



CONTRACT

BETWEEN

SHELL IRAQ PETROLEUM DEVELOPMENT B.V.

AND

Al-Delta Company

CONTRACT NO. SIPD - 1155

IN RESPECT OF

MISCELLANEOUS BUILDING WORKS

**FIRST COMMERCIAL PRODUCTION PROJECT
MAJNOON OIL FIELD DEVELOPMENT, IRAQ**



Shell Iraq Petroleum Development B.V.
C/O P.O. Box 11677, Dubai Convention Tower, 11th Floor, Zabeel Area,
Dubai, UAE,

Telephone: +971 4 405 4400 Fax: +971 4 329 3311

**Minor
Work/Purchase
Order**

Issue Date: 29th March 2014

Contract No: **SIPD-1155**

Contract Title: **Miscellaneous Building Works**

Company Representative: Paul Haywood / Steve McAvoy

Contractor Representative: Murthadha Hashem

Work Breakdown Structure Code:

Contract Duration: **2 months from Effective Date**

Effective Start Date: **1st April 2014**

Section I – Form of Agreement

This Contract is made between **Shell Iraq Petroleum Development B.V. Dubai branch** (hereinafter referred to as "Company") and **Al-Delta Company** (hereinafter referred to as "Contractor"), where Company requests that Contractor supplies Goods in accordance with the prices and rates specified herein and the terms and conditions of Contract, Company and Contractor agree as follows:

For the purposes of this agreement, the following sections which shall be read as one document and which, in the event of ambiguity or contradiction between the sections, shall be given precedence in the order listed, with the exception that any Special Articles of Agreement shall take precedence over the General Articles of Agreement:

Section I	Form of Agreement
Section II	Articles of Agreement
Section III	BOQ/Schedule of Prices
Section IV	Description of the Goods
Section V	Administration Instructions

Section II – Articles of Agreement

As specified in Section II – General Articles of Agreement, as modified or supplemented by the Special Articles of Agreement specified below:

1. Refer Article 2.0 – Prices, Rates and Payments, clause 2.2

Reference clause 2.2 - Add the following sentence:

"Where the Scope of Work under this Minor Work Order includes the provision of Work partially or wholly within Iraq then the Company advises that Withholding Tax in accordance with applicable Iraqi Tax Legislation will be deducted from any and all payments that becomes due to the Contractor. A record of such deductions will be provided to the Contractor."

2. Refer Article 2.0 – Prices, Rates and Payments, clause 2.3

Reference clause 2.3 – Replace the wording:

"shall be paid by the Company within Forty Five (45) days of receipt." with "shall be paid by the Company within Thirty (30) days of receipt."

3. Refer Article 7.0 – Taxes and Duties

Add the following sentence:

"Where the Scope of Work under this Minor Work Order includes the provision of Work partially or wholly within Iraq then the Company advises that Withholding Tax (WHT) in accordance with applicable Iraqi Tax Legislation will be deducted from any and all payments that becomes due to the Contractor. A record of such deductions will be provided to the Contractor."

4. Refer Article 17.0 – Insurance Requirements

Replace Article 17.2, sub sections A, B & C with the following:

Sub Section "A" - Employer's Liability to be In accordance with applicable Iraqi Law.
Sub Section "B" - Public Liability to be in accordance with applicable Iraqi Law
Sub Section "C" - Third Party Passenger Liability to be in accordance with applicable Iraqi Law

Section III – Schedule of Prices

Company agrees to pay Contractor in accordance with the pricing as detailed in Appendix 3 - Schedule of Prices in consideration of the Miscellaneous Building Works in accordance with the Contract.

The Ceiling Value (not-to-exceed price), but not guaranteed Price, for this Contract is **US\$ 135,000.00 (United States Dollars One Hundred Thirty Five thousand only)**. The actual price to be reimbursed shall be determined by COMPANY approved supporting documentation and the rates and prices contained Appendix -3. The rates and prices contained Appendix - 3 shall be fixed for the duration of the Contract and are deemed to be inclusive of applicable Withholding Tax, which will be deducted by the Company from each invoice that is submitted by the Contractor. Contractor shall provide daily record / time sheets for personnel / plant to Company and Company's representative shall sign these daily record sheets to confirm to the hire or personnel/plant. Contractor shall submit supplier invoices & approved deliver receipts to Company for supplied material.

The rates and prices in Appendix 3 are inclusive but not limited to the procurement and delivery of all materials, labour, tools and equipments, consumables, supervision, PPE, accommodation, feeding, equipment, office/head office support and all other costs including overtime, holiday allowance, travel time, cost of transportation/mobilization, boarding and lodging, overhead, profit, insurances, taxes etc. as described below. The rates are not subjected fluctuation or variation. Mobilisation and execution of the said work in this Contract shall be based on Company's instructions and relevant approvals.

