



GENERAL AUTHORITY
FOR ROADS, BRIDGES AND LAND TRANSPORT
MINISTRY OF TRANSPORT AND COMMUNICATIONS
THE GOVERNMENT OF THE ARAB REPUBLIC OF EGYPT

THE PROJECT FOR CONSTRUCTION OF
THE SUEZ CANAL BRIDGE
IN EGYPT

FORM OF CONTRACT
WITH GENERAL CONDITIONS

SUPPLEMENTARY CONDITIONS

(JAPANESE GRANT AID PORTIONS)

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January 1997

PREPARED BY
PACIFIC CONSULTANTS INTERNATIONAL
CHODAI CO., LTD.

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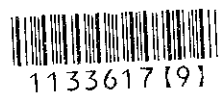
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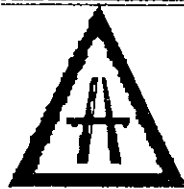
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GENERAL AUTHORITY
FOR ROADS, BRIDGES AND LAND TRANSPORT
MINISTRY OF TRANSPORT AND COMMUNICATIONS
THE GOVERNMENT OF THE ARAB REPUBLIC OF EGYPT

CONTRACT

BETWEEN

GENERAL AUTHORITY
FOR ROADS, BRIDGES AND LAND TRANSPORT

AND

(NAME OF JAPANESE CONTRACTOR)

ON

THE PROJECT FOR CONSTRUCTION OF
THE SUEZ CANAL BRIDGE
IN EGYPT

(JAPANESE GRANT AID PORTION)

January 1997

CONTENTS

ARTICLE 1 DEFINITIONS	2
ARTICLE 2 BASIS OF CONTRACT	3
ARTICLE 3 SCOPE OF THE WORK.....	4
ARTICLE 4 PERIOD OF EXECUTION OF THE WORK.....	5
ARTICLE 5 REMUNERATION	5
ARTICLE 6 PAYMENT.....	5
ARTICLE 7 EMPLOYER'S RESPONSIBILITIES.....	11
ARTICLE 8 CONTRACTOR'S OBLIGATIONS.....	12
ARTICLE 9 INSPECTION AND DELIVERY	13
ARTICLE 10 WARRANTY AGAINST DEFECTS.....	14
ARTICLE 11 PERFORMANCE BOND.....	14
ARTICLE 12 ASSIGNMENT AND SUBLETTING	14
ARTICLE 13 FORCE MAJEURE	15
ARTICLE 14 APPLICABLE LAW.....	16
ARTICLE 15 DISPUTE AND ARBITRATION.....	16
ARTICLE 16 LANGUAGE AND MEASUREMENT SYSTEM.....	17
ARTICLE 17 AMENDMENT AND MODIFICATION.....	17
ARTICLE 18 VALIDITY OF CONTRACT.....	17
ARTICLE 19 EARLY TERMINATION	17
ARTICLE 20 INTERPRETATION.....	18
ARTICLE 21 ENTIRE AGREEMENT.....	18
ARTICLE 22 NOTICE	18

CONTRACT

THIS CONTRACT, made and entered into this ** th day of ***** , 19** by and between the General Authority for Roads, Bridges and Land Transport (hereinafter referred to as "the EMPLOYER") and the (name of the CONTRACTOR), duly established and existing under the laws of Japan, having its principal office of business at (address of the CONTRACTOR), (hereinafter referred to as "the CONTRACTOR"),

WITNESSETH:

WHEREAS the Government of Japan extends its Grant to the Government of the Arab Republic of Egypt on the basis of the "Exchange of Notes" signed on ** th day of ***** , 19**, between the Governments concerning the Project for Construction of the Suez Canal Bridge (hereinafter referred to as "the PROJECT"); and

WHEREAS the EMPLOYER, as competent authority for the PROJECT, is desirous of having the works for the PROJECT carried out by the CONTRACTOR, and the CONTRACTOR is willing to execute the works on the terms and conditions as set forth in this Contract;

NOW THEREFORE, in consideration of the mutual covenants hereinafter contained, the parties agree as follows:

ARTICLE 1 DEFINITIONS

In interpreting or construing this Contract the following expressions shall have the meanings hereby assigned to them except where the context otherwise requires:

"**The Exchange of Notes**" means the notes exchanged between the Government of the Arab Republic of Egypt and the Government of Japan on the **th day of *****, 19** in connection with the Grant Aid from the Government of Japan concerning the Project for Construction of the Suez Canal Bridge.

