1 Hire Rate**

CONTRACTOR shall be remunerated for the performance of the SERVICES at the hire rate as specified in Appendix 4, except as otherwise specified in the CONTRACT.

**1.45.2 Reduced Rates**

**1.45.2.1 STAND-BY Rate**

This rate shall apply for STAND-BY periods as per the definition of STAND-BY. STAND-BY rate shall be hundred percent (100 %) of the hire rate.

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**1.45.2.2 FORCE MAJEURE Rate**

This rate shall apply for periods when the performance of the SERVICES is prevented by FORCE MAJEURE as per Sub-Article 7.3.  
FORCE MAJEURE rate shall be seventy percent (70 %) of the hire rate.

**1.45.2.3 Suspension Rate**

Should performance of the SERVICES be hindered due to reasons attributable to CONTRACTOR as per sub-article 7.1.1.b), suspension rate shall apply.  
Suspension rate shall be as per Appendix 4A.

**1.45.2.4 BREAKDOWN Rate (unavailability of the VESSEL)**

1) CONTRACTOR shall not be entitled to payment of the hire rate for any period of unavailability of the VESSEL.

It is understood that any period of unavailability of the VESSEL shall be calculated as from the time the VESSEL is not able or has stopped to perform the SERVICES required by COMPANY until such time as SERVICES are resumed.

Breakdown rate is **equal to zero**.

2) Nevertheless, the VESSEL shall be deemed available and CONTRACTOR shall receive the hire rate if the SERVICES are hindered due to:

a) reasons attributable to COMPANY such as:

- i) carriage of dangerous cargo;
- ii) entry of the VESSEL, on COMPANY's instructions, into excluded zones listed in clause 3.6.4.2;
- iii) detention in consequence of being driven into port or to anchorage through stress of weather, or into shallow harbours or rivers or ports with bars;
- iv) deviation from the SERVICES at COMPANY's request,

b) repairs, maintenance or classification needs carried out by CONTRACTOR. For such needs, COMPANY shall if so required by CONTRACTOR allow one (1) day per calendar month (at times mutually agreed upon between the PARTIES), or pro rata part thereof, to be paid at hire rate. Days can be accumulated up to a maximum of five (5) days. Days not taken by CONTRACTOR will not be refunded by COMPANY at the end of the OPERATIONAL PERIOD.

3) Substitute vessel

During scheduled unavailability for dry docking or overhaul CONTRACTOR shall provide and mobilize a replacement vessel with similar technical specifications, from CONTRACTOR or CONTRACTOR's AFFILIATES, after acceptance by COMPANY. Such replacement vessel to be notified to COMPANY in a timely manner in order to ensure inspection upon arrival and continuity of the SERVICES.

Should the cost of chartering such replacement vessel exceed the daily hire rate payable for the VESSEL, then the following shall apply:

- CONTRACTOR shall bear the cost of any difference up to twenty-five per cent (25%) of the initial hire rate per day, and
- Any amount in excess of this 25 % will be equally supported (50% - 50%) by the PARTIES.

Should the cost of chartering such replacement vessel be less than the daily hire rate payable for the VESSEL, then such new hire rate will be invoiced to COMPANY.

Subject to COMPANY's inspection and acceptance tests, this replacement vessel shall become the VESSEL as defined in the CONTRACT.

4) Should the VESSEL's unavailability last more than seven (7) days, COMPANY shall be entitled to terminate the CONTRACT as per Sub-Article 7.1.2 e), with immediate effect,



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without any indemnity for CONTRACTOR and without prejudice to any other rights COMPANY may have under this CONTRACT.

5) Should the VESSEL be lost, hire rate shall cease as from the time of loss or, if such time is uncertain, from the time when the VESSEL was last seen or heard of.

**1.46 Accommodation of COMPANY's PERSONNEL**

For food and accommodation required for COMPANY's PERSONNEL, COMPANY shall reimburse CONTRACTOR according to the rates listed in Appendix 4 A.

**1.47 Reimbursable Charges**

CONTRACTOR shall be reimbursed at cost, plus handling charges, for products, consumables and the like, purchased by CONTRACTOR at COMPANY's request and upon presentation of invoices and satisfactory supporting documents. Handling charges are as per Appendix 4A.

**1.48 Left blank intentionally**

**1.49 Taxes**

CONTRACTOR shall pay and accept sole liability for all taxes, imposts and dues of any kind, (hereafter referred to as TAXES), which may be assessed or levied by whatsoever Authorities on CONTRACTOR GROUP in any country because of the signature or the performance of the CONTRACT, including any TAXES which COMPANY may be obligated to withhold from its payments to CONTRACTOR in accordance with APPLICABLE LAWS but to the exception of the Value Added Tax (VAT) if any.

CONTRACTOR shall defend, indemnify and hold COMPANY GROUP harmless against any CLAIM regarding the aforesaid TAXES and shall reimburse promptly to COMPANY any sum which the latter may have to pay as a result of any default of CONTRACTOR or CONTRACTOR GROUP.

CONTRACTOR represents and warrants that he has taken into account in establishing the rates and fees set out in the CONTRACT, all TAXES for which he is liable in accordance with the present Sub-Article 4.6 and in particular in Libya such as the Income Tax Duty Law No. 7 for the year 2010 and the stamp Duty Law 12/1372 (2004) and Amendments issued pursuant thereto.

**1.50 Import - export / re-export**

- a) CONTRACTOR shall be fully responsible for any and all customs clearance operations.
- b) CONTRACTOR will be responsible for identifying if any import/export license is required for the SERVICES and if compulsory shall obtain such import/export license from relevant authorities.
- c) CONTRACTOR shall comply with all applicable customs requirements and procedures to obtain customs clearance for the importation, exportation or re-exportation of the VESSEL (including spare parts, supplies and belongings of CONTRACTOR's PERSONNEL).
- d) With respect to such procedures CONTRACTOR shall under his own responsibility, prepare, issue and submit the documents required in due time to Customs Authority and/or to COMPANY, as the latter may so instruct.

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e) CONTRACTOR shall defend, indemnify and hold COMPANY GROUP harmless from the consequences of any error or omission in documents prepared and/or submitted by CONTRACTOR, resulting in failure of Customs Authorities to provide timely authorisations.

f) CONTRACTOR shall bear at his sole cost, risk and liability and COMPANY shall not reimburse, customs duties, port dues, brokerage fees and other similar import or export/re-export charges or fines imposed on any CONTRACTOR's equipment (including spare parts, supplies and belongings of CONTRACTOR's PERSONNEL).

**1.51 Performance Bank Guarantee and Parent Company Guarantee**

1.51.1 Ten-percent (10%) of Contract Price will be kept as RETENTION MONEY to be deducted from each monthly invoice for the substitution of Performance Bank Guarantee.

1.51.2 CONTRACTOR shall provide COMPANY, with acceptance letter for such RETENTION MONEY

1.51.3 The performance Bank Guarantee (RETENTION MONEY) will be kept in COMPANY accounts till end of contract and shall be established in the same currency as CONTRACT rates and fees.

1.51.4 The RETENTION MONEY will be released by COMPANY to CONTRACTOR by the end of contract period.

1.51.5 If CONTRACTOR fails to perform the services as specified in the CONTRACT, then COMPANY has the right to possess the RETENTION MONEY.

**1.52 Liquidated Damages**

CONTRACTOR hereby guarantees the timely mobilization and the conformity of the VESSEL and CONTRACTOR's PERSONNEL with the conditions of the CONTRACT.

Without prejudice to any other right(s) COMPANY may have under the CONTRACT,

a) should CONTRACTOR have not mobilized or clearly will not mobilize the VESSEL and/or CONTRACTOR's PERSONNEL twenty four (24) hours prior to the date requested in Sub-Article 2.3.2 due to any reason except FORCE MAJEURE or except for reason due to COMPANY, COMPANY shall have the right to demand payment of liquidated damages for such failure from this date until the DELIVERY DATE and/or,

b) should the VESSEL and/or CONTRACTOR's PERSONNEL be mobilized but found in non-conformity by COMPANY during its inspection and acceptance tests as per Sub-Article 3.7, COMPANY shall have the right to demand payment of liquidated damages for such failure from the date requested in Sub-Article 2.3.2 until the DELIVERY DATE.

Such payment shall be made by way of liquidated damages, and the liquidated damages amount shall be calculated as per the provisions of Appendix 4 and COMPANY shall be entitled to deduct such amount from the first payment(s) made to CONTRACTOR. Payment of these liquidated damages shall not relieve CONTRACTOR from duly performing its obligations under the CONTRACT.

Upon deduction of the maximum amount indicated in Appendix 4 and if CONTRACTOR continues in delay, COMPANY shall have the right to cancel the CONTRACT without any compensation due to CONTRACTOR and to demand payment of the Bank Guarantee.

The PARTIES agree, as at the date hereof, that such liquidated damages shall not be construed hereafter as a penalty and that such liquidated damages constitute a fair,

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genuine and reasonable pre-estimate of COMPANY's losses at the date of applying such damages.

**1.53 Invoicing and payment**

- a) CONTRACTOR shall invoice each month, in duplicate (one copy marked "ORIGINAL"), all amounts that become due to CONTRACTOR by COMPANY for the SERVICES performed in the previous month. **Original invoice shall be stamped by the Libyan Tax authority.**
- b) All invoices (hard copy only) shall be supported by documents duly approved by COMPANY REPRESENTATIVE.
- c) Invoices shall make reference to the CONTRACT number and title "ANCHOR HANDLING, AND TOWING CHARTER SERVICES WITH AHT VESSEL Nam and shall be paid in the currency designated in **Appendix 4 A.**

CONTRACTOR shall send separate invoices for mobilization fee, rates, reimbursable charges and demobilization fee.

Invoices for reimbursements of local purchases and additional service charges shall be rendered and paid in the currency originally paid by CONTRACTOR unless otherwise mutually agreed.

Should any conversion of currencies be required the basis for such conversions shall be the exchange rates indicated by the Central Bank of Libya applicable to the last business day of the month in which SERVICES were performed.

- d) Invoices shall be sent to the following address:

**MABRUK OIL OPERATIONS  
Finance Department Manager  
Dhat Al Imad Complex  
Tower 4 – Floor 16  
P.O. Box 91171,  
Tripoli, State of Libya**

- e) If COMPANY disputes an item invoiced, COMPANY shall return this invoice to CONTRACTOR specifying in writing the reasons for its rejection. CONTRACTOR may then:
  - either send back a revised invoice corrected to the satisfaction of COMPANY,
  - or send back an invoice covering the non-disputed part. The invoice for the disputed part may be sent as the case may be after the settlement of the issue.
- f) Payment of CONTRACTOR's invoices shall be made by bank transfer to the address and account number mentioned on CONTRACTOR's invoices.
- g) COMPANY shall pay all non-disputed invoices within thirty (30) days as from the end of the month of their receipt. The payment shall be deemed made as from the date of transfer from COMPANY's bank. COMPANY shall not be required to pay any invoice received more than three (3) months after the end of OPERATIONAL PERIOD or termination of the CONTRACT, whichever occurs first.
- h) The payment of invoices shall not prejudice the right of COMPANY to contest, in writing, any irregular charge paid. Any contest, thus made and accepted as valid, shall become the object of an excess reimbursement by CONTRACTOR.

**1.54 Accounting and audits**

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a) Payments made by COMPANY shall not be construed as waiver of COMPANY's right to object to any paid invoices.

b) CONTRACTOR shall safely keep and cause SUBCONTRACTORS to keep in accordance with generally accepted accounting practice, accurate detailed records and accounts pertaining to the performance of the SERVICES, including CONTRACTOR's PERSONNEL, records, correspondence, receipts, vouchers, memoranda, computerised data and such other information necessary for an accurate audit and verification of any reimbursable costs, for the duration of the CONTRACT and for a period of two (2) years following the REDELIVERY DATE or the date on which the CONTRACT has been terminated pursuant to the provisions of Article 7 whichever occurs first.

c) COMPANY shall have the right during such period to audit (or have audited) and to copy any records and accounts for verification of any sum payable under the CONTRACT.

**1.55 a) Subject to the provisions of Sub-Article 4.14, COMPANY shall compensate CONTRACTOR for substantial overall increase in the cost of performing the SERVICES under the CONTRACT which shall directly arise out of any new laws (including tax laws) or amendment to or new interpretation by GOVERNMENT (including the judicial courts) of any existing laws applicable to the PERMIT AREA coming into force after the EFFECTIVE DATE, provided that such increase in cost is properly supported by documentation satisfactory to COMPANY and that CONTRACTOR has requested COMPANY's opinion before making related commitment(s).**

b) Substantial overall decrease arising from such circumstances shall conversely result into a corresponding decrease of CONTRACTOR's rates and fees quoted in Appendix 5.

c) An aggregate increase (or decrease) in CONTRACTOR's revenue amounting to five percent (5 %) or less shall not be considered as a substantial overall increase (decrease) for the purpose of this Sub-Article 4.12.

d) In case that, under such circumstances, the performance of the SERVICES is prevented by decisions of GOVERNMENT, Sub-Article 7.2 shall apply until an agreement can be reached in order to resume the performance of the SERVICES.

**1.56 Notwithstanding the Sub-Article 4.12, CONTRACTOR shall solely bear the effects of or benefit from any change in all taxes assessed against profits, dividends, corporate income, CONTRACTOR's PERSONNEL income, customs duties on CONTRACTOR's PERSONNEL belongings, and the incidence of any fluctuation or decision of any authority regarding exchange rates, levied on, incurred by or otherwise due by CONTRACTOR as well as any expense (including taxes) resulting from subcontracting and expenses resulting from any CONTRACTOR's decision to make any commitment related to Sub-Article 4.12 in contradiction with or without COMPANY's opinion.**

**1.57 CONTRACTOR shall not be entitled to receive any remuneration hereunder during any period of suspension of the performance of the SERVICES resulting from LOCAL STRIKES.**

**ARTICLE 5 - LIABILITIES**

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**1.58 Liabilities between the PARTIES**

**1.58.1 Property**

- a) CONTRACTOR waives all rights of recourse against and shall defend, indemnify and hold harmless COMPANY GROUP from and against any CLAIM in respect of loss of or damage to the VESSEL and the CONTRACTOR GROUP's property and equipment. CONTRACTOR shall not be responsible for shortage and/or loss of or damage to cargo howsoever and/or by whomsoever caused, even if caused by the negligence of CONTRACTOR or of the CONTRACTOR's PERSONNEL, provided that such shortage and/or loss and/or damage has not resulted from the CONTRACTOR's GROSS NEGLIGENCE in which case CONTRACTOR shall be liable up to United States Dollars five hundred thousand (US \$ 500,000) per occurrence.
- b) COMPANY waives all rights of recourse against and shall defend, indemnify and hold harmless CONTRACTOR GROUP from and against any CLAIM in respect of loss of or damage to the COMPANY GROUP's property and equipment including loss of or damage to a well (including well equipment) owned and/or operated by COMPANY and for regaining control of a wild well owned and/or operated by COMPANY and for the cost of re-drilling of a well owned and/or operated by COMPANY.

**1.58.2 PERSONNEL**

- a) CONTRACTOR waives all rights of recourse against and shall defend, indemnify and hold harmless COMPANY GROUP from and against any CLAIM in respect of personal and bodily injury, including death, sickness or diseases and any loss of or damage to the property of any CONTRACTOR's PERSONNEL.
- b) COMPANY waives all rights of recourse against and shall defend, indemnify and hold harmless CONTRACTOR GROUP from and against any CLAIM in respect of personal and bodily injury, including death, sickness or diseases and any loss of or damage to property of any COMPANY's PERSONNEL.

**1.58.3 CONSEQUENTIAL LOSS**

Subject and without prejudice to any liquidated damages provided in Sub-Article 4.9 or other compensation provisions stipulated for delay, non-performance, or otherwise in the CONTRACT:

- a) COMPANY waives all rights of recourse against and shall defend, indemnify and hold harmless CONTRACTOR GROUP from and against COMPANY GROUP's CONSEQUENTIAL LOSS, arising from or relating to the performance, mis-performance or non-performance of the CONTRACT;
- b) CONTRACTOR waives all rights of recourse against and shall defend, indemnify and hold harmless COMPANY GROUP from and against CONTRACTOR GROUP's CONSEQUENTIAL LOSS, arising from or relating to the performance, mis-performance or non-performance of the CONTRACT.