Section IV – Description of the Works (the term Goods, Work or Services shall have the same meaning)

Contractor shall undertake all works as detailed within Appendix 4 Scope of Work.

Work shall commence immediately from the Effective Date and shall continue for the Contract Duration as specified in this Contract.

Contractor shall be fully responsible for securing all necessary gate passes and permits required for the performance of the Work. Contractor is referred to Appendix 5.

Section V – Administration Instructions

General

Any notice, by either party, to the other concerning the Contract shall be to Company and Contractor addresses specified below. In the event of a change of address of Company or Contractor, prompt notice shall be given by the party concerned to the other party.

Invoicing

- 1.1 Only Original invoices, which are properly prepared and supported and submitted to the COMPANY in the English language at the location specified herein, shall be processed for payment. Copies of invoices are not required unless specifically requested by the COMPANY. Appendix 2 shall be returned to COMPANY within 5 days after issue date of this Contract/Order.
- 1.2 The invoice shall be submitted in a single currency and must be in the same currency in which CONTRACT/ORDER is issued. Any reimbursable expenses incurred in a local currency, if applicable, shall be invoiced separately and the exchange rate used shall be that of the date of local currency invoice using the commercial bank exchange rate or the country exchange rate, as appropriate, received by CONTRACTOR when disbursing such local currency payments from the initial currency of the CONTRACT/ORDER.
- 1.3 The date of receipt of Invoice by the COMPANY'S Accounts Payable shall be used as the basis for calculating the due date for payment.

The address stated on the invoice shall be:

Shell Iraq Petroleum Development B.V., Iraq Branch
Majnoon Oil Field - Pioneer Camp (PC)
Al Nashwa District,
Basrah, Iraq

Invoice shall be sent to the company via post or courier to the following address:

Postal and Courier Address:
Shell Iraq Petroleum Development B.V., Iraq Branch
Majnoon Oil Field – Pioneer Camp (PC)
Attn: Finance Department
Al Nashwa District
Basrah, Iraq

1.4 Invoices shall be raised by the CONTRACTOR once each month for all the work/services performed or goods delivered in the previous calendar month or as agreed according to CONTRACT/ORDER and shall be submitted to the COMPANY prior to the tenth (10) working day of the month following the calendar month for which the invoices are raised or the goods have been delivered or services and work have been performed.

1.5 The CONTRACTOR shall attach to all its invoices proper supporting documentation (as applicable), to include but not be limited to approved original timesheets or work appraisal sheet, third party invoices, local payrolls, value of LOCAL CONTENT applicable, broken down according to defined Work Breakdown Structure (WBS), Variations, Milestone Completion Certificates etc, which support the value of each item on the invoice.

1.6 Each of the CONTRACTOR's invoices shall clearly state the following:

- (a) The invoicing address as mentioned in clause 1.3 above;
- (b) The COMPANY Contract title, number and Work Breakdown Structure (WBS) Code as specified in the order;
- (c) The description of the services supplied;
- (d) The Invoice date;
- (e) The Name of COMPANY REPRESENTATIVE as specified in the CONTRACT;
- (f) The invoice currencies;
- (g) The bank details as indicated in Appendix 2

1.7 The CONTRACTOR shall present all invoices in its registered name specified in Section I – FORM OF AGREEMENT.

1.8 The COMPANY shall authorize payment of the due amount within the payment terms into the bank account of the CONTRACTOR as specified by Contractor in Appendix 2.

If the information required in article 1.6 is not provided or is incorrect and/or the information required in Appendix 2 is not provided, the invoice may be returned for completion of information and payment may therefore be delayed. The COMPANY shall make no payment until the CONTRACTOR has fulfilled all the requirements of this Article. The CONTRACTOR understands and accepts that any failure on its part to comply completely with the requirements of this Article may delay payment of its invoices.

Company Contact Name and Address		Contractor Contact Name and Address	
Company Contact:	Paul Haywood / Steve McAvoy	Contractor Contact:	Murthadha Hashem
Mailing Address:	Shell Iraq Petroleum Development B.V. 11th floor Convention Tower C/o.P.O. Box 11677 Zabeel Area, Dubai U.A.E.	Mailing Address:	Al-Delta Company, Al-Jazir Qt, Basra IRAQ.

In Witness whereof Company and Contractor hereby execute this Contract as follows.

On this <u>29</u> day of March 2014	On this _____ day of March 2014
Signature: 	Signature: 
For Company: Shell Iraq Petroleum Development B.V.	For Contractor: _____
Name: Paul Haywood	Name: <u>Murtadha H. Hashem</u>
Title: Site Manager	Title: _____



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