"**The PROJECT**" means the Project for Construction of the Suez Canal Bridge to be located at Quantara in conformity with the Exchange of Notes.

"**The EMPLOYER**" means General Authority for Roads, Bridges and Land Transport and shall include any person or persons authorized by the General Authority for Roads, Bridges and Land Transport.

"**The CONSULTANT**" means ~~Pacific Consultants International and Chodai Co., Ltd.~~ having his principal office at ~~(address of the consultant)~~, Japan, which shall provide professional services for supervision of the progress of the PROJECT under a contract with the EMPLOYER, and shall include any person or persons authorized by the CONSULTANT.

"**The CONTRACTOR**" means (name of the CONTRACTOR) and shall include any person or persons authorized by (name of the CONTRACTOR).

"**The Work**" means the construction works for the PROJECT to be executed by the CONTRACTOR as described in Article 3 of this Contract.

"**The Contract Documents**" means this Contract including the Conditions of Contract and the following documents which are incorporated in and made a part of this Contract, as though fully written out and set forth herein.

- Supplementary Conditions of Contract
- Technical Specifications
- Drawings
- Contractor's Proposed Tender
- (If any, other addenda issued prior to the execution of this Contract)

“**Contract Price**” means the lump sum price named in the Tender subject to additions or deductions as may be made under the provisions hereinafter contained.

“**Term**” means a period of the fiscal years from April 1 to end of March of the next year.

“**Site**” means the places provided by the Employer where the Works are to be executed and any other places as may be specifically designated in the Contract as forming part of the Site.

“**Approved or Approval**” means approved in writing, including subsequent written confirmation of previous verbal approvals.

“**The Warranty Period**” means the period of maintenance for remedial works undertaken by the CONTRACTOR for failure or defects by the CONTRACTOR after the Provisional Hand Over in accordance with the Guarantee Clause of the Contract.

“**The Provisional Hand Over**” means the tentative taking over of the Project by the Employer from the CONTRACTOR on completion of the Works in accordance with the Contract. The CONTRACTOR will be issued the **Certificate of Substantial Completion** stating the date on which the Works has been substantially completed.

“**The Final Hand Over**” means the final taking over of the Project by the Employer from the CONTRACTOR after the completion of the maintenance or remedial works instructed by the Consultant and the Employer at the Provisional Hand Over or during the Warranty Period. The CONTRACTOR will be issued the **Warranty Certificate** stating the date on which all work as specified in the Contract has been completed.

Words importing the singular only also include the plural and vice versa where the context requires.

ARTICLE 2 BASIS OF CONTRACT

Any and all stipulations of this Contract shall be consistent with the content of the Exchange of Notes. Should any of the stipulations of this Contract be in conflict with the Exchange of Notes, such stipulations shall be deemed null and void abinitio.