**1.59 Liability towards THIRD PARTY**

**1.59.1 General**

- a) CONTRACTOR shall defend, indemnify and hold harmless COMPANY GROUP from and against any CLAIM in respect of damage to, or loss of THIRD PARTY property and equipment, including CONSEQUENTIAL LOSS and personal and bodily injury, including death, sickness or diseases of any THIRD PARTY, caused by CONTRACTOR GROUP or the VESSEL or the CONTRACTOR GROUP's property and equipment, and arising from or relating to the performance, mis-performance or non-performance of the CONTRACT.

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- b) COMPANY shall defend, indemnify and hold harmless CONTRACTOR GROUP from and against any CLAIM in respect of damage to, or loss of THIRD PARTY property and equipment, including CONSEQUENTIAL LOSS and personal and bodily injury, including death, sickness or diseases of any THIRD PARTY, caused by COMPANY GROUP or the COMPANY GROUP's property or equipment, and arising from or relating to the performance, mis-performance or non-performance of the CONTRACT.

#### **1.59.2 For Well Manifestation and Pollution from COMPANY GROUP's property and equipment**

Notwithstanding Sub-Articles 5.2.1 and 5.2.3, COMPANY waives all rights of recourse against and shall defend, indemnify and hold harmless CONTRACTOR GROUP from and against any CLAIM in respect of all loss, damage, personal and bodily injury, including death, sickness or diseases caused to THIRD PARTY and damage to THIRD PARTY property and equipment caused by blow-out, uncontrolled well-flow, cratering or pollution or any other manifestation emanating from a well owned and/or operated by COMPANY or from COMPANY GROUP's property and equipment. However, if such loss, damage, personal and bodily injury, including death, sickness or diseases has resulted from CONTRACTOR GROUP's GROSS NEGLIGENCE, CONTRACTOR shall bear the financial consequences of such loss, damage, personal and bodily injury, including death, sickness or diseases up to United States Dollars five hundred thousand (US \$ 500,000) per occurrence.

#### **1.59.3 For Pollution from the VESSEL and other CONTRACTOR GROUP's property and equipment**

CONTRACTOR shall be liable and shall defend, indemnify and hold harmless COMPANY GROUP from and against any CLAIM in respect of loss and damage to (including the cost of remedial measures) or personal and bodily injury, including death, sickness or diseases caused to THIRD PARTY arising out of or in connection with pollution resulting from discharge of any substance (except substances emanating from the well) emanating:

- (i) from the VESSEL and other CONTRACTOR GROUP's property and equipment, and/or
- (ii) from COMPANY GROUP's property and equipment to the extent caused by an act, omission or the negligence or breach of duty (statutory or otherwise) of CONTRACTOR GROUP, except where such discharge has been made upon written instruction of COMPANY REPRESENTATIVE.

#### **1.60 General average**

Notwithstanding Sub-Article 5.1.1, in the event of a General Average incident occurring in connection with a vessel provided by COMPANY GROUP or vessel(s) provided by CONTRACTOR GROUP, with any property and equipment of COMPANY GROUP and/or CONTRACTOR GROUP and/or a THIRD PARTY on board, each shall contribute its/his proper proportion in General Average. General Average shall be adjusted in London according to the latest edition of York-Antwerp rules.

#### **5.2. Liabilities for salvage operations performed by CONTRACTOR GROUP**

In the case of the self-propelled barge(s) and/or vessel(s) provided by CONTRACTOR GROUP, the following provisions shall apply:

- a) For COMPANY GROUP's operations:

Within its (their) capabilities, such barge(s) and/or vessel(s) shall carry out rescue and salvage operations to the benefit of:

- COMPANY's PERSONNEL or COMPANY GROUP's other contractors' or subcontractors' personnel and property and equipment as well as vessels, cargoes, freight, bunkers and stores at risk of COMPANY GROUP or its other contractors or subcontractors and/or,
- CONTRACTOR's PERSONNEL or CONTRACTOR GROUP's property and equipment as well as vessels, cargoes, freight, bunkers and stores at risk to the extent they are connected with COMPANY GROUP's operations.

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Such rescue and salvage operations shall be considered as normal operations of such barge(s) and/or vessel(s).

It is expressly agreed that any property and equipment as well as vessels, cargoes, freight, bunkers and stores of COMPANY GROUP or its other contractors or subcontractors which is salvaged by such barge(s) and/or vessel(s) shall not be subject to salvage claims by CONTRACTOR GROUP, provided that such other contractors or subcontractors owning such property and equipment as well as vessels, cargoes, freight, bunkers and stores have signed their counterpart of the Mutual Indemnity and Waiver of Recourse Agreement referred to in sub-article 5.8.

COMPANY GROUP or its other contractors or subcontractors shall however be severally (not jointly and severally) liable to meet any award, made under legal rights, to the master, officers and crew of the barge(s) and/or vessel(s) in relation to such operations.

b) For others:

Such barge(s) and/or vessel(s) shall be entitled at all times to deviate for the purpose of saving life. The master shall promptly inform COMPANY of such deviation.

Such barge(s) and vessel(s) shall be entitled to render salvage to other vessels, cargo, freight, bunkers and store at risk, if COMPANY gives its permission which shall not be unreasonably withheld. The relevant member(s) of CONTRACTOR GROUP shall not be remunerated during the time spent in saving or attempting to save such other vessels, cargo, freight, bunkers and stores and/or in unsuccessful attempts at salvage.

c) All salvage proceeds (including any award pursuant to Article XIV of the Salvage Convention 1989 and/or Special Compensation Protection and Indemnities Club clause (SCOPIK)) arising out of the saving of THIRD PARTY property and equipment which is not connected with COMPANY GROUP's operations shall be divided equally between the respective relevant members of COMPANY GROUP and CONTRACTOR GROUP after deducting master's and crew's share, repair costs sustained by barge(s) and/or vessel(s) disbursements incurred for the amount mentioned in the award and after reimbursing COMPANY for one hundred per cent (100%) of the operational rates and fuel consumed during salvage of property. Subject as aforesaid, the relevant member(s) of CONTRACTOR GROUP shall be remunerated at half the operational rates during time spent in saving or attempting to save life and/or in unsuccessful attempts at salvage.

5.3. Liabilities for salvage operations performed by COMPANY GROUP's contracted vessels (whenever COMPANY GROUP's contracted vessels are provided)

All salvage of the CONTRACTOR GROUP's barge(s) and/or vessel(s) by COMPANY GROUP's contracted vessels shall be subject to the following provisions:

a) CONTRACTOR shall defend, indemnify and hold harmless COMPANY GROUP and its other contractors or subcontractors performing the salvage in respect of any CLAIM arising out of loss or damage of whatever nature sustained by:

i. CONTRACTOR GROUP's barge(s) and/or vessel(s) including the VESSEL or any CONTRACTOR GROUP's other property and equipment on board other than property and equipment of COMPANY GROUP, its other contractors or subcontractors or their respective personnel,

ii. a THIRD PARTY by reason of contact with CONTRACTOR GROUP's barge(s) and/or vessel(s) or obstruction created by the presence of such barge(s) and/or vessel(s),

iii. a THIRD PARTY in consequence of loss or damage, such as pollution from the barge(s) and/or vessel(s) and removal of wreckage referred to under i. and ii. of this sub-article 5.5 a).

b) COMPANY shall defend, indemnify and hold harmless CONTRACTOR GROUP in respect of any CLAIM arising out of loss or damage of whatever nature sustained by:

i. COMPANY GROUP's contracted vessels or any property and equipment on board other than that of CONTRACTOR GROUP;

ii. a THIRD PARTY by reason of contact with COMPANY GROUP's contracted vessels or obstruction created by their presence;

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iii. a THIRD PARTY in consequence of loss or damage, such as pollution from the barge(s) and/or vessel(s) and removal of wreckage referred to under i. and ii. of this sub-article 5.5 b).

c) In the event that CONTRACTOR GROUP's barge(s) and/or vessel(s) should require salvage services and those services are provided by a vessel belonging to COMPANY GROUP, no salvage claim shall be made by COMPANY GROUP.

**1.61 The relevant member(s) of CONTRACTOR GROUP shall however be liable to meet any salvage award made under legal rights to the master and crew in relation to such operations.**

d) **The provisions of this sub-article 5.5 shall prevail over anything herein to the contrary.**

e) The provisions of Articles 5 and 6 shall apply for all salvage operations of the barge(s) and/or vessel(s) performed, before DELIVERY DATE and/or after REDELIVERY DATE or after the date on which the CONTRACT has been terminated pursuant to the provisions of Article 7 whichever occurs first, by COMPANY GROUP's contracted vessels until termination of such salvage operations.

#### **1.62 Infringement of intellectual property rights**

CONTRACTOR shall be solely liable for the consequences of any and all infringements of intellectual property rights belonging to any THIRD PARTY by any of the results of the SERVICES as defined under sub-article 3.9 or other items that CONTRACTOR GROUP may provide to COMPANY or operations he may perform hereunder, except where such infringement arises directly and solely as a result of COMPANY GROUP's property and equipment or processes expressly stipulated by COMPANY to be used by CONTRACTOR GROUP. However, if CONTRACTOR has or acquires knowledge of any intellectual property rights belonging to any THIRD PARTY in respect of which a suit for infringement could reasonably be brought because of the use by CONTRACTOR GROUP of such COMPANY GROUP's property and equipment or processes expressly stipulated by COMPANY, CONTRACTOR shall promptly give notice to COMPANY of such knowledge. COMPANY shall be solely liable for the consequences of any and all infringements of intellectual property rights arising out of the use of any of the COMPANY GROUP's property and equipment or processes expressly stipulated by COMPANY, or other items that COMPANY may provide to CONTRACTOR GROUP.

#### **1.63 Holding Harmless**

a) Waivers of recourse, exclusions, liabilities and indemnities given under the CONTRACT shall apply irrespective of cause and notwithstanding the negligence (including GROSS NEGLIGENCE unless otherwise expressly provided in the CONTRACT), breach of duty (statutory or otherwise) or other failure of any nature of the indemnified GROUP and shall apply irrespective of any CLAIM in tort, contract or otherwise at law. All indemnities under the CONTRACT shall be full and primary and shall be fully enforceable irrespective any separate right of indemnity or contribution from any PERSON unless otherwise provided for herein. Notwithstanding the above, waivers of recourse, liabilities, exclusions and indemnities given under the CONTRACT shall not apply in the case of WILFUL MISCONDUCT of the indemnified GROUP.



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b) Whenever a PARTY or any other member of COMPANY GROUP or CONTRACTOR GROUP is pursued in respect of any loss, damage, personal and bodily injury, including death, sickness or diseases, whatsoever for which the other PARTY is liable under the provisions of the CONTRACT, the latter shall defend, indemnify and hold harmless the former.

c) Whenever a PARTY or any other member of COMPANY GROUP or CONTRACTOR GROUP is obliged or held responsible to pay, pursuant to a judgment or an arbitration award, a sum for which COMPANY or CONTRACTOR respectively is liable under the provisions of the CONTRACT, the latter shall reimburse and indemnify the former without delay.

d) CONTRACTOR shall be liable for the defense of any CLAIM brought against COMPANY GROUP in respect of which CONTRACTOR is liable under the provisions of the CONTRACT and shall satisfy any judgment against COMPANY GROUP resulting therefrom.

COMPANY may however participate in the defense of suit to which COMPANY is a party, subject to the approval of CONTRACTOR's insurance underwriters which shall not be unreasonably withheld or delayed and without relieving CONTRACTOR of his responsibility for the defense of the CLAIM. COMPANY shall forthwith, upon receiving notice of any CLAIM brought against it, deliver to CONTRACTOR full particulars thereof and shall render all reasonable assistance requested by CONTRACTOR in the defence of the CLAIM. CONTRACTOR shall keep COMPANY regularly informed of proceedings and developments in relation to such CLAIM.

e) The provisions of the above paragraph (d) shall apply conversely in case of a CLAIM against CONTRACTOR GROUP in respect of which COMPANY is liable under the provisions of the CONTRACT.

f) The provisions of this Article 5 shall survive termination or expiration of the CONTRACT.

#### **1.64 Indemnities and waivers of recourse**

##### **1.64.1 Between CONTRACTOR, SUBCONTRACTORS and the other contractors of COMPANY**

a) CONTRACTOR shall sign the counterpart of the Mutual Indemnity and Waiver of Recourse Agreement (Version for CONTRACTOR) attached in the form as set out hereto (Appendix 6/A).

b) CONTRACTOR shall obtain from SUBCONTRACTORS, the signature of like counterparts of the Mutual Indemnity and Waiver of Recourse Agreement (Version for CONTRACTOR's SUBCONTRACTORS) attached in the form as set out hereto (Appendix 6/B).

c) With reference to Sub-Article 1.6.2, at the time of asking for the consent of COMPANY to contracting a specific subcontractor, CONTRACTOR shall compulsorily communicate to COMPANY counterparts of the Mutual Indemnity and Waiver of Recourse Agreement duly signed by such potential subcontractor and witnessed by himself.

##### **1.64.2 Between COMPANY and SUBCONTRACTORS**

a) Every contract between CONTRACTOR and SUBCONTRACTORS shall provide that the provisions of this Article 5 shall apply between COMPANY and such SUBCONTRACTORS in the same manner as they apply between COMPANY and CONTRACTOR.

b) CONTRACTOR shall obtain from each of SUBCONTRACTORS a waiver of corresponding rights of recourse against COMPANY GROUP and shall defend, indemnify and hold harmless COMPANY GROUP against any and all consequences of his failure to obtain such waiver. Conversely, SUBCONTRACTORS shall have the benefit of same indemnities and waivers of recourse from COMPANY as CONTRACTOR.

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c) CONTRACTOR shall obtain from each of SUBCONTRACTORS the signature of the Liability and Insurance Agreement from Subcontractors attached in the form as set out hereto (Appendix 7).

**1.65 Special provision**

The benefit of the waivers of recourse and of the indemnity and hold harmless provisions provided by one GROUP to the other GROUP in this Article 5 shall be extended to the underwriters of the indemnified GROUP.

**ARTICLE 6 - INSURANCES**

**6.1. Insurances to be placed by CONTRACTOR**

**1.65.1 Policies and limits**

CONTRACTOR shall at his own cost and expense obtain and maintain or cause SUBCONTRACTORS to obtain and maintain in full force and effect throughout the duration of the CONTRACT and any extensions thereof, the following insurances from insurers acceptable to COMPANY for specified amounts or their equivalent in another currency acceptable by COMPANY, it being understood that the risks may be covered by insurance policies in a different way than the one indicated beneath provided that all such risks are properly covered:

a) Workmen's Compensation Insurance to comply fully with APPLICABLE LAWS and agreements made with employees.

b) Employer's Liability Insurance to include cover for legal expenses anywhere in the world, with a limit of not less than five million (US \$ 5,000,000) United States Dollars per occurrence or the limit required by APPLICABLE LAWS, whichever is the highest whereby an employer shall secure compensation to his employees to the extent required by law and agreement with employees.

This policy shall provide that a CLAIM "in rem" shall be treated as a CLAIM against employer.

c) Protection and Indemnity Insurance including pollution liability and removal of wreck and/or debris with a member of the International Group of Protection and Indemnity clubs or the equivalent in respect of the VESSEL hired and/or used by CONTRACTOR hereunder for the full value of the VESSEL or for the amount required by APPLICABLE LAWS limiting ship owner's liability or for five million (US \$ 5,000,000) United States Dollars per occurrence whichever is the highest.

For chartered vessels, CONTRACTOR shall obtain Charterer's Liability Insurance if not already covered by the General Liability Insurance under paragraph c).

d) Hull and Machinery, or the latest American Institute Hull Clauses, Institute Time clauses or equivalent and possibly Increased Value Insurance covering the VESSEL owned and/or used by or for CONTRACTOR hereunder to the full value of the VESSEL and including full collision liability coverage and removal of wreck and/or debris.

e) Full Towage Liability Insurance covering liabilities of both the tug(s) and the tow whenever the VESSEL hired and/or used by CONTRACTOR hereunder is engaged in towing operations.

