



## STANDARD CONDITIONS OF SERVICES AGREEMENTS (SCSA2011)

### 1. Definition and Interpretation

1.1 The following words and expressions shall have the meanings assigned to them except where the context otherwise requires:

- 'Project' means a unique coordinated undertaking by the Client for planning design, construction, operation or decommissioning of engineered facilities at a selected location.
- 'Services' means activities to be performed by the Company in accordance with the Agreement and comprise Normal Services and Additional Services.
- Normal Services are services described in the Agreement.
- Additional Services are those described as such in the Agreement or which by agreement of the parties are otherwise additional to Normal Services or which are necessarily performed by the Company in accordance with Clause 6.4.
- 'Site Survey' means Services that apply specific measurement techniques for identification or characterization of the geo-environment at or near the selected location of the Project. Site Survey includes personnel, goods, equipment and operations required for remote measurement, visual inspection, surface-based measurement, intrusive in-situ measurement, destructive measurement, physical sampling, or sample testing in an on-site or in-office laboratory.
- 'Client' means the party named in the Agreement, who engages the Company, and legal successors to the Client and permitted assignees.
- 'Company' means the operating company named in the Agreement, who is engaged as a service company by the Client to perform the Services, and legal successors to the Company and permitted assignees.
- 'Party' and 'parties' means the Client and the Company and 'third party' means any other person or entity, as the context requires.
- 'Agreement' means (1) the Standard Conditions of Services Agreement together with the DNR 2005, (2) description of personnel, equipment, facilities, systems, procedures and services of others to be provided by the Client, and (3) Letter of Acceptance and formal agreement if completed or otherwise as agreed. No amendments to the Standard Conditions of Services Agreement shall be of any effect unless they have been specifically agreed by the Company in writing.
- 'Local Currency' means the monetary currency of the country in which the Client is based or where the Services are performed. 'Foreign Currency' means a specified monetary currency of a country, or that of the

European Union, other than that in which the Client is based or the Services are performed.

- DNR 2005 are the general conditions of the Royal Institute of Engineers. They are registered at the Court of Amsterdam under number 139/2004. The DNR 2005 will be sent at first request of the Client and can be downloaded from [www.onri.nl](http://www.onri.nl)

1.2 In the event that a conflict or ambiguity arises between any of the provisions of the Agreement this shall be resolved by giving precedence to the provision that was last written chronologically.

### 2. Company Obligations

2.1 The Company shall perform Services relating to the Project. The scope of the Services is stated in the Agreement.

2.2 The Company shall exercise reasonable skill, care and diligence in the performance of his obligations under the Agreement.

2.3 Where the Services include the exercise of powers or performance of duties authorized or required by the terms of a contract between the Client and any third party, the Company shall:

- act in accordance with the contract provided that the details of such powers and duties are acceptable to him where they are not described in the Agreement
- if authorized vary the obligations of any third party, subject to obtaining the prior approval of the Client to any variation which can have an important effect on costs or quality or time (except in any emergency when the Company shall inform the Client as soon as practicable).

### 3. Client Obligations

3.1 The Company offers different levels of services to suit the desires and needs of different clients. Although the possibility of error can never be eliminated, more detailed and extensive services yield more information and reduce the probability of error, but at increased cost. The Client must determine the level of services adequate for its purposes. The Client has reviewed the scope of the Services and has determined that it does not need or want a greater level of services than that being provided.

3.2 Client shall inform Company on the exact location of subsoil obstacles, cables, pipelines etc. Company will not be held responsible of the accuracy and completeness of the information nor from any damage during the performance of the investigation or the consequences thereof.

3.3 The Client shall so as not to delay the Services and within a reasonable time give to the Company free of costs all information in his power to obtain which may pertain to the Services.

3.4 On all matters properly referred to him in writing by the Company the Client shall give his decision in writing so as not to delay the Services and within a reasonable time.