ARTICLE 3 SCOPE OF THE WORK

- 3.1 The CONTRACTOR's works to be rendered under this Contract shall consist of the following components specified in the Contract Documents.
- a) Construction of the Cable Stay Bridge , Clearance : 70 m
 - 2 Pylon Towers with Diaphragm foundations
 - 6 Piers with Piling foundations of D 1.5 m
 - Around 7,400 ton of Main steel box girder with Stay cables
Length : 730 m , Carrigeway width : 2 x 8.15 m
 - b) Construction of the Concrete approach Viaduct above 49.5 m height
 - 28 Piers with Piling foundations of D 1.5 m
 - 4 continuous PSC box girder (Rigid Flame)
Length : 1120 m = 4 x 280 m , Span : 40 m
 - c) Other miscellaneous works
 - Pavement : around 30,000 m²
 - Rader system
 - Sfaty facilities , such as Guardrail, Traffic sign, Seismic sencer, etc.
- 3.2 The Scope of Work prescribed in paragraph 3.1 above shall include but not be limited to: site survey, design and supply for temporary works, permanent installation of materials and equipment, performance tests, transportation, provision of all labour and staff, insurance and all other things required in and for the Project implementation in due conformity with the Contract Documents.
- 3.3 The Scope of Works prescribed in paragraph above shall also include all works such as engineering, setting out, fabrication, construction, testing, additional sounding and soil investigation and remedying any defects of the Work ; quality assurance, inspection of workmanship and material ; all design and drawing resources ; all labor and supervision, including costs and expenses for travel, subsistence, allowances, bonus, overtime, insurance, taxes and other payments the Contractor may make on behalf of his employees ; all material and other things to be procured in Japan or Egypt which are necessary for the Work ; the design and supply of all Temporary Works ; all Construction Plant, transportation and other services, overhead charges, profits, all liabilities, obligations, and risks in the execution of the Contract.

ARTICLE 4 PERIOD OF EXECUTION OF THE WORK

- 4.1 The CONTRACTOR shall commence the Work within **fourteen (14) days** of the date of the receipt of the Notice to Proceed the Work.
- 4.2 The CONTRACTOR shall complete the Work stipulated in Article 3 of this Contract by 31st day of March, 2001.

ARTICLE 5 REMUNERATION

The EMPLOYER shall remunerate the CONTRACTOR from the Grant as the Contract price for the Work with a sum of ***** million ***** thousand Japanese Yen (JY***, ***,000) for Term 1, a sum of ***** million ***** thousand Japanese Yen (JY***, ***,000) for Term 2, a sum of ***** million ***** thousand Japanese Yen (JY***, ***,000) for Term 3 and a sum of ***** million ***** thousand Japanese Yen (JY***, ***,000) for Term 4, totaling a sum of ***** million ***** thousand Japanese Yen (JY***, ***,000), in accordance with the Payment Schedule stated in Article 6, 6.2 of this Contract.

ARTICLE 6 PAYMENT

6.1 Terms of Payment

In accordance with the Exchange of Notes, the EMPLOYER shall, after receiving the signed Exchange of Notes, make a banking arrangement (B/A) with an authorized foreign exchange bank of Japan (hereinafter referred to as "the Bank") to authorize the Bank to pay the Contract price stipulated in Article 5 hereof to the CONTRACTOR under this Contract.

The Employer shall issue an Authorization to Pay (A/P) covering the Work for Term 1, Term 2, Term 3 and Term 4 to the Bank immediately after the verification of this Contract by the Government of Japan.

The payment to the CONTRACTOR under this Contract shall be made in Japanese Yen through the Bank under an authorization to pay.

6.2 Payment Schedule

- (1) Term 1

1) Advance Payment

Japanese Yen ***** million ***** thousand ((JY***,***,000), which corresponds to forty percent (40 %) of the Contract price for Term 1, shall be paid upon verification of this Contract by the Government of Japan.

The request for the advance payment shall be accompanied with a photocopy of the Certificate of Verification of this Contract by the Government of Japan.

2) First Interim Payment

Japanese Yen ***** million ***** thousand (JY**,***,000) , which corresponds to thirty percent (30 %) of the Contract price for Term 1, shall be paid upon the completion of 50% of the works for Term 1 and in addition the completion of the following works.

-

-

The request for the First Interim Payment shall be accompanied by the Certificate of Completion of the above mentioned works issued by the CONSULTANT and approved by the Employer.

3) Second Interim Payment

Japanese Yen ***** million ***** thousand (JY**,***,000), which corresponds to twenty percent (20 %) of the Contract price for Term 1, shall be paid upon the completion of 85% of the works for Term 1 and in addition the completion of the following works.

-

-

The request for the Second Interim Payment shall be accompanied by the Certificate of Completion of the above mentioned works issued by the CONSULTANT and approved by the Employer.