**1.65.2 Special Provisions**

a) The limits specified in sub-article 6.1.1 are minimum requirements and not limits of liability. They should not be construed as COMPANY's consent to substitute its financial

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liability in excess of the limits specified above except as otherwise agreed in the CONTRACT.

b) All deductibles applicable to CONTRACTOR's insurances with or without the specific consent of COMPANY shall be for the account of CONTRACTOR.

c) CONTRACTOR's insurances shall contain provisions whereby the insurers waive their rights of subrogation against COMPANY GROUP and the signatories bound by the Mutual Indemnity and Waiver of Recourse Agreement referred to under Article 5 and their respective insurers in accordance with the liabilities assumed by CONTRACTOR under the provisions of Article 5.

d) Except with respect to Workmen's compensation, the policies described in sub-article 6.1.1 shall include any member of COMPANY GROUP as an additional insured party in so far as COMPANY is held liable to pay for CLAIM which according to the CONTRACT has to be borne by CONTRACTOR GROUP.

e) Both Employer's Liability and Workmen's Compensation Insurances shall provide that CLAIM formulated by CONTRACTOR's PERSONNEL against COMPANY, and/or other contractors and subcontractors of COMPANY, shall be treated as CLAIM against CONTRACTOR and compensated by such insurances.

f) Before DELIVERY DATE, CONTRACTOR shall furnish COMPANY with certificates of insurance and thereafter renewals thereof. These certificates shall contain the following statements or statements not materially different from the following:

For all insurances:

- "This policy is endorsed to the effect that Insurers waive all rights of subrogation against (name of COMPANY) and its coventurers and its/theirs affiliates in the operations provided for under the contract between (name of COMPANY) and (name of CONTRACTOR) dated ..... and against such other contractors of (name of COMPANY) who have signed the Mutual Indemnity and Waiver of Recourse Agreement provided for in Article 5 of said contract and in accordance with the liabilities assumed by (name of CONTRACTOR) under the provisions of Article 5 of said contract. This waiver of all rights of subrogation extends to the benefit of the Insurers of (name of COMPANY) and its coventurers and its/theirs affiliates (except for workmen's compensation)."

- "This policy is endorsed to the effect that (name of COMPANY) and its coventurers and its/theirs affiliates in the operations provided for under the contract with (name of COMPANY) and (name of CONTRACTOR) dated ..... are additional assureds in respect of claims and/or damages and/or losses arising out of liabilities accepted by (name of CONTRACTOR) and his subcontractors under said contract."

- "This policy shall not lapse nor shall the guarantee hereunder be substantially reduced without one (1) month's prior written notice to (name of COMPANY)."

In addition, for Employers Liability only:

- "This policy is endorsed to the effect that claims formulated by personnel of (name of CONTRACTOR) against (name of COMPANY), its coventurers and its/theirs affiliates and other contractors and subcontractors of (name of COMPANY) shall be treated as claims against (name of CONTRACTOR) and compensated by such insurance."

In addition, for other Liability Insurances:

- "This policy is primary insurance for all additional assured parties and other insurance carried by (name of COMPANY) and its coventurers and its/theirs affiliates, shall not be

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called upon to contribute or participate on the basis of contributing, concurrent, double insurance or otherwise."

g) As soon as he is aware of any circumstance which may engage the responsibility of COMPANY and which may give rise to a CLAIM under his liability insurances, including Employer's Liability Insurance, CONTRACTOR shall give written notice of such circumstance to his insurers with copy to COMPANY.

Such notification shall make reference to the provision that COMPANY is an additional assured in respect of any CLAIM made against COMPANY arising out of liabilities accepted by CONTRACTOR and his SUBCONTRACTORS under the CONTRACT.

h) CONTRACTOR shall list all insurances pertaining to the CONTRACT under Appendix 7 and represents and warrants that they comply with the provisions of this Article 6.

i) Should CONTRACTOR at any time neglect or refuse to provide any of the insurances described in sub-article 6.1.1 or should such insurance be cancelled or terminated or substantially reduced, COMPANY shall have the right to procure the same and the cost thereof shall be deducted from sums due or thereafter becoming due to CONTRACTOR. Any additional costs and expenses involved for COMPANY in procuring such insurance or any losses due to the fact that CONTRACTOR neglected or refused to provide the insurance or that the insurance had been cancelled or terminated or substantially reduced, shall be for the CONTRACTOR's account.

j) The provision of insurance certificates to COMPANY under the provisions of sub-article 6.1.2 f) shall not be construed as a waiver of or a defence to any CLAIM of COMPANY against CONTRACTOR.

k) CONTRACTOR shall comply at all times with all conditions and warranties included in all insurances described under sub-article 6.1.1.

l) CONTRACTOR shall ensure that each SUBCONTRACTOR is properly insured for his liabilities.

Such insurance shall be compatible with the terms of Articles 5 and 6 where appropriate and shall in particular take into account the application of the Mutual Indemnity and Waiver of Recourse Agreement in the case of each SUBCONTRACTOR.

Notwithstanding the signature by SUBCONTRACTORS of the Liability and Insurance Agreement from subcontractors referred to in Sub-Article 1.6, any deficiency in the coverage, amounts, policy limits or provisions of any SUBCONTRACTOR's insurance shall be the sole responsibility of CONTRACTOR.

#### **1.66 Insurances to be placed by COMPANY**

All COMPANY's insurances shall contain provisions whereby its insurers agree to waive their rights of subrogation against CONTRACTOR GROUP and their respective insurers in accordance with the provisions of Article 5.

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**ARTICLE 7 - SUSPENSION - TERMINATION - FORCE MAJEURE**

**1.67 Suspension of the performance of the SERVICES and/or termination of the CONTRACT attributable to CONTRACTOR**

**1.67.1 Suspension of the performance of the SERVICES attributable to CONTRACTOR**

Should CONTRACTOR during the course of the CONTRACT perform the SERVICES in a manner not in conformity with the CONTRACT requirements such as:

- failing to supply sufficient or proper VESSEL and/or CONTRACTOR GROUP's property and equipment,
- failing to provide sufficient number or properly skilled CONTRACTOR's PERSONNEL,
- failing in any respect to carry out the performance of the SERVICES in accordance with the CONTRACT,
- failing to satisfy the safety requirements of the CONTRACT,

which would hinder in any way the performance of the SERVICES, COMPANY shall notify CONTRACTOR of such deficiency and shall be entitled either to continue or to suspend the performance of the SERVICES, or any relevant part thereof, under the following conditions:

a) as soon as practicable after receiving the above notification, CONTRACTOR shall promptly:

- repair or replace the VESSEL and/or CONTRACTOR GROUP's property and equipment identified as deficient,
- replace CONTRACTOR's PERSONNEL recognised as deficient,
- carry out the performance of the SERVICES in accordance with the CONTRACT,
- satisfy the HSE requirements of the CONTRACT.

CONTRACTOR shall bear all costs and expenses associated with above corrective actions including those for transportation.

b) Remuneration:

From the day of receiving the above notification to the day until all deficiencies have been corrected and accepted by COMPANY REPRESENTATIVE, CONTRACTOR shall be remunerated on the following basis:

- i) If, at COMPANY's sole option, the performance of the SERVICES continues, Suspension Rate shall apply as per Sub-Article 4.2.2.3 and Appendix 4.
- ii) In case of total suspension of the SERVICES, BREAKDOWN rate shall apply.

**1.67.2 Termination of the CONTRACT attributable to CONTRACTOR**

Without prejudice to any other rights under the CONTRACT or at law, COMPANY shall have the right to terminate the CONTRACT:

- a) if CONTRACTOR fails to mobilize within fifteen (15) days after the date specified in Sub-Article 2.3.2, and/or
- b) if CONTRACTOR fails, neglects or refuses to perform any part of the SERVICES required under the CONTRACT, and/or
- c) if CONTRACTOR has not remedied his deficiency within a reasonable period of time, and/or
- d) whenever applicable, if CONTRACTOR fails to provide the Bank Guarantee and/or Parent Company guarantee, within the period(s) referred in Sub-Article 4.8, and/or
- e) in case of VESSEL's unavailability in excess of the period specified in sub-article 4.2.2.4. 4), and/or
- f) if CONTRACTOR, through act or omission, seriously delays or impedes the progress of the performance of the SERVICES or endangers COMPANY's operations or is likely to bring COMPANY into disrepute, and/or

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- g) if CONTRACTOR commits any breach of any material provision of the CONTRACT, and/or
- h) in case of CONTRACTOR's GROSS NEGLIGENCE and/or WILFUL MISCONDUCT, and/or
- i) in case of bankruptcy, liquidation or take-over of CONTRACTOR, and/or
- j) if CONTRACTOR fails to take out the insurances prescribed in Article 6 or such insurances become invalid, and/or
- k) upon total loss or constructive total loss of the VESSEL, and/or
- l) if CONTRACTOR due to his negligent act or omission causes the total or constructive loss of COMPANY GROUP's property and equipment or any part thereof, and/or
- m) if the VESSEL becomes unserviceable or unreliable as per the CONTRACT requirements.

COMPANY shall notify CONTRACTOR with its grounds for complaint and if CONTRACTOR has not, within seven (7) days as from receipt of the said notice, restored good working conditions or diligently proceeded to remedy such matter, COMPANY shall have the right to terminate the CONTRACT at any time by sending a notice of termination to CONTRACTOR.

COMPANY shall only compensate CONTRACTOR up to the date of the above notice of termination.

No demobilization fee shall be paid and, notwithstanding the provisions of Sub-Article 2.7, CONTRACTOR shall remain responsible:

- to demobilize, at his own cost, the VESSEL and CONTRACTOR's PERSONNEL from the OPERATIONAL AREA within seven (7) days from the receipt by CONTRACTOR of the notification of termination,
- to comply with the provisions of sub-articles 2.10 and 3.3,
- to return to COMPANY GROUP, COMPANY GROUP's property and equipment in good condition, normal wear and tear excepted.

Notwithstanding such termination, COMPANY shall be entitled to reimbursement and compensation from CONTRACTOR for all direct and documented costs and expenses incurred by it in connection with such termination. In particular, COMPANY shall have the right, at its sole option, to complete (or have completed by any THIRD PARTY PERSON) any and all outstanding SERVICES and invoice CONTRACTOR for the difference it incurred as a result of such termination including for all documented managerial, administrative and technical expenditures related to the performance of the remaining part of the SERVICES by itself (or a THIRD PARTY PERSON).

Whenever applicable, COMPANY shall be entitled to call upon the Bank Guarantee for corresponding amount in case of failure by CONTRACTOR to pay such sum.

The specific contractual liability of CONTRACTOR towards COMPANY with respect to all such direct and documented costs and expenses incurred by COMPANY in connection with such termination and, in particular, the difference incurred by COMPANY [between the price for the performance of the remaining part of the SERVICES should the same would have been completed by CONTRACTOR, and the price for the performance of the remaining part of the SERVICES as completed by COMPANY (or by a THIRD PARTY PERSON)] as a result of such termination including for all documented managerial, administrative and technical expenditures related to the performance of the remaining part of the SERVICES, is specifically capped in aggregate to one hundred percent (100%) of the final total CONTRACT price.

#### **1.68 Suspension of the performance of the SERVICES and/or termination of the CONTRACT at COMPANY's convenience**

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At COMPANY's sole discretion, COMPANY shall have, at any time, the right to:

- i) notify CONTRACTOR of the suspension of part of all of the performance of the SERVICES, or
- ii) subject to giving CONTRACTOR a thirty (30) days prior notice of the COMPANY's decision:
  - to terminate part of the SERVICES, or
  - to terminate the CONTRACT;

in which cases CONTRACTOR shall promptly forward to COMPANY all reports and other documents related to the SERVICES performed provided, however, that CONTRACTOR shall have the right to exclude any records with respect to any CONTRACTOR's proprietary matters, intellectual property rights, formulas or processes.

7.2.1 In the event of suspension of the performance of the SERVICES, at COMPANY's convenience, the following provisions shall apply:

- i) COMPANY shall have the right to require CONTRACTOR to reduce CONTRACTOR's PERSONNEL, subject to a minimum strength compatible with the safety of the VESSEL, as per the provisions of sub-article 3.5.3.
- ii) for the VESSEL, CONTRACTOR GROUP's property and equipment and CONTRACTOR's PERSONNEL remaining on the OPERATIONAL AREA CONTRACTOR shall be remunerated at STAND-BY Rate as defined under sub-article 4.2.2.1.b)) and Appendix 4. Throughout this period, CONTRACTOR shall continue to maintain the VESSEL in good working conditions.
- iii) CONTRACTOR shall be entitled to terminate the CONTRACT by written notice if, as recognized by COMPANY in writing, the duration of the suspension exceeds thirty (30) consecutive days or if this duration cumulated over one (1) year for the different suspensions exceeds thirty (30) days. Termination shall be effective seven (7) days after such written notice has been received by COMPANY.

7.2.2 In the event of termination of the CONTRACT at the COMPANY's convenience, CONTRACTOR shall be remunerated by COMPANY at:

- first, the hire rate as specified in sub-article 4.2.1 and Appendix 4 and in the following conditions:
  - \* for the VESSEL and any CONTRACTOR GROUP's property and equipment, up to the day the same is demobilised from the OPERATIONAL AREA ;
  - \* for CONTRACTOR's PERSONNEL, up to the day the same is demobilised from the OPERATIONAL AREA ; and
- second, STAND BY rate per remaining day of intended initial OPERATIONAL PERIOD as per sub-article 2.3.3 or of any extension period granted as per sub-article 2.3.4. Such compensation shall be limited to fifteen (15) days or until the VESSEL commences operations with any AFFILIATE of any member of COMPANY GROUP or any THIRD PARTY, whichever comes first.

CONTRACTOR shall remain responsible:

- \* to demobilize at his own cost the VESSEL, any CONTRACTOR GROUP's property and equipment and CONTRACTOR's PERSONNEL from OPERATIONAL AREA within seven (7) days from the receipt by COMPANY of the notice of termination,
- \* to comply with the provisions of sub-articles 2.10 and 3.3,
- \* to return to COMPANY GROUP, COMPANY GROUP's property and equipment in good condition, normal wear and tear excepted.

Such payment shall constitute the sole and full compensation payable by COMPANY for such termination, to the exclusion of any other indemnity.

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**1.69 FORCE MAJEURE**

- 7.3.1 If either PARTY hereto is prevented, hindered or delayed from performing all or any of its/his obligations hereunder, except its/his payment or its/his reimbursement obligations, as a result of FORCE MAJEURE, such prevention, hindrance or delay shall not be considered as a breach of the CONTRACT and that PARTY shall be relieved from such obligations for the duration of such FORCE MAJEURE (but for no longer period), provided however that there is a direct relation between the interruption, hindrance or delay in the performance of the SERVICES and FORCE MAJEURE.
- 7.3.2 The PARTY claiming FORCE MAJEURE shall promptly notify the other PARTY, with evidence of the occurrence of the related event and shall give prompt notice once the end of FORCE MAJEURE situation is foreseeable. In the case of FORCE MAJEURE affecting CONTRACTOR, CONTRACTOR shall immediately suspend the performance of the SERVICES as affected by FORCE MAJEURE and maintain all safety, security and protective measures insofar as possible.
- 7.3.3 In the event of FORCE MAJEURE, the PARTIES shall do their utmost effort to remedy the situation as quickly as possible. Remuneration of CONTRACTOR shall be as specified in sub-article 4.2.2.2 from the time the performance of the SERVICES is prevented by FORCE MAJEURE to the time the performance of the SERVICES is resumed.
- 7.3.4 In the event of FORCE MAJEURE preventing operations beyond thirty (30) days or if, in COMPANY's reasonable opinion, the FORCE MAJEURE conditions are anticipated to last more than thirty (30) days, either PARTY shall be entitled to terminate the CONTRACT by notice to the other PARTY, without having to pay any indemnity or demobilization fee, with effect at the date at which the appropriate written notice of termination has been received by the other PARTY and neither PARTY shall have any CLAIM against the other.  
CONTRACTOR shall remain responsible:
- to demobilize, at his own cost the VESSEL, any CONTRACTOR GROUP's property and equipment and CONTRACTOR's PERSONNEL from OPERATIONAL AREA within seven (7) days from the sending or receipt of the notice of termination,
  - to comply with the provisions of sub-articles 2.10 and 3.3,
  - to return to COMPANY GROUP, COMPANY GROUP's property and equipment in good condition, normal wear and tear excepted.