- 3.5 In the country of the Project and in respect of the Company, his personnel, the Client shall do all in his power to assist in:
- the provision of documents necessary for entry, residence, work and exit;
  - providing unobstructed access wherever it is required for the Services;
  - import, export, and customs clearance or personal effects and of goods required for the Services;
  - their repatriation in emergencies;
  - the provision of the authorities necessary to permit the import of currency by the Company for the Services and by his personnel for their personal use and to permit the export of money earned in the performance of the Services;
  - providing access to other organizations for collecting information to be obtained by the Company.
- 3.6 The Client shall make available, free of cost, to the Company for the purpose of the Services the personnel, equipment, facilities, systems, procedures and services of others, as stated in the Agreement.
- 4. Personnel and other Resources**
- 4.1 For administration of the Agreement, each party shall designate the official or individual to be his representative.
- 4.2 Personnel sent by the Company to work in the country of the Project shall have been physically examined and found fit for their assignments, and their qualifications shall be acceptable to the Client.
- 4.3 From the date of commencement of the Agreement until 12 months after the Company completes the performance of the Services in accordance with the provisions of the Agreement, the parties agree that neither will offer employment to nor approach with a view of assigned to the performance of the Services by the other party.
- 4.4 If it is necessary to replace any person, goods or equipment, the party responsible for the assignments shall immediately arrange for replacement by a person of comparable competence or by good or equipment of comparable performance. The cost of such replacement shall be borne by the party responsible for the assignment except if the replacement is requested by the other party:
- such request shall be in writing stating the reasons for it and
  - the party making the request shall bear the cost of replacement unless misconduct or inability to perform satisfactorily is established as the reason.
- 4.5 The personnel, equipment, facilities, systems, procedures and services of others provided by the Client shall be acceptable to the Company acting reasonably. The Company shall co-operate with the provided personnel and suppliers of services but shall not be responsible for them or their performance.
- 5. Liability and insurance**
- 5.1 The Company shall only be liable to pay compensation to the Client arising out of or in connection with the Agreement if a breach of Clause 2.2 is established against him.
- 5.2 The Client shall be liable to the Company if a breach of his duty to the Company is established against the Client.
- 5.3 By Client, in the request for tender, specified delivery times, will not be regarded as being fatal unless agreed else prior to acceptance of the works.
- 5.4 If it is considered that either party is liable to the other, compensation shall be payable only on the following terms:
- Such compensation shall be limited to the amount of reasonable loss and damage suffered as a result of such breach, but not otherwise.
  - In any event, the amount of such compensation will be limited to the amount specified in Clause 5.6.
  - If either party is considered to be liable jointly with third parties to the other, the proportion of compensation payable by him shall be limited to that proportion of liability, which is attributable to his breach.
- 5.5 Neither the Client nor the Company shall be considered liable for any loss or damage resulting from any occurrence unless a claim is formally made on him within 5 years upon completion or termination of the Services, or such earlier date as may be prescribed by law.
- 5.6 The maximum cost of compensation payable by either party to the other in respect of liability under Clauses 5.1, 5.2 and 5.4 is limited to the total remuneration due to the Company with a maximum of ANG 25,000. This limit is without prejudice to any compensation specified under Clause 7.2 or otherwise imposed by the Agreement. Each party agrees to waive all claims against the other in so far as the aggregate of compensation which might otherwise be payable exceeds the maximum amount payable. If either party makes a claim for compensation against the other party, and this is not established, the claimant shall entirely reimburse the other for his costs incurred as a direct result of the claim.
- 5.7 The Client shall indemnify the Company against all actions, proceedings, costs, damages and claims by third parties which might arise out of or in connection with the Company's performance of the Services under the Agreement. The Client shall also place public liability and third party insurance in his name, which shall be duly endorsed to recognize the Company's interest as is necessary to cover such risks.
- 5.8 The Client shall indemnify the Company against all actions, proceedings, costs, damages and claims which might arise out of or in connection with the personnel and properties employed or provided by the Client in performance of the Services under the Agreement.
- 5.9 Notwithstanding Clause 5.7, the Client shall indemnify the Company against (the consequences of) any damage to



or any loss of equipment or goods provided by the Company, howsoever caused and irrespective of the damage or loss being caused by, resulting from or being contributed to by a negligent act or omission from the Company. The Client shall place appropriate insurance in his name, which shall be duly endorsed to recognize the Company's interest as is necessary to cover such risks.

5.10 The provisions of Clauses 5.6 and 5.9 shall not be applicable in case of the Company's deliberate default or reckless misconduct.

## **6. Commencement, Completion, Alteration and Termination of the Agreement.**

6.1 The Agreement is effective from the date of receipt by the Company of the Client's Letter of Acceptance of the Company's proposal, or from the date of receipts by the Client of the Company's Letter of Acceptance to perform the Services, or of the latest signature necessary to complete the Formal Agreement, whichever is completed last.