4) Final Payment

The remainder of ***** million ***** thousand Japanese Yen (JY***,***,000), which corresponds to ten percent (10 %) of the Contract price for Term 1, shall be paid upon the completion of the Work for Term 1.

The request for the Final Payment shall be accompanied by the Certificate of Completion of the Work for Term 1 issued by the CONSULTANT and approved by the EMPLOYER.

(2) Term 2

1) Advance Payment

Japanese Yen ***** million ***** thousand ((JY***,***,000), which corresponds to forty percent (40 %) of the Contract price for Term 2, shall be paid on the Commencement of the Work for Term 2.

The request for the Advance Payment shall be accompanied by a photocopy of the Certificate of Commencement of the Work for Term 2 issued by the CONSULTANT and approved by the Employer.

2) First Interim Payment

Japanese Yen ***** million ***** thousand (JY**,***,000) , which corresponds to thirty percent (30 %) of the Contract price, shall be paid upon the completion of 50% of the works for Term 2 and in addition the completion of the following works.

-

-

The request for the First Interim Payment shall be accompanied by the Certificate of Completion of the above mentioned works issued by the CONSULTANT and approved by the Employer.

3) Second Interim Payment

Japanese Yen ***** million ***** thousand (JY**,***,000), which corresponds to twenty percent (20 %) of the Contract price, shall be paid

upon the completion of 85% of the works for Term 2 and in addition the completion of the following works.

-

-

The request for the Second Interim Payment shall be accompanied by the Certificate of Completion of the above mentioned works issued by the CONSULTANT and approved by the Employer.

4) Final Payment

The remainder of ***** million ***** thousand Japanese Yen (JY***,***,000), which corresponds to ten percent (10 %) of the Contract price, shall be paid upon the completion of the Work for Term 2. The request for the Final Payment shall be accompanied by the Certificate of Completion of the Work for Term 2 issued by the CONSULTANT and approved by the EMPLOYER.

(3) Term 3

1) Advance Payment

Japanese Yen ***** million ***** thousand ((JY***,***,000), which corresponds to forty percent (40 %) of the Contract price for Term 3, shall be paid on the Commencement of the Work for the Term 3.

The request for the Advance Payment shall be accompanied by a photocopy of the Certificate of Commencement of the Work for Term 3 issued by the CONSULTANT and approved by the Employer.

2) First Interim Payment

Japanese Yen ***** million ***** thousand (JY**,***,000) , which corresponds to thirty percent (30 %) of the Contract price, shall be paid upon the completion of 50% of the works for Term 3 and in addition the completion of the following works.

-

-

The request for the First Interim Payment shall be accompanied by the Certificate of Completion of the above mentioned works issued by the CONSULTANT and approved by the Employer.

3) Second Interim Payment

Japanese Yen ***** million ***** thousand (JY**,**,000), which corresponds to twenty percent (20 %) of the Contract price, shall be paid upon the completion of 85% of the works for Term 3 and in addition the completion of the following works.

-

-

The request for the Second Interim Payment shall be accompanied by the Certificate of Completion of the above mentioned works issued by the CONSULTANT and approved by the Employer.

4) Final Payment

The remainder of ***** million ***** thousand Japanese Yen (JY***,**,000), which corresponds to ten percent (10 %) of the Contract price, shall be paid upon the Completion of the Work for Term 3. The request for the Final Payment shall be accompanied with the Certificate of Completion of the Work for Term 3 issued by the CONSULTANT and approved by the EMPLOYER.

(4) Term 4

1) Advance Payment

Japanese Yen ***** million ***** thousand ((JY***,**,000), which corresponds to forty percent (40 %) of the Contract price for Term 2, shall be paid on the Commencement of the Work for Term 4.

The request for the Advance Payment shall be accompanied by a photocopy of the Certificate of Commencement of the Work for Term 4 issued by the CONSULTANT and approved by the Employer.

2) First Interim Payment

Japanese Yen ***** million ***** thousand (JY**, ***, 000) , which corresponds to thirty percent (30 %) of the Contract price, shall be paid upon the completion of 50% of the works for Term 4 and in addition the completion of the following works.