**ARTICLE 8 - GOVERNING LAW - SETTLEMENT OF DISPUTES**

**1.70 Governing law**

The CONTRACT shall be governed and interpreted in accordance with the laws and regulations of **State of Libya**.

**1.71 Settlement of disputes**

- 8.2.1 The PARTIES shall endeavour to settle by negotiation any dispute arising out of or in connection with the CONTRACT, and all the consequences thereof. Such dispute shall be notified by the claiming PARTY to the other PARTY, in the forms required under the CONTRACT and with due reference to the Sub-Article 8.2.1, and the PARTIES shall endeavour to settle such dispute by negotiation within forty-five (45) days from receipt of said notice.



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8.2.2 In case of failure to settle the dispute by negotiation within the period of time above-mentioned, the claiming PARTY may notify to the other PARTY its/his intention to submit the dispute to arbitration.

8.2.3 The dispute shall then be finally settled under the Rules of Arbitration of the International Chamber of Commerce by three (3) arbitrators appointed in accordance with the said Rules.

The president of the tribunal of arbitration shall be a lawyer.

The arbitration shall be held in Paris (France) and shall be conducted in the English language.

The arbitrators shall decide according to law and not exaequo et bono.

Each PARTY may at any time request from any competent judicial authority any interim or conservatory measure.

The PARTIES undertake to keep strictly confidential the contents of the arbitration proceedings.

A dispute shall be deemed to have arisen when either PARTY notifies the other PARTY in writing to that effect.

#### **ARTICLE 9 – Left Blank Intentionally**

#### **ARTICLE 10 - Provisions Surviving CONTRACT**

Termination of the CONTRACT and/or the passing of REDELIVERY DATE shall not release the PARTIES from obligations which expressly or by their nature survive the CONTRACT or extend beyond the CONTRACT termination or REDELIVERY DATE and any acceptance of the SERVICES.

#### **ARTICLE 11 – TOTAL Group's Code of Conduct**

CONTRACTOR shall acquaint himself and comply with the principles of TOTAL Group's code of conduct, a copy of which is available on the website of TOTAL or on request. ***Not Applicable***

#### **ARTICLE 12 – Notification**

### **1.72 Delivery and Receipt**

Any notice given under or in connection with the CONTRACT shall only be effective if given in writing to the following addresses by one of the methods specified below. A notice shall be addressed as provided in this Article 12 and may be given by delivering the same by hand or, where permissible, by sending the same by recorded delivery or registered post, or by facsimile or e-mail.

Any such notice given as aforesaid shall be deemed to have been given and received:

- (a) if personally delivered by hand, at the time of delivery at the relevant address;
- (b) if sent by recorded delivery or registered post, when received at the recipient's address;
- (c) if sent by facsimile or e-mail on receipt provided a confirmation letter is delivered or transmitted as per (a) or (b) above. Notwithstanding the above, routine communications transmitted by facsimile or email will not require a confirmation copy sent by mail.

#### **Addresses:**

##### **COMPANY's address**

**MABRUK OIL OPERATIONS**  
**Dhat El Imad Complex, Tower 4, floor 10**  
**P.O.Box 91171, Tripoli, Libya**

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Facsimile: +218 21 55 50 401 Ext 1298  
for the attention of Mr. Ali MUGERAB, Logistics Deptment Manager  
Email: [ali.mugerab@mabruk-oil.com](mailto:ali.mugerab@mabruk-oil.com)

- **CONTRACTOR's address**

.....  
.....  
.....

Facsimile: .....  
for the attention of Mr.....

Each PARTY shall promptly notify the other PARTY of any change in the above addresses.

ARTICLE 13 – Liens

**1.73 Liens on COMPANY GROUP's property and equipment under its care, custody and control**

CONTRACTOR undertakes not to create or do anything (including by act, omission or negligence) which could result in the creation of any lien on COMPANY GROUP's property and equipment under the care, custody or control of COMPANY GROUP. CONTRACTOR hereby represents that he has not created any such lien or done anything as above before entering into the CONTRACT.

**1.74 Waiver and Hold Harmless**

CONTRACTOR shall defend, indemnify and hold harmless COMPANY GROUP from and against any CLAIM, for the discharge of any lien claimed against COMPANY GROUP's property and equipment under the care, custody or control of COMPANY GROUP, if directly created or caused (by any act, omission or negligence) by CONTRACTOR GROUP.

**1.75 Notification to CONTRACTOR**

If at any time COMPANY receives notice or information of the recording of any such lien, or any evidence of any such lien or CLAIM, which, if valid, could constitute a legal charge upon COMPANY GROUP's property and equipment or property and equipment under care, custody or control of COMPANY GROUP, it shall forthwith notify CONTRACTOR who shall promptly refund COMPANY for all costs incurred and, in the event of CONTRACTOR not so refunding COMPANY, COMPANY shall have the right to deduct from any sum due or becoming due to CONTRACTOR, such amounts as necessary to discharge such lien or CLAIM and connected expenses, unless CONTRACTOR satisfactorily evidences forthwith that such lien is not valid.

**1.76 CONTRACTOR's right**

Before withholding any payment due to CONTRACTOR in accordance with sub-article 13.3, COMPANY shall give to CONTRACTOR a reasonable opportunity to demonstrate that the purported lien or attachment is either unenforceable or is covered by the provisions of a security to the reasonable satisfaction of COMPANY.



**1.77 Liens on the VESSEL and any CONTRACTOR GROUP's property and equipment**

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CONTRACTOR undertakes not to create or do any act, deed or thing which would result in the creation of any lien on the VESSEL and any CONTRACTOR GROUP's property and equipment preventing (or that could in any way prevent) CONTRACTOR GROUP from performing the SERVICES diligently and in accordance with the CONTRACT and/or which could hamper the proper exercise by COMPANY of its rights under take-over provisions for CONTRACTOR's default.

***IN WITNESS WHEREOF, the authorized representatives of the PARTIES hereto have signed the CONTRACT as of the date here after written. And this CONTRACT is made and executed in two (2) originals, in English language at Tripoli, State of Libya***

For COMPANY MABRUK OIL OPERATIONS		For CONTRACTOR	
Signature:		Signature:	
Name:	Fituri Ibrahim ELHAG	Name:	
Position:	Chairman of the Operator's Management Committee	Position :	
Date:		Date:	

	<b>Mabruk Oil Operations</b>	<b>CALL FOR TENDER REF №: CFT/LOG/366/2015/AJF</b> <b>ANCHOR, HANDLING AND TOWING (AHT) TUGBOAT</b> <b>CHARTER SERVICES – AL JURF FIELD</b>	
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## APPENDIX - 1

### SCOPE OF SERVICES

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##### A.1.1 General Description of the SERVICES.

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A.1.1.2 Safety stand-by services

A.1.1.3 Cargo transport services



A.1.1.4 Passenger transport services

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	<b>Mabruk Oil Operations</b>	<b>CALL FOR TENDER REF №: CFT/LOG/366/2015/AJF</b> <b>ANCHOR, HANDLING AND TOWING (AHT) TUGBOAT</b> <b>CHARTER SERVICES – AL JURF FIELD</b>	
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### **A.1.1 General Description of the SERVICES**

At all times the Master is responsible for the safety on board of the VESSEL. He has the overriding authority for what is concerned the safety of the VESSEL, crew and cargo.

It is the Master's responsibility to ensure that all logbooks are dully completed and signed as per Flag, Class, National, International and COMPANY rules and regulations and as per VESSEL's equipment maintenance.

Throughout the duration of the CONTRACT the VESSEL will perform the SERVICES as listed below or any other legal service within the specifications and capabilities of the VESSEL and her crew:

- Anchor handling and towing
- Safety Stand-by
- Cargo transportation
- Passenger transportation
- Oil spill clearance
- Fire fighting

#### **A.1.1.1 Towing and anchor handling services**

The VESSEL shall be engaged in towing and handling anchors of COMPANY or COMPANY contractor's barges of any type, offshore mobile drilling rigs or any other floating craft used by the COMPANY for its operation.



For the purpose of towing, the VESSEL shall be fitted with a suitable tow wire and anchor handling equipment as per Appendix 2 (specifications) of CONTRACT.

#### **A.1.1.2 Safety Stand-by services**

The safety stand-by duties of the VESSEL within the OPERATIONAL AREA shall be as a minimum but not limited to:

- Continuous visual and radar watch to ensure that non authorized vessels are not entering the safety zone of the off-shore installation.
- Notify by radio and / or light/ sound signals the vessels heading towards an installation about the dangerous course are steering.
- Intercept vessels approaching the installations and deviate them from their initial collision course.
- Continuous radios watch and serve as back-up communication station for the installation.
- Assist the drilling rigs and/or platforms in case of evacuation.
- Assist with fire fighting and oil spill clean-up duties within the capabilities of the VESSEL as might be required.
- Close stand-by duties in case of helicopter operations.
- Close stand-by duties in case of over board work at the installations or drilling rig.
- During the period that the VESSEL is on safety stand-by duties CONTRACTOR shall ensure that no maintenance work shall be undertaken that could prevent the VESSEL from being ready for immediate use.

#### **A.1.1.3 Cargo transport services**

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The VESSEL will be engaged in the transport (supply) of oil and gas well and drilling equipment to the off-shore drilling rigs and other offshore installations as might be required. This will include but not be limited to:

- Deck cargo such as tubular, containers, off-shore material baskets, drilling equipment, chemicals, explosives and radio active oil well equipment stowed in special transport containers, and any other oil field equipment.
- Dry bulk cargo.
- Oil base mud and brine.
- Fuel oil.
- Drilling and potable waters.
- Waste basket of various types including hazardous waste.

Responsibilities of the Master related to cargo transport:

- The Master is responsible for the correct and safe loading of the VESSEL.
- The Master has the overruling authority with regards the loading of the VESSEL.
- It is the responsibility of the Master to ensure that all lifting appliance used for the handling of the cargo are of an approved type, SWL and are color coded and certified.

The transport of cargo (oil field equipment) shall include but not be limited to:



- Loading of the cargo on deck of the VESSEL.
- Stowing of the cargo on the deck of the VESSEL.
- Lashing and sea fastening of the cargo prior sailing.
- Offloading and delivery of the cargo ship's crew to assist to the operations.
- Loading of bulk cargoes including connecting and disconnecting of loading / unloading hoses.
- Verification of cargo documents to ensure that the cargo received on board is conform to the cargo documents received.
- Connecting and disconnecting reefer and chiller containers, verification of the good functioning of the containers refrigeration systems during the voyage and carry out if possible emergency repairs during the voyage in order to preserve the food stuff loaded inside the containers.

#### **A.1.1.4 Passenger transport services**

From time to time the VESSEL will be required to transport COMPANY or COMPANY contractor's PERSONNEL within the OPERATIONAL AREA. The number of passengers to be transported shall be in accordance with the safety equipment certificate of the VESSEL.

When transporting passengers the Master shall ensure that:

- Passengers are wearing life jackets when boarding and / or disembarking from the VESSEL.
- Life rings with safety line are available near the point of boarding and / or disembarking.
- A crew member assists the boarding and / or disembarking of the passengers.
- Passengers are briefed on boarding and / or disembarking procedures.
- Passengers are boarding and or disembarking from / to purpose built boat landings, ladders or any other approved mean of boarding / disembarking.
- Safety briefing is given to the passengers on board as required.

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- Ensure that passengers are respecting the COMPANY rules with regards to smoking policy on board.

#### **A.1.1.5 Oil spill clearance services**

In case an oil spill occurs within the OPERATIONAL AREA the VESSEL may be requested, with oil spill clearance equipment, to assist to the clean-up of such a spill.

#### **A.1.1.6 Fire fighting services**

In case a fire occurs within the OPERATIONAL AREA the VESSEL may be requested to assist to fire fighting operations. If the COMPANY is requested to assist another oil and gas operator in the region with fire fighting operations, the COMPANY may respond to such a request by sending the VESSEL to the concerned location to assist subject to CONTRACTOR approval.

#### **A.1.2 Reporting**

Daily and monthly reporting shall be in accordance with Appendix 10 of the CONTRACT and this scope of SERVICES.

A daily report including POB, location, water fuel and water ROB, and ongoing and next operations shall be given to the site marine authority under which the VESSEL operate. This report shall also include all information related to safety incidents, first aid cases, near miss, safety drills, safety talks, tool box meetings that have been carried out on board.

Incident and anomaly reports shall be issued as required and reported on a daily basis to the site marine authority.



A monthly summery activity report will be issued and submitted to the site marine authority.

Such a report shall, as a minimum, contain:

- Position of the VESSEL at the end of the month.
- Number of passengers transported during the month.
- Quantities of waters and fuel on board at the end of the month.
- Monthly consumption of waters and fuel.
- Number of anomaly, near miss reports issued during the month.
- Number and type of exercises carried out during the month.
- Summary of the main activities, main towing jobs, distances, times operational, break downs.....

#### **A.1.3. Fuel**

Further to sub-Articles 2.15 and 2.17 of the CONTRACT, COMPANY shall specify and describe in due time the logistics system CONTRACTOR shall use to supply all required fuel for the execution of the SERVICES. Fuel shall only be purchased from a legal fuel supplier. COMPANY shall provide CONTRACTOR with delivery tickets from the fuel supplier.

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## APPENDIX - 2

### SPECIFICATIONS OF THE VESSEL

**CONTRACTOR shall comply with the IMCA Guidelines as appropriate to the SERVICES provided and pursuant to sub-article 2.3 of this Appendix 2.**



#### **2.1. VESSEL specifications' table**

<b>Vessel Name</b>	<b>TBN</b>
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<b>General</b>	<b>Actual Proposed</b>
Classification Society	
Class and Notations	
Vessel Type (e.g. UT 755, MT 6000, VS 480 etc ..)	
Year originally built/Date of conversion	
Flag	
Port of Registry	
Next Dry Docking date	
Third party safety and technical audit.	
LOA	
Beam	
GRT	
Summer Draft	
Displacement at Summer Draft	
Deadweight at Summer Draft	

<b>Accommodation</b>	<b>Actual Proposed</b>
Crew Accommodation	
Charterer's Accommodation	
Passenger Accommodation	
Messroom Facilities	
Gymnasium	
Recreation Room	





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Manning	Actual Proposed
<p>Number of Crew.</p> <p>Sufficient crew to provide continuous 24-hour support for marine and cargo operations for offshore and in port.</p> <p>Risk assessment to be provided showing crew numbers sufficient for above operations.</p>	
<p>Crew Nationality</p>	
<p>If the vessel has DP, are the Master, DPO's and Engineers trained and certificated for their duties?</p>	
<p>Does the Master or one of the Deck Officers have a Pilotage Exemption Certificate for Aberdeen Harbour? (Enter any local requirement as per example)</p>	

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<b>Machinery</b>	<b>Actual Proposed</b>
Main Engine Makers	
Type of Propulsion (Diesel Electric or Conventional?)	
BHP/Kw	
Main propulsion type (Conventional propellers/ Azimuthing Propellers)	
Number/HP Bow/Side Thrusters (Tunnel)	
Number/HP Stern/Side Thrusters (Tunnel)	
Number/HP Azimuth Thrusters	
Rudder type (if fitted)	
Continuous/Steady Bollard Pull (For anchor handling or vessels used for towing operations)	
<b>Dynamic Positioning (DP)</b>	<b>Actual Proposed</b>
Dynamic Positioning Class	
DP Position Reference Systems	
Joystick	
FMEA	
Annual DP Trials report	

<b>Speed/Fuel Consumption (Calm Weather)</b>	<b>Actual Proposed</b>
What grade of Fuel is used for main engines?	
Can alternative grades of fuel be used for main engines? If so, indicate what grades can be used.	
Full Speed/Fuel Consumption (T/day)	
Economic Speed / Fuel Consumption (T/day)	
DP / Fuel Consumption (T/day)	
Harbour Fuel Consumption (T/day)	
Anchor Handling Equipment	
Winch – Manufacturer	
Main towing winch – line pull	
Main towing winch – max brake load	
Main towing winch – Drum Dimension	

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Main towing winch – drum line capacity. Length x wire diameter.	
Main towing winch – Spare tow wire. Length x wire diameter.	
Anchor Handling (Work) Winch – line pull	
Anchor Handling (Work) Winch – max brake load	
Anchor Handling (Work) Winch – Drum dimension	
Anchor Handling (Work) Winch – drum line capacity. Length x wire diameter.	
Secondary (Storage) Winch – line pull	
Secondary (Storage) Winch – max brake load	
Secondary (Storage) Winch – Drum dimension	
Secondary (Storage) Winch – drum line capacity. Length x rope diameter.	
Winch emergency release – explain method of operation. E.g. controlled high speed release, wire cutter etc.	
Spooling gear. State which winches have spooling gear.	
Stern Roller – Number and diameter. Indicate if motorised.	
Towing pins. Type, number fitted and SWL.	
Towing pins State if safety caps fitted to pins. (These devices close the top of the pins to prevent wire/chain jumping out of pins.)	
Sharks Jaw / Forks – Type, number fitted, SWL.	
Sharks Jaw / Forks – State number and jaw/fork sizes/inserts available	
Anchor Handling Swivels – Type and number of.	
Grapnel – Manufacturer, SWL, number of	

J Hook - Manufacturer, SWL, number of	
Smit Bracket – Number, location on vessel and SWL	
Anchor Handling Assist Crane – SWL	
Anchor Handling Assist Crane – Local or remote control?	