6.2 The Agreement can be varied on application by either party by written agreement of the parties. If requested by the Client in writing, the Company shall submit proposals for altering the Services. The preparation and submission of such proposals shall be an Additional Services.

6.3 If the Services are impeded or delayed by the Client of his contractors so as to increase the amount or duration of the Services:

- The Company shall inform the Client of the circumstances and probable effects.
- The increase shall be regarded as Additional Services.
- The time for completion of the Services shall be increased accordingly.

6.4 If circumstances arise for which the Company is not responsible and which make it irresponsible or impossible for him to perform in whole or in part the Services in accordance with the Agreement, he shall promptly dispatch a notice to the Client. In these circumstances, if certain Services have to be suspended, the time for their completion shall be extended until the circumstances no longer apply plus a reasonable period not exceeding 42 days for their resumption.

6.5 The Client may suspend all or part of the Services or terminate the Agreement by giving at least 56 days written notice to the Company who shall immediately make arrangements to stop the Services and minimize expenditure. The Company and the Client shall be entitled to terminate the Agreement by giving 14 days notice to the other after the Services have remained suspended for a continuous period of 182 days.

6.6 If the Client considers that the Company is without good reason not discharging his obligations he can inform the Company by notice stating the grounds for the notice. If a satisfactory reply is not received within 21 days the Client can by a further notice terminate the Agreement provided

that such further notice is given within 35 days of the Client's former notice.

6.7 Upon the occurrence of circumstances described in Clause 6.4 or abandonment or suspension or resumption of Services or upon termination of the Agreement otherwise than under the provisions of Clause 6.6 any necessary work or expense by the Company shall be regarded as Additional Services.

6.8 Termination of the Agreement shall not prejudice or affect the accrued rights or claims and liabilities of the parties. After termination of the Agreement, the provisions of Clauses 5.6, 5.7, 5.8, 5.9 and 5.10 remain in force.

## **7. Payment**

7.1 Company invoices will be submitted every month for services rendered, unless agreed otherwise. The Client shall pay the Company for the Services in accordance with the Agreement and within 14 (FOURTEEN) days of issue of the Company's invoice. The Client shall pay for Additional Services at rates and prices which are given in or based on those in the Agreement so far as they are applicable but otherwise as are agreed in accordance with Clause 6.2 monthly on the sum overdue and in its currency reckoned from the due date for payment of the invoice. Such compensation shall not affect the rights of the Company stated in Clause 6.5.

7.2 The currency applicable to the Agreement is ANG, unless otherwise specified.

7.3 Where payment is to be made in Foreign Currency it shall be computed at rates of exchange as defined in the Agreement and computed at rates of exchange as defined in the Agreement and paid net without deductions. The Client shall be responsible for making and meeting the costs of all arrangements necessary to transfer any Local Currency and Foreign Currency from the country in which the Client is based or where the Services are performed to any account the Company shall specify in any other country.

7.4 If at the date of the Agreement or during the performance of the Services the conditions in the Client's country are such as may contrary to the Agreement either.

- prevent or delay the transfer abroad of Local or Foreign Currency payments received by the Company in the Client's country, or
- restrict the availability or use of Foreign Currency in the Client's country, or
- impose taxes of differential rates of exchange for the transfer from abroad of Foreign Currency into the Client's country by the Company for Local Currency expenditure and subsequent re-transfer abroad of Local Currency up to the same amount such as to inhibit the Company in the performance of the Services or to result in financial disadvantage to him.

The Client warrants that such shall be deemed circumstances justifying the application of Clause 6.4 if



alternative financial arrangements are not made to the satisfaction of the Company.

7.5 Except where specified in the Agreement

- the Client shall whenever possible arrange that exemption is granted to the Company and his personnel not normally resident in the country of the Project from any payments required by the Government or authorized third parties in that country which arise from this agreement. Whenever the Client is unsuccessful in arranging such exemption, he shall reimburse the Company for such payments properly made,
- provided that the goods when no longer required for the purpose of the Services and not the property of the Client, (a) shall not be disposed in the country of the Project without the Client's approval, and (b) shall not be exported without payment to the Client of any refund or rebate recoverable and received from the Government or authorized third parties.

7.6 If any item or part of an item in an invoice submitted by the Company is contested by the Client, the Client shall give prompt notice with reasons and shall not delay payment on the remainder of the invoice. Clause 7.2 shall apply to all contested amounts which are finally determined to have been payable to the Company.