-

-

The request for the First Interim Payment shall be accompanied by the Certificate of Completion of the above mentioned works issued by the CONSULTANT and approved by the Employer.

3) Second Interim Payment

Japanese Yen ***** million ***** thousand (JY**, ***, 000), which corresponds to twenty percent (20 %) of the Contract price, shall be paid upon the completion of 85% of the works for Term 4 and in addition the completion of the following works.

-

-

The request for the Second Interim Payment shall be accompanied by the Certificate of Completion of the above mentioned works issued by the CONSULTANT and approved by the Employer.

4) Final Payment

The remainder of ***** million ***** thousand Japanese Yen (JY***, ***, 000), which corresponds to ten percent (10 %) of the Contract price, shall be paid upon the Completion of the Work for Term 4. The request for the Final Payment shall be accompanied by the Certificate of

Completion of the Work for Term 4 issued by the CONSULTANT and approved by the EMPLOYER.

ARTICLE 7 EMPLOYER'S RESPONSIBILITIES

7.1 The EMPLOYER shall carry out the following works prior to the Commencement of the Work or according to the progress of the Work:

- 1) To **secure** cleared and leveled **land for the PROJECT** prior to the Commencement of the Work,
- 2) To **secure the land for temporary site offices, accommodation, warehouse and stock yards** near the PROJECT site during the implementation period with arrangement of approval for land preparation thereof,
- 3) To provide the graded **access road** to the construction site,
- 4) To provide the **electric power supply** to the main switchgear,
- 5) To provide 4 (four) **telephone lines** to the main terminal board,
- 6) To provide a **potable water supply** to the reservoir tank,
- 7) To provide a **disposal area** for the surplus soil during the construction period,
- 8) To **secure any right of way**, necessary for the construction,
- 9) To provide **traffic control** during the inland transportation of the materials and equipment for the PROJECT, if necessary,
- 10) To arrange **permission** to enter and use the **administration or military roads** as well as the **Canal** whenever the work requires, including passage across the said road and approval to reinforce the road,
- 11) To obtain approval to install a **temporary railway crossing**, and
- 12) To arrange **permission** to construct an alternative **access road to fish feeding area**.

7.2 The EMPLOYER shall **accord** the CONTRACTOR such **facilities** as may be necessary for the entry of all his personnel and dependents into the Arab Republic of Egypt and their stay therein for the period of the Work.

7.3 The EMPLOYER shall take all necessary measures to **exempt** the CONTRACTOR from **customs duties, internal taxes and other fiscal**

dues which may be imposed in the Arab Republic of Egypt with respect to the supply of the products, services and equipment necessary for the Work.

- 7.4 The EMPLOYER shall take all necessary measures to ensure **prompt unloading, tax exemption and customs clearance** at the points of disembarkation in the Arab Republic of Egypt and internal transportation thereof of all the products and equipment imported for the execution of the Work.
- 7.5 The EMPLOYER shall cooperate with the Resident Representative of the CONTRACTOR in the **negotiations and procedures with the various authorities** and public and private organizations for the execution of the Work.
- 7.6 The EMPLOYER shall provide all necessary **data and information** for the execution of the Work.
- 7.7 The EMPLOYER shall be liable for the following **commission charges** of the Bank for the banking services based upon the Banking Arrangement.
- Service Charge for the **Authorization to Pay**
 - **Payment Commission Charge**

ARTICLE 8 CONTRACTOR'S OBLIGATIONS

8.1 Performance of Works

The CONTRACTOR shall perform the Work in accordance with the Contract Documents.

8.2 Drawing and Documents to be prepared

The CONTRACTOR shall prepare shop drawings, monthly reports with photographs and progress schedules, and other technical documents required by the Consultant.

8.3 Materials and Equipment

The CONTRACTOR shall submit to the CONSULTANT the lists of origin of all materials and equipment which the CONTRACTOR proposes to purchase for the Work.

8.4 Implementation with Safety

The CONTRACTOR shall be responsible for implementation means, methods, techniques, sequences or procedures, and for all related safety matters in connection with the Work.