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Rig Chain Lockers – Number of and capacity (Cu Metres)	
Rig Chain Lockers – Total capacity for 76 mm chain. i.e. total length of chain that can be stored in the chain lockers.	
Rig Chain Lockers – Indicate if stowage assistance is available in chain lockers.	
Rig Chain Lifters. Indicate number and size of chain lifters. (Gypsies/catheads)	
Rig chain lifters – indicate if chain is 25% or 75% around lifter during chain operations.	



<b>Rescue and Recovery Equipment</b>	<b>Actual Proposed</b>
Survivor Class / Capacity	
Number of Survivor Seats	
Number of Survivor bunks	
Fast Rescue Craft (FRC) – Manufacturer and Type	
Fast Rescue Craft (FRC) – Number, BHp and type of engine. (inboard/outboard, jet/propeller)	
Fast Rescue Craft (FRC) – Crew + Survivor capacity	
Davit type	
Davit SWL	
Secondary lift type	
Fast Rescue Craft (FRC) No. 2 – Manufacturer and Type	
Fast Rescue Craft (FRC) No. 2 – Number, BHp and type of engine. (inboard/outboard, jet/propeller)	
Fast Rescue Craft (FRC) No. 2 – Crew + Survivor capacity	
Davit type	
Davit SWL	
Secondary lift type	
Daughter Craft (DC) – Manufacturer and Type	
Daughter Craft (DC) – Number, BHp and type of engine. (inboard/outboard, jet/propeller)	
Daughter Craft (DC) – Crew plus survivor capacity	
Davit type	
Davit SWL	

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<b>Rescue and Recovery Equipment</b>	<b>Actual Proposed</b>
Secondary lift type	
Daughter Craft (DC) No. 2– Manufacturer and Type	
Daughter Craft (DC) No. 2 – Number, BHp and type of engine. (inboard/outboard, jet/propeller)	
Daughter Craft (DC) No. 2 – Crew plus survivor capacity	
Davit type	
Davit SWL	
Secondary lift type	
Mechanical Recovery Type (Dacon Scoop, Sealift etc.)	
Overside Rescue Zones Length	
Freeboard at Rescue Zone	
Rescue Basket	
Rigid Scrambling Nets Location	
Searchlights	
Emergency Helicopter Winching Area	
Vessel Self Drenching Capacity	



<b>Oil Dispersant</b>	<b>Actual Proposed</b>
Dispersant Booms	
Dispersant Pumping System	
Dispersant Capacity	
Dispersant Type	

<b>Fire Fighting (FiFi)</b>	<b>Actual Proposed</b>
Class	
Number of Water Monitors	
Discharge Rate per Monitor (M <sup>3</sup> /hour)	
Number of pumps	
Total Capacity (M <sup>3</sup> /hour)	
Monitor Throw Range (Metres)	
Monitor Throw Height (Metres)	
Are monitors capable of producing Fog?	
<b>Cargo Deck</b>	
Deck Area – <u>Usable</u>	

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Fire Fighting (FiFi)	Actual Proposed
(Length x Breadth. Area square metres)  This is to indicate the normal operational area of the working cargo deck and should take into account any restricted areas at the forward and aft ends of the deck, and any bulk hose handling areas. The maximum area of the deck is not required.	
Deck Length (Max length)	
Deck Breadth (Max breadth)	
Deck Strength/Loading	
Deck Securing Points.  Indicate number and SWL of deck cargo securing points.	
Bulk cargo discharge points.  Indicate grade and No. of discharge/load points on each side of cargo deck.	
Connections for refrigerated food containers. (Indicate number of points available)	
Crane.  Indicate number and SWL/Radius.	

Cargo Tanks	
Methanol	
Nitrogen storage for methanol tank inerting	
Nitrogen generation plant	
Dry Bulk Tanks (Barites/Cement etc)	
Bulk Tank Venting and Loading	
Clear and free access to OBM, dry bulk, base oil and brine tanks for cleaning.	
Tank cleaning system Type/Manufacturer	
Tank cleaning slop tank Indicate capacity. Dedicated tank?	

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<b>Communications</b>	<b>Actual Proposed</b>
Email (Indicate of any limitation on file attachment size)	
Broadband internet connection	
Satellite Communication Phone	
Mobile Phone*	
Mobile Phone Fax*	
Satellite Fax	
UHF Radio**	
Number of UHF Radios**	
Hospital Communications** (MF, HF, VHF)	
Bridge Alarms** (e.g. Manoverboard, General, Fire)	
GMDSS Compliance Area	
Number of VHF radios in Wheelhouse.	
Number of portable VHF radios	

### **Cargo Pump Discharge Capacity**

<b>Type</b>	<b>Number of pumps</b>	<b>Rate (m<sup>3</sup>/hr)</b>	<b>Latent/Static Head (Metres)</b>
Fuel Oil			
Base Oil			
Potable Water			
Drill Water			
OBM			
Brine			
Methanol			
Dry Bulk			

## Tank Identification and Capacity (Cubic Metres)

TENDERERS to provide details and capacity, in cubic metres, of all tanks. This must include the maximum permissible SG of liquids transported in each tank and indicate if a tank is dual purpose i.e. can carry different commodities.

Tank ID	Dual Purpose Y/N	Fuel	Potable Water	Mud	Brine	Base Oil	Drill Water	Ballast Water	Methanol	Max. SG	Nitrogen
1											
2											
3											
4											
7											
8											
10											
13											
14											
15											
16											
17											
28											
29											
30											
31											



Tank ID	Dual Purpose Y/N	Fuel	Potable Water	Mud	Brine	Base Oil	Drill Water	Ballast Water	Methanol	Max. SG	Nitrogen
32											
33											
39											
40											
41											

## Dry Bulk Tank Capacities

Tank ID	Volume (m <sup>3</sup> )	Typical Maximum Working capacity (Tonnes)		
		Barites	Cement	Bentonite

### 2.2. Regular dry-docking and overhaul schedule

<<To be provided by CONTRACTOR>>

### 2.3. Compliance with IMCA guidelines



COMPANY operates to the standards laid down in the appropriate International Maritime Contractors Association (IMCA) guidelines pertaining to particular operations it is engaged in. CONTRACTOR shall, at its own cost and expense, ensure that the vessel and crew comply with the IMCA Guidelines in force appropriate to the vessel's operations, irrespective of the fact that CONTRACTOR is or is not a member of the IMCA organisation, throughout the duration of the CONTRACT.

If VESSEL shall operate on DP at any time during the period of CONTRACT, CONTRACTOR shall comply with the IMCA Guidelines pertaining to DP Operations at the time of commencement of the CONTRACT. To this effect, CONTRACTOR shall provide a copy of a Failure Mode and Effect Analysis (FMEA) pertaining to the DP system and a copy of the FMEA Proving Trial Report. CONTRACTOR shall have completed this requirement prior to commencement of the Customer Acceptance Trial.

## **2.4. COMPANY Acceptance Tests**

The COMPANY Acceptance Tests shall include but not be limited to the following:

- Power management system verification (Diesel Electric); Owner shall demonstrate that the system functions as specified;
- DP Trial to prove system is fully operational within its stated capabilities;
- Bollard Pull verification;
- A-Frame operation; Owner shall demonstrate that the A-Frame can function as specified;
- Towing and Work Winch operation and verification of pulling load;
- Vessel Manoeuvring trial; To include demonstration of Joystick operation, vessel's ability to move sideways through the water through use of side thrusters and or main propellers and rudders;
- Demonstration that all wheelhouse navigational equipment is operating correctly;
- Demonstration that all communications equipment is operating correctly;
- Additional Rescue and Recovery equipment trial (if fitted); OWNER shall show that equipment can function as per its particular specification;
- FRC and Work boat trial; OWNER shall demonstrate the craft can function as per their particular specification;
- Motion compensated davit trial; OWNER shall demonstrate that davits can operate as specified;
- Speed verification trial;
- Passenger Accommodation suitability.

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## APPENDIX - 3

### CONTRACTOR's PERSONNEL

The VESSEL's crew shall consist of at least 12 competent seafarers for anchor handling operations.

**When the planned operational role of the VESSEL is changed CONTRACTOR shall be informed and a risk assessment shall be carried out to ascertain an appropriate level of manning for the new operational role.**

#### 1) List of CONTRACTOR's PERSONNEL

**<<To be provided by CONTRACTOR>>**

##### Minimum Anchor Handling Operations Manning Guidelines

Master

Chief Officer

2 x Second Officer

Chief Engineer

2 x Second Engineer

4 x Seamen

Cook.



One of the Second Officers may be substituted by another competent seafarer providing that seafarer is qualified to form part of a navigational watch.

#### 2) Minimum Qualifications and Professional Experience required for CONTRACTOR's PERSONNEL

Without prejudice to other provisions of the CONTRACT relative to CONTRACTOR's PERSONNEL, the minimum qualifications and professional experience required for CONTRACTOR's PERSONNEL are as follows:

##### · Master

- The master qualifications and training shall be in conformity with STCW 95 IMO code according to the type and usage of the concerned VESSEL.
- The master shall be conversant in the English language.
- Masters shall show evidence of six (6) month navigation minimum either as master in charge or as second in command on board of the type of vessel considered.
- For Offshore Terminal Tandem offloading operations conducted by COMPANY, CONTRACTOR shall ensure that Tug Master is certified by attending regularly simulator training sessions organized by COMPANY.

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#### **Engineer**

- The engineer qualifications and training shall be in conformity with STCW 95 IMO code according to main propulsion engine power installed on board the concerned vessel.

#### **Crew**

- All crew qualifications and training shall be in accordance with STCW 95 IMO code.

At least one of the crew members on board the VESSEL shall have a valid certificate of FRC (Fast Rescue Craft) operation.

### **3) Special Provisions/Particular Conditions of Contract**

The VESSEL will be required to support and undertake cargo handling and/or anchor handling/towing operations and /or IMR and light construction and well subsea interventions at various offshore oil field related locations and cargo handling operations in port. These operations may continue for 24 hours per day, seven days a week.

The VESSEL is to be properly manned in accordance with STCW 95 Regulation VIII/2, Watchkeeping, taking into consideration the type of work, as described above, and the guidelines in Section B-VIII/2 (Watchkeeping Arrangements).

The CONTRACTOR may be required to produce evidence that they have considered the likely operational role of the VESSEL, and have appointed sufficient crew to the VESSEL to support the intended operations.

During the hours of darkness or in proximity of danger to navigation, there must be at least two persons on the bridge.



The Master or vessel controller must not be involved in any activity which will distract him from the primary task of controlling the vessel.

A separate Cargo Officer or Officer in charge of Deck Operations shall be provided.



### **4) Relief Schedule**

**<<To be provided by TENDERER IN TECHNICAL OFFER>> AND TO BE FILLED IN FINAL CONTRACT AS PER SELECTED TENDER OFFER.**

**Please refer to Article 3.5.1 c) of the main body of the CONTRACT recalled here-under :**

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*“none of CONTRACTOR’s PERSONNEL shall stay on the VESSEL for **a period in excess of two (2) months** without prior written approval of COMPANY or such maximum period imposed by APPLICABLE LAWS, whichever is the shortest’*

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## APPENDIX - 4

### REMUNERATIONS

COMPANY shall pay CONTRACTOR the amounts due and calculated according to the applicable rates and fees set out in this Appendix 4 A. The rates and fees are expressed and paid in ..... .

1. Mobilization, demobilization and other fees :

1.1. Mobilization fee (sub-article 4.1.1) (-----)

1.2. Demobilization fee (sub-article 4.1.2) (-----)

2. Hire rate (sub-article 4.2.1) ----- \$ per/Day or prorata  
Daily rates include anti-pollution equipment + Work boat, as per tech **specification attached.**

3. STAND-BY rate (sub-article 4.2.2.1) ----- \$ per/Day Or prorata

4. FORCE MAJEURE rate (sub-article 4.2.2.2) ----- \$ per/day Or prorata



5. Suspension Rates (sub-article 4.2.2.3)

5.1 Consequences of function, part and equipment unavailability

5.1.1 The impact of discounts to hire rates is intended to reflect the relevance or negative effect of the unavailability of a function and/or equipment on the provision of SERVICES demanded within the scope of works specified in the CONTRACT. In case unavailability of a function and/or equipment does not affect the HSE requirements and SERVICES required by COMPANY, CONTRACTOR shall receive the hire rate.

5.1.2 The simultaneous unavailability of more than one equipment of the VESSEL shall have the cumulative effect of discounts; however these shall be limited to the maximum of fifty percent (50 %) of the hire rate, unless the VESSEL is declared to be on BREAKDOWN rate.

5.1.3 The unavailability of equipment during programmed maintenance works agreed between the PARTIES is excluded.

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5.1.4 The discounts are expressed as percentage of the daily hire rate, applicable for a 24 hour period of unavailability, or at pro-rata rounded to hourly periods.

5.1.5 In case of a partial unavailability of the VESSEL, CONTRACTOR, subject to COMPANY's consent, may elect to leave the OPERATIONAL AREA for the performance of the necessary repairs on BREAKDOWN rate. COMPANY's consent to that effect shall not to be unreasonable withheld.

5.1.6 CONTRACTOR must inform to COMPANY, immediately and in writing of any and all equipment breakdowns, failures or unavailability that in any manner could hinder or place in danger the provision of the SERVICES. Failure by the CONTRACTOR to provide such notice entails that the discount on the hire rate or VESSEL being declared to be on BREAKDOWN rate shall be applied retroactive to the last day the VESSEL or the equipment was recorded or reported to be fully operational.

## 5.2 Schedule of discounts on hire rate



The discount rates provided below in this APPENDIX are indicative only and shall not be considered as firm and pre agreed rates and shall be implemented by COMPANY on case by case basis considering the SERVICES to be performed by the VESSEL and the appropriate maintenance and repair schedule provided by CONTRACTOR to COMPANY's satisfaction.

In respect of Sub-Article 7.1.1 Suspension rate (sub-article 4.2.2.3) at 80% of Hire rate or application of the discount rate below shall apply as the case may be.



The schedule of discounts on the hire rate attending to the differentiation considered in sub-article 5.1. above is:

ITEM	UNAVAILABLE EQUIPMENT	SERVICE DEMANDED
1	Any item or combination of items which form an integral part of the Vessel's design, the failure of which prevents the Vessel from safe navigation and/or from safe position-keeping within the working environment.	BREAKDOWN
2	Dynamic positioning system	To be adapted on a case by case basis according to VESSEL scope of work. E.g.  Breakdown if DP is basic part of contract requirement.  25% if not part of contract requirement but part of vessel specification.