7.7 The Company shall maintain records, which clearly identify relevant time and expense. Except where the Agreement provides for lump sum payments, not later than 12 months after the completion or termination of the Services, the Client can require that a reputable firm of accountants nominated by him audit any amount claimed by the Company by attending during normal working hours at the office where the records are maintained.

7.8 In case of outstanding invoices, client must complete payment of ALL invoices in order to be able to claim the results/reports.

**8. Surcharges**

The following surcharges outside office hours are applicable:

Monday 00:00 - 7:30: + 50%

Monday - Thursday 16:30 - 07:30: + 50%

Friday 16:30 - 24:00: + 50%

Monday thru Friday 12:00PM - 13:00PM: + 50%

Saturday & Sunday 00:00 - 24:00: +100%

Public holidays: +150%

**9. Provisions General**

9.1 The law on which the Agreement is subject is the law of the country in which the Company is registered, unless otherwise specified.

9.2 The language applicable to the Services and the Agreement is English unless otherwise specified.

9.3 If after the date of the Agreement the cost or duration of the Services is altered as a result of changes in or additions to the regulations in any country in which the Services are to be performed except that of the Company's principal place of business, the agreed remuneration and time for completion shall be adjusted accordingly.

9.4 The Company shall not without the written consent of the Client assign the benefits from the Agreement other than money.

9.5 Neither the Client nor the Company shall assign obligations under the Agreement without the written consent of the other party.

9.6 The Company shall not without the written consent of the Client initiate or terminate any sub-contract for performance of all or part of the Services.

9.7 The Company shall not engage in any activity, which might conflict with the interest of the Client under the Agreement.

9.8 The Company retains copyright of all documents prepared by the Company. The Client shall be entitled to use them or copy them only for the Project and the purpose for which they are intended, and need not obtain the Company's permission to copy for such use.

9.9 Unless otherwise specified in the Agreement the Company, either alone or jointly with others, can publish material relating to the Project and Services. Publication shall be subject to Client approval if it is within 2 years of completion or termination of the Services.

**10. Dispute Resolution**

10.1 Subject to Clause 5.5, any claim for loss or damage arising out of breach or termination of the Agreement shall be agreed between the Client and the Company.

10.2 If no agreement is reached under Clause 9.1 the parties may attempt to settle the dispute by a form of alternative dispute resolution to be agreed between the parties.

10.3 After using its reasonable endeavors and in the absence of any agreement being reached on a particular dispute. The dispute shall be settled by arbitration in accordance with DNR 2005 in The Netherlands.

**ADDITIONAL PROVISIONS - SITE SURVEY**

**11. Survey Operations**

11.1 Health Safety and Environment practice applicable to the Site Survey shall be according to Company practice. Special measures as well as any additional time requirements shall be regarded as Additional Services.

- If the Client requires special measures not specifically covered by the Agreement, or

- If circumstances arise for which the Company is not responsible and which require him to take special measures as is necessary to meet Company practice.

The Company shall promptly inform the Client about the selected or intended special measures.