8.5 Sub-Contractors and Agents

The CONTRACTOR shall be responsible for any acts or omissions of the sub-contractors, or any of the CONTRACTOR's agents or employees or any other persons performing any of the Work for the CONTRACTOR.

8.6 Resident staff

The CONTRACTOR shall furnish one (1) Resident Representative with sufficient experience to manage the execution of the Work at the Project site..

8.7 Duties

The CONTRACTOR shall bear the handling costs, customs clearance charges, storage charges and inland transportation expenses related to the import of materials and equipment for the Work.

8.8 Prevention from Damage

The CONTRACTOR shall, at his own expense, take all necessary measures, in accordance with the Contract Documents and relevant laws, ordinances and regulations to prevent damage to the Work, construction materials, adjacent structures or a third party, until the completion and delivery of the Work.

ARTICLE 9 INSPECTION AND DELIVERY

9.1 Upon completion of the Work, the CONTRACTOR shall request the Final Inspection of the Work by the CONSULTANT.

9.2 When the Work has passed the Final Inspection of the CONSULTANT with the Certificate of Substantial Completion issued by the CONSULTANT and approved by the EMPLOYER, the Work shall be delivered to the EMPLOYER as the Provisional Handover.

ARTICLE 10 WARRANTY AGAINST DEFECTS

- 10.1 The CONTRACTOR shall guarantee all the Work to be executed in accordance with the Contract Documents for a period of one (1) year from the date of issue of the Certificate of Substantial Completion of the Work.
- 10.2 The EMPLOYER shall notify the CONTRACTOR in writing, or by cable confirmed in writing, of any defects for which a claim is made under this guarantee, as promptly as possible after the discovery thereof.

The EMPLOYER's written notice shall describe the nature and extent of the defect(s). The CONTRACTOR shall have no obligation for any defects discovered subsequent to the expiry date of the said one (1) year period, unless notice of such defects is received by the CONTRACTOR not later than twenty one (21) days after the expiry date.

- 10.3 The CONTRACTOR shall remedy, at his own expense, any defects against which the Work is guaranteed under this Article, by making all necessary repairs or replacement, except in the case that such defects result from the EMPLOYER's negligence or failure.

ARTICLE 11 PERFORMANCE BOND

- 11.1 The CONTRACTOR shall provide a Performance Bond, which guarantees the proper carrying out all of the Contractor's obligations during the period from the date of signing of this Contract to the Completion of the Work.
- 11.2 The amount of the Performance Bond shall be the 10 (ten) percent of the Contract Sum .
- 11.3 The Performance Bond shall be released immediately after issue of the Certificate of Substantial Completion of the Work by the CONSULTANT with the approval by the EMPLOYER.

ARTICLE 12 ASSIGNMENT AND SUBLETTING

Neither of the parties hereto shall assign this Contract or any part thereof to any Third Party without prior written consent of the other party. The CONTRACTOR shall not sublet the whole of the Work or a major part of the Work to any Third Party.

ARTICLE 13 FORCE MAJEURE

13.1 Neither party shall be deemed to be in default or in breach of this Contract if he is unable to perform his obligations under this Contract owing to circumstances beyond his reasonable control. Such circumstances (hereinafter referred to as "Force Majeure") include, but shall not be limited to, the following:

- a) acts of God, including storm, earthquake, flood, or any other such operation of the forces of nature as his reasonable foresight and ability could not foresee or reasonably provide against.
- b) war (declared or undeclared), hostilities, terrorism, invasion, act of any foreign enemy, threat of or preparation for war; riot, insurrection, civil commotion, rebellion, revolution, usurped power, civil war; and labor troubles or other industrial troubles, strikes, embargoes, blockades, sabotage of labor, with the exception of labour under this direct contract.

13.2 Monetary Obligations

Notwithstanding the foregoing, the occurrence of Force Majeure shall not prejudice nor otherwise affect either party's liability to pay remuneration or reimbursement of expenses to which the other party is entitled on or before the date of occurrence.