	<b>Mabruk Oil Operations</b>	<b>CALL FOR TENDER REF No: CFT/LOG/366/2015/AJF</b> <b>ANCHOR, HANDLING AND TOWING (AHT) TUG BOAT</b> <b>CHARTER SERVICES – AL JURF FIELD</b>	
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ITEM	UNAVAILABLE EQUIPMENT	SERVICE DEMANDED
3	Unavailability of DP Reference Systems Per each Reference system not available	20% provided that unavailability results from CONTRACTOR equipment; e.g. if FUGRO DGPS signals stop working, CONTRACTOR shall receive hire rate
4	One Main Engine not operational where there is more than two main engines on the VESSEL	50%
5	Two or more Main Engines not operational	BREAKDOWN
6	Auxiliary Engine not operational, each	10%
7	Bow thrusters not operational, each	BREAKDOWN if only ONE thruster, 50% if two thrusters, 25 % if three or more thrusters.
8	Stern thrusters not operational, each	10%
9	Towing winch/equipment	BREAKDOWN IF TOWING EQUIPMENT IS BASIC REQUIREMENT OF CONTRACT
10	Working Winch / equipment	BREAKDOWN IF TOWING EQUIPMENT IS BASIC REQUIREMENT OF CONTRAC
11	MGO transfer system	10%
12	FW transfer system	10%
13	Dry bulk transfer system	10%
14	Mud/Brine transfer system	10%
15	Sharks Jaw/Fork	30 % if part of contract specification

	<b>Mabruk Oil Operations</b>	<b>CALL FOR TENDER REF No: CFT/LOG/366/2015/AJF ANCHOR, HANDLING AND TOWING (AHT) TUG BOAT CHARTER SERVICES – AL JURF FIELD</b>	
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ITEM	UNAVAILABLE EQUIPMENT	SERVICE DEMANDED
16	Towing Pins	30 % if part of contract specification
17	Fire Fighting system	20% per monitor and or pump
18	Work boat and/or associated equipment (including dedicated launch and recovery system) supporting SBM maintenance.	30% if part of contract specification
19	Work boat and/or associated equipment (including dedicated launch and recovery system) supporting terminal for Tanker mooring operations	30% if part of contract specification
20	Fast Rescue Craft and/or associated equipment, including dedicated launch and recovery system	30% if part of contract specification

(The above schedule should be considered as a sample, only to illustrate the intended structure for the provisions under this Appendix 4 A. Its purpose is to provide fair and straightforward guidelines for the resolutions of contractual situations upon occurrence of the events considered. It is not intended to penalize CONTRACTOR, but to reflect the relevance of the negative effect of such events, and further, provide an incentive to CONTRACTOR for the continuous well maintenance of the VESSEL's equipment)



6. BREAKDOWN Rate (sub-article 4.2.2.4) **Zero**  
**Rate (0)**
7. Left blank intentionally
8. Left blank intentionally
9. Reimbursable charges (sub-article 4.4)

The following handling charges shall apply according to the documented CONTRACTOR's C.F.R cost.

US \$ 100,000 or more	= 2 %
US \$ 10,000 to 99,999	= 5 %
US \$ 9,999 or less	= 10 %

10. Liquidated Damages (sub-article 4.9)

The Liquidated Damages per day will be equal to fifty per cent (50 %) of the hire rate.

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The amount of these Liquidated Damages shall be limited to fifteen 15 days at (50 %) of the hire rate.



**11. Accommodation of COMPANY's PERSONNEL (sub-article 4.3)**

CONTRACTOR shall provide food and lodging for COMPANY's PERSONNEL when on board the VESSEL.

Unit price	Accommodation including breakfast	Lunch	Dinner	Full day's food and accommodation
<b>VS USD</b>	<b>----- USD Per/Person</b>	<b>----- USD Per / Person</b>	<b>----- USD Per/Person</b>	<b>----- USD Per /Person</b>

**12. CONTRACT PRICE**

For any legal purpose or use by either Party, out with this CONTRACT and with no commitment to COMPANY, the estimated value of this AGREEMENT shall be sum of --  
-----, **United States Dollar per contract period (USD -----)**



	<b>Mabruk Oil Operations</b>	<b>CALL FOR TENDER REF No: CFT/LOG/366/2015/AJF ANCHOR, HANDLING AND TOWING (AHT) TUG BOAT CHARTER SERVICES – AL JURF FIELD</b>	
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## APPENDIX 4 B

### SPECIAL ITEMS TO BE PROVIDED AND PAID FOR

	<p><b><u>GENERAL</u></b></p> <p>All services as mentioned in this section shall be provided and paid for as specified by the table below.</p> <p>The following legend is a clarification on how the items below shall be compensated.</p> <p>A ↪ Included in Mob/Demob Lump Sums or Hire Period Dayrates.</p> <p>B ↪ Included in rates given in the Price Schedule, such as additional personnel, etc.</p> <p>C ↪ Reimbursable items at Cost plus x % see point 9 “Reimbursable charges (sub-article 4.4)”.</p>
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	Description	Provided by		Paid for by	
		Company	Contractor	Company	Contractor
COMMUNICATIONS					
1	Company communications using Contractor's facilities		X	X	
2	Company communications equipment.	X		X	
3	Provision and installation of any additional communications equipment or material required by Company.	X		X	

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	Description	Provided by		Paid for by	
		Company	Contractor	Company	Contractor
	Office machines, such as fax machines, photo copiers, etc		X	X	
5	Company Computer Systems, including servers, PC's, etc at Company written request	X		X	
6	Special office equipment outside the standard specification.	X		X	

	Description	Provided by		Paid for by	
		Company	Contractor	Company	Contractor
LOGISTICS					
1	Onshore disposal of waste including permits	X		X	
2	Waste skips, including transportation and associated disposal services (excluding waste oil etc)	X		X	
3	Dock and dockside facilities to load and unload COMPANY equipment at location designated by Company, including all associated charges and fees, only for transport to and from the worksite.	X		X	

	Description	Provided by		Paid for by	
		Company	Contractor	Company	Contractor
OPERATIONAL					
1	All necessary ropes cables, wire ropes, chain, slings, shackles, hooks on vessel		X		B



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	Description	Provided by		Paid for by	
		Company	Contractor	Company	Contractor
2	All necessary tools to undertake maintenance of vessel and contractor's equipment		X		X
3	Equipment not designated here above but required at COMPANY'S request through written orders		X	C	
5	Positioning and Survey Equipment and personnel for Vessel as required.	<<X>>		X	
6	Weather Forecast Services as provided by Company's weather forecast provider.	X		X	
7	Additional Weather Forecast Services required by Contractor		X		X
8	All necessary oxygen, acetylene, nitrogen, welding consumables, paints to maintain or repair vessel		X		X
9	All necessary oxygen, acetylene, nitrogen, welding consumables, paints to maintain or repair supplementary COMPANY'S equipment	X or	X	X	
10	Lubricants, grease, hydraulic fluids, cleaning solvents, grease/compound for vessel equipment.		X		X
11	Air, water and electricity on the vessel for COMPANY'S other contractors within the limit of availability and priorities on the vessel		X		X
12	Consumables and spare parts not here above designated but necessary for the normal and efficient performance of the vessel		X		X
13	Consumables and spare parts not	X or	X	X	

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	Description	Provided by		Paid for by	
		Company	Contractor	Company	Contractor
	here above designated but required by COMPANY through written orders				
14	Services not here above designated but required at COMPANY'S request through written orders.	X or	X	X	
15	Provisions		X		X
16	Deck and engine room stores		X		X
17	Charts and navigational publications		X		X

	Description	Provided by		Paid for by	
		Company	Contractor	Company	Contractor
PERSONNEL					
1	Additional personnel must be agreed prior to mobilisation in writing	X or	X	B	
2	Personnel necessary for the normal and efficient performance of services as per agreed Basic Marine Crew manning level		X		X
3	Personnel require by COMPANY through written order		X	B	
4	Normal safety and professional training courses for CONTRACTOR'S personnel  Additional COMPANY specific safety and professional training courses for CONTRACTOR'S personnel.	X	X	C	X
5	All associated formalities related to travel documents, health certificates, visas, work permits and related documentation for contractor's personnel (and their families)		X		X

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	Description	Provided by		Paid for by	
		Company	Contractor	Company	Contractor
6	Personnel and equipment for handling, warehousing and accounting for COMPANY'S materials, stores and equipment.	X		X	
7	Additional marine project personnel over and above the vessel basic marine crew as per COMPANY written request.		X	B	
8	CONTRACTOR'S onshore base, offices, warehouse, yard, facilities, transportation, accommodation (including for families, if any)		X		X
9	Wages and other benefits for Master, officers and crew		X		X





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	Description	Provided by		Paid for by	
		Company	Contractor	Company	Contractor
SAFETY					
1	First Aid on worksite.		X		X
2	Near Miss and accident reports		X		X
3	All necessary safety and protective clothing (hard hat, coveralls, safety footwear, safety glasses) for contractor's personnel		X		X
4	Fixed medical equipment.		X		A
5	Medicines, consumables and any additional medical equipment according to COMPANY'S own requirements.	X		X	
6	Safety and rescue equipment for all personnel such as life jackets, inflatable life rafts as required by SOLAS latest amendments	X		X	
7	COMPANY Specific Training	X		X	
8	Additional Coxswains, First Aiders and Search Team over and above vessel crew and catering personnel, if required at COMPANY'S request through written orders.	X	X	B	

	Description	Provided by		Paid for by	
		Company	Contractor	Company	Contractor
TRANSPORT					
1	Transportation of CONTRACTOR replacement items and spare parts for the vessel between point of origin and designated port		X		X



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	Description	Provided by		Paid for by	
		Company	Contractor	Company	Contractor
2	Helicopter transportation of CONTRACTOR'S personnel to and from designated Heliport and the Vessel. Small spare parts may also be transported by helicopter, if the capacity allows.	X		X	
3	Fixed wing transportation of CONTRACTOR'S personnel to and from designated Heliport and their place of residence.		X		X
4	Transport of CONTRACTOR'S personnel to and from designated Heliport and Contractor's base.		X		X
5	Helicopter briefing system	X		X	
6	Survival suits and safety equipment as required for all personnel during helicopter flights and whilst onboard the Vessel. Excluding CONTRACTOR personnel safety equipment as mentioned above	X		X	
7	Helicopter fuel	X		X	
8	Helicopter refuelling system – certified equipment and procedures compulsory		X		A
9	Inspection of helicopter refuelling system by Helicopter Operator.	X		X	
10	COMPANY shall provide certified equipment for lifting of all material belonging to Company and its subcontractors and for Company Provided Items, eg. slings, straps, etc.	X		X	
11	CONTRACTOR shall provide certified equipment for lifting of all material belonging to CONTRACTOR and its		X		A

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	Description	Provided by		Paid for by	
		Company	Contractor	Company	Contractor
	subcontractors, eg. slings, straps, etc.				
12	Potable water other than that made by Vessel	X		X	

	Description	Provided by		Paid for by	
		Company	Contractor	Company	Contractor
VESSEL					
1	Helideck and netting, if required, certified for helicopters contracted by COMPANY		X		X
2	Fuel for the Vessel during operational periods, option periods.	X		X	
3	All maintenance and inspections of the Vessel equipment.		X		A

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## APPENDIX - 5

### INDEMNITY AND WAIVER OF RECOURSE AGREEMENT

#### (A-FORM FOR CONTRACTOR)



Whereas ..... - ..... (hereinafter referred to as COMPANY) has entered into a contract or agreement dated ...../...../..... with ..... (hereinafter referred to as the Undersigned Party) regarding the performance of services for COMPANY's operations in connection with, related to, or in support of the .....Project (hereinafter referred to as OPERATIONS);

Whereas COMPANY and the Undersigned Party may have entered into, or shall enter into, contracts or agreements with other contractors for the performance of services in connection with, related to, or in support of the OPERATIONS and certain of said other contractors have signed, or may sign, counterparts of like mutual Agreements (all the signatories of such Agreements relating to the OPERATIONS being hereafter designated as SIGNATORIES or SIGNATORY as the case may be);

Whereas the SIGNATORIES wish to organise their relationship in order to avoid entirely disputes as to their liabilities for damage to, personal or bodily injuries to, disease or death of their respective property or personnel (directors, officers, employees and agents), incurred in connection with the OPERATIONS;

Now, therefore, the Undersigned Party agrees with the other SIGNATORIES that:

1. The Undersigned Party waives all rights of recourse against and shall defend, indemnify and hold harmless the other SIGNATORIES and their insurers for their liability (including legal expenses) arising out of damage to or loss of property it owns, or has in its possession by virtue of an arrangement made with an entity which is not a SIGNATORY, and for any CONSEQUENTIAL LOSS resulting from such damage or loss.
2. The Undersigned Party shall have no liability whatsoever for damage to or loss of property in its possession by virtue of an arrangement made with another SIGNATORY.
3. The Undersigned Party waives all rights of recourse against and shall defend, indemnify and hold harmless the other SIGNATORIES and their insurers from and against any loss or liability (including legal expenses) arising out of any claim, demand, cause of action, proceedings, judgment, award (including reasonable legal fees, costs and expenses and reasonable sums paid by way of settlement or compromise), liability, loss, expense, penalty, fine and damages and the like for loss of or damage to property of its personnel, personal or bodily injuries to or disease or death of its personnel.
4. The Undersigned Party undertakes to obtain from its insurers a waiver of rights of subrogation against all other SIGNATORIES and their insurers in accordance with the provisions of this Agreement governing the mutual liability of the SIGNATORIES with regard to the OPERATIONS.
5. Notwithstanding paragraphs 1, 2 and 3, in the event any property of the Undersigned Party or of its personnel is lost or damaged in the course of transportation by aircraft or in the event of personal or bodily injury to or disease or death of its personnel on board the aircraft or in the course of any of the operations of embarking or disembarking and a SIGNATORY is the carrier,



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the Undersigned Party shall be entitled to compensation from such SIGNATORY in accordance with applicable national law or international conventions.

6. The Undersigned Party shall, except with specific written approval of COMPANY, have those of its subcontractors who are involved in the OPERATIONS to become SIGNATORIES and shall forthwith furnish COMPANY with the original counterparts of this Agreement executed by its subcontractors.
7. This Agreement shall enure to the benefit of and become binding upon the Undersigned Party as to any other SIGNATORIES upon the later of the date of execution by the Undersigned Party and the date of execution of a counterpart hereof or similar Agreement by such other SIGNATORY.  
Conversely this Agreement shall be binding upon the Undersigned Party only with respect to contractors and subcontractors who have become SIGNATORIES prior to the occurrence giving rise to any claim, demand, cause of action, proceedings, judgment, award (including reasonable legal fees, costs and expenses and reasonable sums paid by way of settlement or compromise) liability, loss, expense, penalty, fine and damages and the like.
8. Any contractor, consultant or subcontractor, etc., performing services for COMPANY or another SIGNATORY in connection with the OPERATIONS who has not entered into a formal contract for the performance of such services may nevertheless become a SIGNATORY by signing a counterpart hereof which shall, as to the subject hereof, govern the relationship between such new SIGNATORY and the other SIGNATORIES and also by extension its relations with COMPANY.
9. This Agreement may be executed in any number of counterparts as necessary but all such counterparts shall together constitute one legal instrument.
10. The performance and the interpretation of this Agreement shall be governed by the Laws of Libya and the Undersigned Party submits to the exclusive jurisdiction of the competent Libyan Courts.
11. The indemnities given under this Agreement shall apply irrespective of cause and notwithstanding the negligence, breach of duty (statutory or otherwise) or other failure of any other SIGNATORY and shall apply irrespective of any claim, demand, cause of action, proceedings, judgment, award (including reasonable legal fees, costs and expenses and reasonable sums paid by way of settlement or compromise) liability, loss, expense, penalty, fine and damages and the like in tort, contract or otherwise at law and shall be full and primary and shall be fully enforceable irrespective of any separate right of indemnity or contribution from an individual, company, firm, partnership, association or body corporate.
12. In this Agreement  
“CONSEQUENTIAL LOSS” means indirect or consequential loss, and direct or indirect loss of: revenue, profit, anticipated profit, use, production, productivity, contracts, business opportunity and losses, costs and/or expenses resulting from business interruption, deferral of production.

Entered into this .....day of ..... 2....