- 11.2 The personnel who are sent by the Client to observe, inspect or direct the Site Survey
- shall have adequate authority in accordance with the provisions of Clause 3.3 and Clause 3.4.
  - shall have been physically examined and found fit for their assignments, and their qualifications shall be acceptable to the Company action reasonably.
- 11.3 Prior to mobilization of personnel, goods and equipment required for the Site Survey, the Client shall inform the Company of the presence, type and precise location of facilities on or above or below or near the survey area that may affect the efficiency or safety of the Services. Such facilities include subterranean and subaqueous structures, pipelines, tunnels, utilities and fishing-gear. The Company harmless for any damage to such facilities not called to the attention of the Company or with no precise location.
- 11.4 The Client shall inform the Company about the Project geodetic system for horizontal and vertical control. The Client information shall include examples of conversion to the WGS84 geodetic system, unless otherwise agreed.
- 11.5 Compensation for mobilization and demobilization of the personnel, goods and equipment required for the Site Survey shall be according to the rates of the Agreement, provided the survey locations are accessible for commonly-used equipment or equipment agreed for use. If the mobilization or demobilization requires special measures not specifically covered by the Agreement, then the special measures as well as any stand-by time shall be regarded as Additional Services.
- 11.6 The Client shall be responsible for all consequences, at no cost to the Company, for goods or equipment supplied by the Company, which may be sunk or lost as a result of the Company's deliberate default or reckless misconduct. Such consequences can include raising and removal of goods or equipment so as to avoid hazard to navigation or to comply with any applicable laws or regulations.
- 11.7 The Company shall take reasonable precautions to limit damage to the ground surface and other property caused by the Site Survey. The repair of such damage, where practicable, shall be regarded as Additional Services unless otherwise agreed.
- 11.8 Survey operations that require intrusion of equipment or goods into the ground will cause a change in the physical, chemical and hydraulic properties of the ground. The Client shall be responsible for all consequences of such change at no cost to the Company. The application by the Company of special measures to limit such change shall be regarded as Additional Service unless otherwise agreed.
- 11.9 The Company shall have the right to shift an intended survey location to a nearby location in case of reasonable notion of obstructions or unforeseen conditions, including bricks, wood, explosives, fishing-gear, cables, pipelines, cavities, over- and under-pressurized groundwater, and shallow gas. The shift and any measures required for resumption of the Site Survey shall be regarded as Additional Services. The Client shall bear the cost for any damage or loss of Company survey equipment caused by such obstruction or unforeseen condition.
- 11.10 If the Client requires the Company to continue the Site Survey at the intended survey location despite an obstruction or unforeseen condition, then activities such as obstruction removal and stand-by periods shall be regarded as Additional Services. The Client shall bear the cost for any loss or damage of Company survey equipment as a result of such continuation.
- 11.11 The Company shall have the right to suspend the Site Survey if he has reason to believe that he might encounter unforeseen toxic or other hazardous conditions, which might endanger the personnel or equipment. The Company shall review the implications and shall advise the Client on further action. The incomplete Site Survey, the suspension, the review and any specific measures required for resumption or termination of the Services shall be regarded as Additional Services. Specific measures can include cleaning of Company survey equipment.
- 11.12 Stand-by due to adverse weather, waves or water-current conditions precluding reasonable progress of the Site Survey shall be regarded as Additional Services, unless otherwise agreed.
- 11.13 The Company shall have the right
- to vary the sequence of the intended survey program
  - to replace personnel, goods or equipment of comparable standard
- to suit the efficiency, quality or safety of the operations of the Company. The Company requires no prior approval from the Client for such action, unless otherwise agreed. The Client may request a specific sequence, specific personnel goods or equipment. The implications of such request shall be regarded as Additional Services.
- 12. Survey Measurements**
- 12.1 Performance of a survey measurement shall be in general accordance with Company practice, where the Agreement provides a reference or outline for the survey measurement only. Company practice shall be based on national or international standards, codes of practice, or guidelines. The Agreement considers the primary measurement only and excludes any optional or alternative procedures and measurements not explicitly specified.
- 12.2 The Company shall assess the feasibility and relevance of a survey measurement prior to the start of application and shall decide on (1) to proceed with application (2) not to proceed with application. The assessment shall taken account of standards, codes of practice, guidelines and other relevant publications that consider factors such as operational constraints, and type, uniformity quality and volume of the target to be measured. Usually, a reasonable estimate of feasibility is possible prior to the start of the Site



Survey. A further refinement is possible as further information becomes available application of the survey technique.

- 12.3 The Company shall be entitled to compensation according to the rates of the Agreement:
- when the decision is 'to proceed' according to Clause 11.2
  - when adequate completion proves impracticable during application
  - when the results of the survey measurement differ from those expected, except in case of Company error.
- 12.4 The Company shall at his discretion take reasonable action to progress the Site Survey if the decision is 'not to proceed' according to Clause 11.2 or when adequate completion proves impracticable. The Company requires no prior Client approval for such action, unless agreed otherwise. Such action can include procedure or program adjustment, and selection of an alternative test specimen.

### **13. Physical Samples**

- 13.1 Physical samples obtained or received by the Company as part of the Services shall be the property of the Client.
- 13.2 The Company shall have custody of those samples required for use in the performance of the Services. The Company may take sub-samples to suit the intended test program and as support for any future reference. Neither retention nor storage of remaining sample portions applies, unless otherwise agreed.
- 13.3 Company will not be held responsible for any damage or loss of samples in their custody, during transportation.
- 13.4 For samples in custody of the Company, the Company shall at no cost to the Client provide sample storage for a period of three months after sample arrival in the designated test laboratory or for a period of one month after submission of the report on the test services, whichever comes first. Any storage provided beyond this period and any delivery of samples to the Client shall be regarded as Additional Services. The Company shall dispose of the samples after expiry of the storage period at no cost to the Client.