13.3 Notice

The party affected by Force Majeure shall give the other party a written detailed account of the circumstances of Force Majeure as soon as practicable, but not later than fourteen (14) days after the occurrence.

13.4 Expatriate Staff

In the event that Force Majeure is likely to endanger the safety of any expatriate staff or their dependents of the CONTRACTOR, they shall be allowed to leave the site and/or office, giving at least 24-hours notice to one of the EMPLOYER's staff responsible for the management of the PROJECT.

13.5 Suspension

Upon the occurrence of Force Majeure, the party affected may be allowed to temporarily suspend the performance of his duties under this Contract for so long

a period as Force Majeure continues and as long as his performance is prevented thereby. In such circumstances, he shall make all reasonable efforts to mitigate the effect of Force Majeure upon his duties.

ARTICLE 14 APPLICABLE LAW

This Contract shall be governed by and interpreted in accordance with the laws of the Arab Republic of Egypt.

ARTICLE 15 DISPUTE AND ARBITRATION

- 15.1 This Contract shall be executed by the parties hereto in good faith, and in case any doubtful point is raised or any dispute occurs concerning the interpretation or performance of this Contract, such matters shall be settled through the consultation of the parties.
- 15.2 In the event that an amicable settlement cannot be reached through consultation, the matter shall be referred to arbitration. The arbitration shall be conducted in English, by three arbitrators, of whom one shall be appointed by the EMPLOYER, another by the CONTRACTOR and the third by the said two arbitrators.
- 15.3 In the event that the said two arbitrators cannot reach agreement on the appointment of the third arbitrator, the dispute shall be settled by arbitration in accordance with the Rules of Conciliation and Arbitration of the International Chamber of Commerce in Paris.
- 15.4 The place of arbitration shall be Cairo.
- 15.5 The arbitral award shall be final and binding upon the parties hereto and the parties shall comply in good faith with the decision. Judgment upon the award may be entered in any court having jurisdiction or application may be made to such court for juridical acceptance of the award or order of enforcement as the case may be.
- 15.6 All Fees and costs for all proceedings of arbitration throughout, shall be borne by each party for his own arbitrator's service plus an equal share of the costs for the third arbitrator.

ARTICLE 16 LANGUAGE AND MEASUREMENT SYSTEM

- 16.1 All correspondence between the two parties including notices, requests, consent, offers or demands shall be made in English. All drawings, specifications, reports and other documents shall also be prepared in English.
- 16.2 All documents made under this Contract shall adopt the metric system and days shall be calendar days.

ARTICLE 17 AMENDMENT AND MODIFICATION

Any amendment or modification, if necessary, may be negotiated between the parties hereto and shall be agreed by a written document signed by both parties.

ARTICLE 18 VALIDITY OF CONTRACT

This Contract and any amendment or modification shall become effective upon verification by the Government of Japan.

ARTICLE 19 EARLY TERMINATION

- 19.1 Should either party default in the execution of his obligations under this Contract, the other party shall give the defaulting party notice in writing to remedy such default immediately.
- 19.2 Failure of the defaulting party, in taking corrective measures as required by the other party within thirty (30) days of the receipt of such notice shall constitute a sufficient cause for the other party to Terminate this Contract.
- 19.3 Either party may Terminate this Contract without prejudice, should the performance of his obligations under this Contract not be resumed within a cumulative period of one hundred and twenty (120) days of the suspension due to Force Majeure stipulated in Article 13 hereof.
- 19.4 The early termination of this Contract under this Article shall be subject to the approval of the competent authorities of the EMPLOYER and approval of the Government of Japan.

- 19.5 In the event of early termination for reasons stated in paragraphs 19.2 and 19.3, the CONTRACTOR shall, with the approval of the Government of Japan, be paid by the EMPLOYER, through the Grant Aid, a fair and reasonable proportion of the Contract Sum calculated on the basis of the Contractor's works carried out up to the termination date, instead of the Payment Schedule stipulated in Article 6 hereof.