The Undersigned Party

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by:

for:

## MUTUAL INDEMNITY AND WAIVER OF RECOURSE AGREEMENT

### (B - FORM FOR SUBCONTRACTORS)

Whereas ..... (hereinafter referred to as CONTRACTOR has entered into a contract or agreement dated ...../...../..... with ..... (hereinafter referred to as COMPANY) regarding the performance of services for COMPANY's operations in connection with, related to, or in support of its Petroleum Operations (hereinafter referred to as OPERATIONS);



Whereas CONTRACTOR has subcontracted wholly or partly the performance of such services to ..... (hereinafter referred to as the Undersigned Party);

Whereas COMPANY, CONTRACTOR and the Undersigned Party may have entered into contracts or agreements with other contractors for the performance of services in connection with, related to, or in support of the OPERATIONS and certain of said other contractors have signed, or may sign, counterparts of like mutual Agreement (all the signatories of such Agreement relating to the OPERATIONS being hereafter designated as SIGNATORIES or SIGNATORY as the case may be);

Whereas the SIGNATORIES wish to organise their relationship in order to avoid entirely disputes as to their liabilities for damage to, personal or bodily injuries to, disease or death of their respective property or personnel (directors, officers, employees and agents) incurred in connection with the OPERATIONS;

Now, therefore, the Undersigned Party agrees with the other SIGNATORIES that:



1. The Undersigned Party waive all rights of recourse against and shall defend, indemnify and hold harmless the other SIGNATORIES and their insurers for their liability (including legal expenses) arising out of damage to or loss of property it owns, or has in its possession by virtue of an arrangement made with an entity which is not a SIGNATORY, and for any CONSEQUENTIAL LOSS resulting from such damage or loss.
2. The Undersigned Party shall have no liability whatsoever for damage to or loss of property in its possession by virtue of an arrangement made with another SIGNATORY.
3. The Undersigned Party waives all rights of recourse against and shall defend indemnify and hold harmless the other SIGNATORIES and their insurers from and against any loss or liability (including legal expenses) arising out of any claim, demand, cause of action, proceeding, judgment, award (including reasonable legal fees, costs and expenses and reasonable sums paid by way of settlement or compromise) liability, loss, expense, penalty, fine and damages and the like for loss of or damage to property of its personnel, personal or bodily injuries to or disease or death of its personnel.
4. The Undersigned Party undertakes to obtain from its insurers a waiver of rights of subrogation against all other SIGNATORIES and their insurers in accordance with the provisions of this

	<b>Mabruk Oil Operations</b>	<p align="center"><b>CALL FOR TENDER REF №: CFT/LOG/366/2015/AJF</b></p> <p align="center"><b>ANCHOR, HANDLING AND TOWING (AHT) TUGBOAT</b></p> <p align="center"><b>CHARTER SERVICES – AL JURF FIELD</b></p>	
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Agreement governing the mutual liability of the SIGNATORIES with regard to the OPERATIONS.

5. Notwithstanding paragraphs 1, 2 and 3, in the event any property of the Undersigned Party or of its personnel is lost or damaged in the course of transportation by aircraft or in the event of personal or bodily injury to or disease or death of its personnel on board the aircraft or in the course of any of the operations of embarking or disembarking and a SIGNATORY is the carrier, the Undersigned Party shall be entitled to compensation from such SIGNATORY in accordance with applicable national law or international conventions.
6. The Undersigned Party shall, except with specific written approval of COMPANY, have those of its subcontractors who are involved in the OPERATIONS to become SIGNATORIES and shall forthwith furnish COMPANY with the original counterparts of this Agreement executed by its subcontractors.
7. This Agreement shall enure to the benefit of and become binding upon the Undersigned Party as to any other SIGNATORIES upon the later of the date of execution by the Undersigned Party and the date of execution of a counterpart hereof or a similar Agreement by such other SIGNATORY.  
Conversely this Agreement shall be binding upon the Undersigned Party only with respect to contractors and subcontractors who have become SIGNATORIES prior to the occurrence giving rise to any claim, demand, cause of action, proceedings, judgment, award (including reasonable legal fees, costs and expenses and reasonable sums paid by way of settlement or compromise) liability, loss, expense, penalty, fine and damages and the like.
8. Any contractor, consultant or subcontractor, etc., performing services for COMPANY or another SIGNATORY in connection with the OPERATIONS who has not entered into a formal contract for the performance of such services may nevertheless become a SIGNATORY by signing a counterpart hereof which shall, as to the subject hereof, govern the relationship between such new SIGNATORY and the other SIGNATORIES and also by extension its relations with COMPANY.
9. This Agreement may be executed in any number of counterparts as necessary but all such counterparts shall together constitute one legal instrument.
10. The performance and the interpretation of this Agreement shall be governed by the Laws of Libya and the Undersigned Party submits to the exclusive jurisdiction of the competent Libyan Courts.
11. The indemnities given under this Agreement shall apply irrespective of cause and notwithstanding the negligence, breach of duty (statutory or otherwise) or other failure of any other SIGNATORY and shall apply irrespective of any claim, demand, cause of action, proceedings, judgment, award (including reasonable legal fees, costs and expenses and reasonable sums paid by way of settlement or compromise) liability, loss, expense, penalty, fine and damages and the like in tort, contract or otherwise at law and shall be full and primary and shall be fully enforceable irrespective of any separate right of indemnity or contribution from an individual, company, firm, partnership, association or body corporate.
12. In this Agreement:  
“CONSEQUENTIAL LOSS” means indirect or consequential loss, and direct or indirect loss of: revenue, profit, anticipated profit, use, production, productivity, contracts, business opportunity and losses, costs and/or expenses resulting from business interruption, deferral of production.

Entered into this .....day of ..... 20...

	<b>Mabruk Oil Operations</b>	<b>CALL FOR TENDER REF №: CFT/LOG/366/2015/AJF</b> <b>ANCHOR, HANDLING AND TOWING (AHT) TUGBOAT</b> <b>CHARTER SERVICES – AL JURF FIELD</b>	
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Witnessed by CONTRACTOR

For the Undersigned Party

by:



by:



	<b>Mabruk Oil Operations</b>	<b>CALL FOR TENDER REF №: CFT/LOG/366/2015/AJF</b> <b>ANCHOR, HANDLING AND TOWING (AHT) TUGBOAT</b> <b>CHARTER SERVICES – AL JURF FIELD</b>	
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**APPENDIX - 6**  
**INSURANCE STATUS**

REF. TO CONTRACT SUB-ARTICLES	DESCRIPTION	POLICY N°	TERMS AND LIMITS
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## APPENDIX - 7 ISPS PROVISIONS



### ISPS REQUIREMENTS RELATED TO THE VESSEL

- (a) (i) CONTRACTOR shall comply with the requirements of the International Code for the Security of Ships and of Port Facilities and the relevant amendments to Chapter XI of SOLAS (ISPS Code) relating to the VESSEL and "the Company" (as defined by the ISPS Code). If trading to or from the United States or passing through United States waters, CONTRACTOR shall also comply with the requirements of the US Maritime Transportation Security Act 2002 (MTSA) relating to the VESSEL and the "Owner" (as defined by the MTSA). If the VESSEL is not owned or demise chartered by CONTRACTOR, CONTRACTOR shall procure that both the VESSEL and "the Company" (as defined in the ISPS Code) and the "Owner" (as defined by the MTSA) shall comply with the requirements of the ISPS Code/MTSA relating to the VESSEL and "the Company" and/or the "Owner" (as respectively defined in ISPS Code and MTSA).
- (ii) Upon request CONTRACTOR shall provide COMPANY with a copy of the relevant International Ship Security Certificate (or the Interim International Ship Security Certificate) and the full name and contact details of "the Company" Security Officer (CSO).
- (iii) , damages, expense or delay (excluding CONSEQUENTIAL LOSS) suffered by COMPANY GROUP caused by failure on the part of CONTRACTOR or "the Company"/the "Owner" or demise charterer of the VESSEL to comply with the requirements of the ISPS Code/MTSA or this Appendix 11 shall be for CONTRACTOR's account.
- (b) (i) COMPANY shall provide CONTRACTOR with their full contact details and, upon request, other information CONTRACTOR reasonably requires to comply with the ISPS Code/MTSA. Where sub-letting and/or assignment is permitted under the terms of the CONTRACT, COMPANY shall ensure that the full contact details of any sub lessee and/or any assignee are likewise provided to CONTRACTOR. Furthermore, COMPANY shall ensure that any sub-lease and/or any assignment they enter into during the period of the CONTRACT shall contain the following provision:
- "The [insert the name of the sublessee/assignee] shall provide [insert the name of CONTRACTOR] with its full contact details and, where sub-letting and/or assignment is permitted under the terms of the CONTRACT, shall ensure that the full contact details of any sub-lessee or any assignee are likewise provided to the [insert the name of the CONTRACTOR]".
- (ii) Loss, damages, expense or delay (excluding CONSEQUENTIAL LOSS) suffered by CONTRACTOR GROUP caused by failure on the part of COMPANY to comply with this Appendix 11 shall be for COMPANY's account.
- (c) (i) CONTRACTOR shall pay and indemnify COMPANY GROUP against all delay, costs or expenses (excluding CONSEQUENTIAL LOSS) suffered by COMPANY GROUP arising out of or related to security regulations or measures required by the port facility or any relevant authority to ensure that the VESSEL satisfies the provision in force for normal operations, Security Level 1 under ISPS in the OPERATIONAL AREA at EFFECTIVE DATE.

- (ii) COMPANY shall pay and indemnify CONTRACTOR GROUP against all delay, costs or expenses (excluding CONTRACTOR GROUP's CONSEQUENTIAL LOSS) arising out of or related to additional security regulations or additional measures required by the port facility or any relevant authority in accordance with the ISPS Code/MTSA which are introduced in the OPERATIONAL AREA after EFFECTIVE DATE unless such delay, costs or expenses result solely from the negligence of CONTRACTOR, Master or crew or, where the VESSEL is not owned or demise chartered by the CONTRACTOR, from the sole negligence of the VESSEL, its owners, Master or crew.
- (iii) "Delay, costs or expenses" referred to in sub-sections (i) and (ii) above shall include costs or expenses of security guards, launch services, vessel escorts, security fees or taxes and expenses.
- (iv) All measures required by CONTRACTOR to comply with the Ship Security Plan shall be for CONTRACTOR'S account.
- (d) If either PARTY makes any payment which is for the other PARTY's account according to this Appendix 11, the other PARTY shall indemnify the paying PARTY.

### **ISPS REQUIREMENTS RELATING TO THE TOW**

- (i) (a) If COMPANY directs the VESSEL to tow any watercraft, and if such watercraft (hereinafter referred to as the "RIG"), by virtue of its tonnage or the voyages intended, is subject to the requirements of the International Code for the Security of Ships and of Port Facilities and the relevant amendments to Chapter XI of SOLAS (the "ISPS Code") and/or MTSA, COMPANY, during the period of any such towage services, shall procure that both the RIG and "the Company" (as defined by the ISPS Code) and/or the "Owner" (as defined by MTSA) shall comply with the requirements of the ISPS Code and/or MTSA relating to the RIG, "the Company" or the "Owner". Upon request, COMPANY shall provide a copy of the relevant International Ship Security Certificate (or the Interim International Ship Security Certificate) to CONTRACTOR. COMPANY shall provide CONTRACTOR with the full contact details of "the Company" Security Officer (CSO).
- (b) Loss, damages, expense or delay, (excluding CONSEQUENTIAL LOSS), suffered by CONTRACTOR GROUP caused by failure on the part of the RIG or "the Company" or the "Owner" of the RIG to comply with the requirements of the ISPS Code or this Appendix 11 shall be for COMPANY's account.
- (ii) (a) CONTRACTOR shall provide COMPANY and the Ship Security Officer (SSO)/Master of the RIG with CONTRACTOR's full style contact details and other information COMPANY reasonably requires to comply with the ISPS Code.
- (b) Loss, damage, expense or delay (excluding CONSEQUENTIAL LOSS), suffered by COMPANY GROUP caused by failure on the part of CONTRACTOR to comply with the ISPS Code or with this Appendix 11 shall be for CONTRACTOR's account.
- (iii) "Loss, damage, expense or delay" referred to in (i)(b) and (ii)(b) above shall include security guards, launch services, tug escorts, port security fees or taxes and inspections.
- (iv) If either PARTY makes any payment which is for the other PARTY's account according to this Clause, the other PARTY shall indemnify the paying PARTY."

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## APPENDIX - 8

### **HEALTH, SAFETY AND ENVIRONMENT (HSE) REQUIREMENTS**

This Appendix 8 is without prejudice whatsoever and howsoever to any of COMPANY rights and shall not release CONTRACTOR or in any way from any of his obligations and liabilities under the CONTRACT or at law.

This Appendix 8 defines, the minimum HSE specific requirements to be applied by the Contractor.

## **SECTION A – HSE SPECIFIC REQUIREMENTS**

### **1.1 RESPECT OF LAWS AND REGULATIONS**

#### **1.1.1 Compliance with Applicable Laws**



In accordance with the provisions of sub-articles 1.2 and 3.1.1 of this CONTRACT, CONTRACTOR shall comply (and ensure compliance by any SUBCONTRACTORS) with all applicable national and international laws and regulations throughout the performance of the CONTRACT, and in particular the HSE laws and regulations relating to:

- the environment,
- CONTRACTOR's PERSONNEL (in particular the regulations issued by the national labour and health authorities),
- his logistics (in particular the regulations issued by the national transport authority, the International Maritime Organisation -IMO- and those applied by the International Air Transport Association -IATA-),
- his operations and VESSEL (in particular VESSEL compliance with the requirements of the classification/certification of the VESSEL).

#### **1.1.2 GOVERNMENT authorisations**

Refer to CONTRACT sub-article 3.2 "GOVERNMENT authorisations".

CONTRACTOR ensures that regulatory requirements are complied with and that no activity under its responsibility is undertaken without the required official authorisation being obtained.

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## 2 RESPONSIBILITIES OF MANAGEMENT

### 2.1 HSE policy

CONTRACTOR shall be responsible for his corporate HSE policies and their implementations. Upon COMPANY's request, CONTRACTOR shall be required to demonstrate evidence of the foregoing to COMPANY's reasonable satisfaction.

CONTRACTOR shall additionally ensure that CONTRACTOR's PERSONNEL involved in the performance of the SERVICES are fully aware of and committed to COMPANY HSE policy and objectives.

### 2.2 HSE responsibility

CONTRACTOR shall take all necessary measures associated with the performance of the SERVICES to demonstrate its visible commitment to protect the health and safety of people, to respect the environment and the safeguarding of assets.

CONTRACTOR shall be responsible for his HSE Management System (hereinafter referred to as "HSE MS") including all necessary HSE procedures, a copy of which shall be provided to COMPANY prior starting the operations. In addition, CONTRACTOR shall be familiar with and abide by COMPANY's HSE MS.

CONTRACTOR shall maintain a HSE register recording the results and dates of all the HSE meetings and exercises and the periodical tests of its HSE equipment performed on the VESSEL.



The HSE register shall be made available to COMPANY upon their request.

CONTRACTOR shall appoint an HSE Representative for the performance of the CONTRACT who, notwithstanding his other roles, shall be responsible for the implementation and maintenance of the HSE Management System (HSE MS) required in this Appendix and for all HSE aspects including for identification of potential hazards associated with the performance of the SERVICES, the preparation of the safety procedures and the control of their implementation. To deal with such objectives, the HSE representative shall perform monthly HSE inspections of the VESSEL and COMPANY GROUP's property referred to in sub-article 2.10 of this CONTRACT.

The CONTRACTOR HSE Representative shall fully co-operate with COMPANY HSE REPRESENTATIVE.

### 2.3 HSE local organization

CONTRACTOR shall be responsible, demonstrate and ensure that his local functional organisation and corresponding resources satisfy the requirements of this HSE Appendix and sub-article 3.3. of this CONTRACT at any time of the performance of the SERVICES.

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CONTRACTOR shall provide COMPANY with copies of CONTRACTOR 's HSE local procedures, HSE manuals and HSE Safety Instructions leaflet which shall be displayed on the VESSEL and/or made available to all PERSONS on board the VESSEL.

CONTRACTOR shall maintain its fire and safety equipment at all times in first class conditions and shall use all reasonable means to prevent fires and explosions. CONTRACTOR shall operate and test safety devices in accordance with its operations and technical manuals.

Upon COMPANY's request, CONTRACTOR shall be required to demonstrate evidence of the foregoing to COMPANY's reasonable satisfaction.

## 2.4 HSE communications

Refer to CONTRACT sub-article 3.5 "CONTRACTOR's PERSONNEL".

CONTRACTOR shall have a system to ensure that HSE information is communicated among all the CONTRACTOR's PERSONNEL involved in the performance of the SERVICES.

The language used shall be appropriate to ensure proper communication of HSE issues among PERSONNEL so as to prevent any misunderstanding.

CONTRACTOR shall ensure that all relevant information concerning HSE with respect to the performance of the SERVICES are properly handed over from shift to shift and at the time of the periodical reliefs of CONTRACTOR Representative and formally recorded.

CONTRACTOR shall set up and implement an HSE awareness programme for CONTRACTOR's PERSONNEL.

In case of major accident on the VESSEL, CONTRACTOR shall communicate in accordance with the emergency plan jointly established with COMPANY as per sub-article 9.2 of this HSE Appendix hereafter.

## 3 OPERATIONS CONTROL AND RESPONSIBILITIES



### 3.1 General

CONTRACTOR shall ensure an adequate level of risk management. Corresponding rules and operating procedures shall be established, updated, communicated and made available at locations where they are to be applied.

CONTRACTOR shall ensure that everyone is full aware of their role and responsibilities regarding their own safety, the safety of others, and the impact of their activities on the environment and assets.

CONTRACTOR shall regularly assess CONTRACTOR's PERSONNEL involved in the performances of the SERVICES on their HSE behaviour and achievement.

#### 3.1.1 WORKSITE access

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CONTRACTOR shall ensure that anybody proceeding to the VESSEL:

- is registered in the muster list when coming in or out,
- wears the proper personal protective equipment,
- has received a HSE briefing and/or booklet containing the general HSE rules for the site covering the alarm system and the safe path from/to the VESSEL, the muster locations, the VESSEL organisation of responsibilities, work control, the prohibition of alcoholic beverages or illegal drugs, smoking in designated areas only, housekeeping, etc...
- receives a specific induction safety course when required.

### 3.1.2 Alcohol and drug prohibition

CONTRACTOR agrees that alcoholic beverages and/or illegal drugs are prohibited on board the VESSEL. CONTRACTOR shall ensure that CONTRACTOR's PERSONNEL and his SUBCONTRACTORS are made aware of and fully comply with this prohibition.

### 3.1.3 Work in progress

Refer to CONTRACT sub-article 3.6 CONTRACTOR's VESSEL.

### 3.1.4 Cargo Transportation

The overall responsibility of overseeing the proper loading, stowage and unloading of the VESSEL with respect to the safety of the VESSEL, its crew, THIRD PARTIES and the cargo and/or equipment shall be that of CONTRACTOR; however, COMPANY shall ensure that all cargos and equipment to be loaded are properly and safely labeled and handled in accordance with all APPLICABLE LAWS.

In case of transportation of explosives and radioactive sources, regulations issued by the national transportation authority/and the International Maritime Organisation – IMO - will apply.

### 3.1.5 Operations with oil based mud

#### **Potential risks:**

Fire and explosion, falls, pollution.

#### **Fire fighting instruction:**



The standard fire fighting instructions will be modified to take into account the additional risks when transporting/handling oil based mud.

#### **Pollution control:**

The VESSEL shall be sealed and drained and particular care will be taken to protect the environment against oil based mud wastes.

### 3.1.6 Dangerous products



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Refer to this Appendix sub-article 3.2.1 Cargo Transportation

The overall responsibility of overseeing the proper loading, stowage and unloading of hazardous or toxic materials permanently or temporarily stored on board the VESSEL with respect to the safety of the VESSEL, its crew, THIRD PARTIES and the cargo shall be that of CONTRACTOR; however, COMPANY shall notify the CONTRACTOR prior to loading any hazardous or toxic materials aboard the VESSEL, and shall ensure that such materials are properly and safely labeled and handled in accordance with all APPLICABLE LAWS.

Same remark is applicable to hazardous or toxic materials permanently or temporarily stored in the CONTRACTOR local FACILITIES, if any.

The foregoing shall in no way be construed as relieving the PARTIES of any of their obligations, responsibilities and liabilities under the CONTRACT.

## 3.2 COMPANY's review

Prior to the DELIVERY DATE, CONTRACTOR shall submit for COMPANY's review, written procedures (including transportation procedures, storage precautionary measures) for the handling or use aboard the VESSEL of hazardous or toxic materials belonging to CONTRACTOR or not.

Such review shall in no way be construed as relieving CONTRACTOR of any of his obligations, responsibilities and liabilities under the CONTRACT or at law.

Failure to comply with this requirement shall entitle COMPANY to reject the said materials.

## 3.3 Procedures

On VESSEL, the International Maritime Organisation (IMO) rules for dangerous products apply. Refer to IMDG code volumes 1 to 4 and the supplement volume.

## 3.4 Documentation

### 3.4.1 Documentation control



CONTRACTOR shall have a system to ensure that his HSE related documents and records are identified, verified, up to date and available on the VESSEL.

### 3.4.2 Reference documents

These documents shall comprise reference information such as:

- HSE applicable regulations
- HSE Management System, policies and procedures,
- Technical file (ref: CONTRACT – Appendix 1 & 2),



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- Marine operation manual,
- Training manual and training aids,
- Emergency response plan and drills,
- Maintenance manual.

### 3.4.3 **Monitoring / history records**



These documents shall comprise monitoring / history record files such as:

- Risk evaluation records,
- HSE meetings reports,
- Work Permits,
- Inventory / movement of dangerous goods,
- Competence records of all CONTRACTOR's PERSONNEL,
- HSE log book to register the HSE drills and the periodical tests and maintenance of the HSE equipment,
- Incident / accident reports,
- HSE audit reports and follow-up,
- Inspection and test certificates,
- Modification authorisations,
- HSE improvement plans.

## 4 **Technical data**

CONTRACTOR shall provide, before COMMENCEMENT DATE, a technical file that includes the following items:

- technical specifications of the VESSEL: ref Appendix 2 of the CONTRACT,
- general arrangement drawings, showing the location of equipment,
- electric power single line diagram showing the emergency shut-down switches, the main and emergency distribution boards, and the main and emergency power sources,
- hazardous areas classification and electrical equipment protection in hazardous areas,
- a drawing showing the nature and distribution of fire and gas detection,
- fire water main layout drawing and firewater pumps specifications,
- fire fighting equipment lay-out drawing,

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- evacuation plans showing escape routes, muster areas, location and specifications of life saving appliances,
- specification of the helideck (if any),
- specification of the telecommunication equipment,
- marine equipment specifications (offshore installation).

## 5 RESPECT FOR THE ENVIRONMENT

At all times during the performance of the SERVICES, CONTRACTOR shall take all necessary measures in order to prevent and/or to limit within the levels authorised by APPLICABLE LAWS and/or COMPANY's policies, any discharge from any source under his care, custody or control whatsoever into the atmosphere, the ground and body of water of any substance which might cause pollution or be deleterious to life or environment such as smoke, dust, oil, radio-active products or other atmospheric , ground or liquid pollutants.

When a maximum allowable level for such discharge is imposed by APPLICABLE LAWS or COMPANY requirements, CONTRACTOR shall record any discharge occurrence.

CONTRACTOR shall be responsible for disposal of all waste from any source under its care, custody or control and generated by CONTRACTOR through the performance of the SERVICES. CONTRACTOR shall provide COMPANY with a written statement of how and where such waste has been disposed of.

CONTRACTOR agrees to use its best endeavours, at all times, to ensure that no oil, oily mixtures, scrap, garbage or other substances can cause pollution of the environment.



CONTRACTOR shall ensure that accidental discharges are reported through the USERS' incident reporting system.

Upon completion of the performance of the SERVICES on the VESSEL or termination of the CONTRACT pursuant to the provisions of Article 7 and sub-article 1.2 of this CONTRACT, CONTRACTOR shall promptly remove from such VESSEL any surplus of materials, wreck or debris resulting from the performance of the SERVICES.

In the event CONTRACTOR causes pollution, CONTRACTOR shall be responsible for cleaning-up.

If CONTRACTOR fails to satisfy the above requirements, COMPANY, following appropriate notification to CONTRACTOR, shall have the right to perform (or have performed) clean-up operations at CONTRACTOR 's expense, at any time.

## 6 Driving policy

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CONTRACTOR shall have its own driving policy for his PERSONNEL during onshore stays and shall ensure that CONTRACTOR's PERSONNEL adheres to COMPANY's driving policy.

## 7 Left Blank Intentionally

## 8 TRAINING AND COMPETENCE

CONTRACTOR shall ensure that all CONTRACTOR 's PERSONNEL have carried out basic HSE training courses for the position they occupy and have been certified in this respect by an internationally recognised agency acceptable to COMPANY. Certificates shall be made available to COMPANY upon its request.

CONTRACTOR and his SUBCONTRACTORS shall have a formal training and competence assurance system covering all the awareness, knowledge and skills required for the performance of the SERVICES.



## 9 EMERGENCY PREPAREDNESS

### 9.1 Emergency system

CONTRACTOR shall have a system to identify the potential HSE emergencies associated with the performance of the SERVICES and to ensure the readiness of the recovery measures.

Potential HSE emergencies may include:

- fire and explosion,
- assistance for blowouts,
- spills and unplanned releases of produced fluids and gases or other materials,
- missing person, man overboard,
- injury on board the VESSEL, outbreaks of disease, need for medical evacuation,
- marine, aviation and motor vehicle accidents,
- loss of stability,
- total power failure,
- security breaches and sabotage, civil disorder, war,
- earthquakes, hurricanes and other natural events,

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- loss of radioactive material or explosive materials, radioactive source abandonment,
- pollution.

CONTRACTOR shall enforce alarm signals to communicate various emergency situations.

CONTRACTOR's emergency plan shall be documented and provided to COMPANY upon request.

## 9.2 Emergency coordination

The CONTRACTOR initial emergency responses shall be reviewed with COMPANY to coordinate the mobilisation of the following resources into a complete emergency response plan:

- the community (firemen, hospitals and doctors, police force, coast guards, authorities, ...),
- specialised contractors (medical evacuation, security measures, nuclear search, ...),
- COMPANY resources (spill emergency response, medirescue, ...).

## 9.3 Fire protective equipment and life saving equipment on the VESSEL

CONTRACTOR's fire protective equipment and CONTRACTOR's life saving equipment shall comply with the requirements of the certification of the VESSEL.

Personal protection and miscellaneous for fire fighting personnel (to be determined).



## 9.4 Left Blank Intentionally

## 9.5 First aid

CONTRACTOR shall supply a first aid EQUIPMENT (fully equipped sick bay, proper medicines and medical stores) to provide first aid to all PERSONNEL on the VESSEL.

Each crew shall have at least one crewmember trained in first aid.

## 9.6 Medirescue

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In the event of accident or search and rescue in respect of CONTRACTOR 's PERSONNEL, COMPANY hereby will make their reasonable efforts to assist victims amongst CONTRACTOR's PERSONNEL, and CONTRACTOR shall indemnify, defend and hold harmless COMPANY from any CLAIM arising out of or in relation to providing, failing or inability to provide such assistance and/or the performance of these search and rescue operations. Without prejudice to the foregoing, the provisions of Article 5 shall apply with respect to CLAIMS arising out of or in connection with the performance of such assistance and/or search by COMPANY.

COMPANY during those search and rescue operations will make their reasonable efforts:

- to provide first aid on the VESSEL pursuant to APPLICABLE LAWS and HSE regulations in force,
- to provide or allow to be used any available communication means,
- to provide or allow to be used, any transportation vehicles / craft available for the search and rescue and carrying of casualties from the VESSEL to the nearest hospital.



The costs of such search and rescue operations, transportation and hospital services performed for CONTRACTOR 's PERSONNEL, shall be reimbursed to COMPANY by CONTRACTOR.

The decision to evacuate CONTRACTOR's PERSONNEL as a result of illness or injury shall be taken by CONTRACTOR Representative.

## 9.7 Left Blank Intentionally

## 9.8 COMPANY's rights



Refer to CONTRACT sub-articles 2.2 "COMPANY's instructions, 3.7 "COMPANY's inspections" of the main body of the CONTRACT.



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## SECTION B – HSE SPECIFIC REQUIREMENTS

( Provided under separate file to the FORM OF CONTRACT)

Chapter 1	Internal Rules & Behavior
	<ul style="list-style-type: none"> <li>o General</li> <li>o Communication</li> <li>o Aviation and Air transport</li> </ul>
Chapter 2	HSE MS
Chapter 3	Fitness
Chapter 4	4 A - PPE
Chapter 5	Training
Chapter 6	Driving “NA”
Chapter 7	Work Place
Chapter 8	MEDEVAC & Site Medical Treatment
Chapter 9	Emergency Response
Chapter 10	Incidents reporting and investigation
Chapter 11	Environnent:
	<ul style="list-style-type: none"> <li>o Smoking hazard – Noise pollution</li> <li>o Information, communication - Training</li> <li>o Housekeeping and hygiene</li> <li>o Waste management</li> <li>o Demobilization</li> </ul>
Chapter 12	Lifting and Handling
Chapter 13	13 A - Dangerous goods Management
	13 B - Radioactive source and Material
Chapter 14	Scaffolding and Ladders
Chapter 15	Mobile Diesel Units
Chapter 16	Electrical equipment's
Chapter 17	17 A - Preventive Maintenance Safety Equipment's
	17 B - Preventive maintenance F&G
Chapter 18	Storage & Refueling Station
Chapter 19	Legislation and Industrial standards
Chapter 20	Hazard Analysis Critical Control Points (HACCP) Catering
Chapter 21	Work Management – Permit to Work system
Chapter 22	H2S Risks and Protection .

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## **APPENDIX - 9**

### **LIST OF DOCUMENTATIONS**

#### **1.1 CONTRACTOR's HSE Management System**

Ref. to CONTRACTOR's document(s):.....dated:.....

#### **1.2 CONTRACTOR's QA/QC - Manual(s)**

Ref. to CONTRACTOR's document(s):.....dated:.....

#### **1.3 CONTRACTOR's HSE Manual(s)**

Ref. to CONTRACTOR's document(s):.....dated:.....



#### **1.4 CONTRACTOR's Maintenance Manual(s)**

Ref. to CONTRACTOR's document(s):.....dated:.....

#### **1.5 C.V. OF CONTRACTOR's PERSONNEL**

Ref. to CONTRACTOR's document(s):.....dated:.....



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## **DAILY REPORT**

### **1.6 PERIOD COVERED**

This report must be filled in every day. It covers a period of 24 hours: from 12 h 00 on first day until 12 h 00 on following day.

### **1.7 DEPARTURE/ARRIVAL**

Time to be entered:

- arrival and departure ,
- alongside for loading, unloading or other operations,
- arrival and departure - port,
- taking shelter lying at anchor.

If no operation carried out during the period concerned, stipulate the reason. For example: "stand-by at UNIT".

### **1.8 DAILY OPERATIONAL DATA**

Consumptions to be indicated in kilos:

- 1 imperial gallon of fuel = 3.80 kg
- 1 long ton = 1,016.00 kg (= 1.0160 metric ton)
- 1 short ton = 907.2 kg (= 0.9072 metric ton)

### **1.9 LOADING AND UNLOADING OF CARGO**

Where more than one UNIT is involved, figures should be clearly identified for each UNIT.

### **1.10 TANKS OR SILOS**

Indicate type and quantity of product in each tank.

### **1.11 CREW ON BOARD**

To be filled in on first day of each month and for each loading operation. Specify "no change" if applicable.

SUCH REPORTS MUST BE HANDED OVER TO COMPANY REPRESENTATIVE.

## **MONTHLY REPORT**

### **1.1 OPERATIONAL TIME**

Every hour must be accounted for under one of the listed operations. If the operation is not listed, enter the number of hours under "other circumstances" and specify.



If VESSEL is "unavailable", specify the reason.

### **1.2 DISTANCE COVERED**

Distance covered by VESSEL while on "stand-by" duties at UNIT should not be included.

### **1.3 FUEL AND WATER**

Fuel and water on board on the first day of the month must be the same as at the end of preceding month.

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#### 1.4 RECORD OF VOYAGES

Only voyages between one port and another or between port and UNIT should be entered.  
THIS REPORT MUST BE HANDED OVER TO COMPANY REPRESENTATIVE ON FIRST  
CALL AT PORT AFTER THE END OF EACH MONTH.



**ACKNOWLEDGMENT**

***This is to confirm receipt of the Tender Documents for the above mentioned Call for Tender, "CFT" and also undertake the responsibility of returning these documents unmarked to MABRUK OIL OPERATIONS, regardless a bid was submitted or not.***

<b>Name of Bidder</b>	
<b>Name of Person (Authorized to collect the CFT Package)</b>	
<b>Signature</b>	
<b>Date</b>	