ARTICLE 20 INTERPRETATION

- 20.1 All general language or requirements embodied in the Specifications are intended to amplify, explain and implement the requirements of this Contract. However, in the event that any language or requirements so embodied permit an interpretation inconsistent with any provisions of this Contract, then in each and every such event, the applicable provisions of this Contract shall prevail and govern.
- 20.2 The Specifications are also intended to be mutually explanatory, and anything shown on the Drawings and not stipulated in the Specifications or vice versa shall be deemed and considered as if embodied in both. In the event of conflict between the Specifications and Drawings, the Specifications shall prevail and govern except the locations and dimensions.

ARTICLE 21 ENTIRE AGREEMENT

This Contract sets forth the entire contract between the parties in respect of the subject matter hereof and supersedes and cancels any and all previous agreements, negotiations, commitments, and writings in respect of the subject matter thereof.

ARTICLE 22 NOTICE

All notices pertaining to this Contract between the EMPLOYER and the CONTRACTOR shall be sent in writing by registered airmail, telegraph, telex, facsimile or be handed to the addresses so stated herein. Such notices shall take effect from the date of receipt by the other party. In case either party hereto changes their address, the party concerned shall give such notice to the other party beforehand.

For the EMPLOYER:

Name :
Address :
Telex :
Telephone :
Facsimile :

For the CONTRACTOR:

Name :
Address :
Telex :
Telephone :
Facsimile :

IN WITNESS WHEREOF,

the parties hereto have caused this Contract to be signed, as of the day and year entered above, in their respective names in duplicate, each party retaining one (1) copy thereof.

The EMPLOYER

The CONTRACTOR

(Signature)

(Signature)

(Name of the Signee)

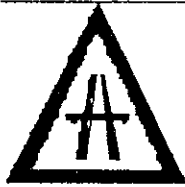
(Name of the Signee)

(Status of the Signee)

(Status of the Signee)

General Authority for Roads,
Bridges and Land Transport

(Name of the CONTRACTOR)



GENERAL AUTHORITY
FOR ROADS, BRIDGES AND LAND TRANSPORT
MINISTRY OF TRANSPORT AND COMMUNICATIONS
THE GOVERNMENT OF THE ARAB REPUBLIC OF EGYPT

THE PROJECT FOR CONSTRUCTION OF
THE SUEZ CANAL BRIDGE
IN EGYPT

SUPPLEMENTARY CONDITIONS

PART I

(JAPANESE GRANT AID PORTION)

January 1997

PREPARED BY
PACIFIC CONSULTANTS INTERNATIONAL
CHODAI CO., LTD.

This Supplementary Conditions of Contract are additional to the conditions of contract included in the Contract for the Project for Construction of Suez Canal Bridge in Egypt signed on September 25, 1997 and shall be read and construed as part of the Contract Documents.

Table of Contents

Article 1	Definitions
Article 7	Employer's Responsibilities
Article 8	Contractor's Obligations
Article 9	Inspection and Delivery - No Supplement
Article 11	Performance Bond
Article 16	Language and Measurement System
Article 18	Validity of Contract
Article 20	Interpretation

Article 1 Definitions

The following clauses are supplemented:

The use of the Verbs of “**Arrange, Accord, Secure, Supply, Ensure, Procure or Provide**” in this Contract.

Such verbs used in this contract document as “ The Employer shall “*provide*” to the Contractor (*some object*)”, shall be understood as follows ;

The Employer shall *arrange to secure (some object)* at his responsibility for the execution of the Project. The cost for “Secure, Supply, Ensure or Provide (*some object*)” shall be borne by the Employer in principal, especially if mentioned as “free of charge”. But the rental fee for the third persons shall be paid by the Contractor in the case of “Borrow”, if no mention is made as “free of charge”. The verbs “Secure, Supply, Ensure or Procure” shall be understood in the same context. Verbs of “Accord, Arrange” shall be made in the case of introduction to the Contractor for “Borrow” or “Procure”.

Article 2 Basis of Contract - No supplement

Article 3 Scope of the Work - No supplement

Article 4 Period of Execution of the Work - No supplement

Article 5 Remuneration - No supplement

Article 6 Payment - No supplement

The Table below is for reference only.

Term 1	Advance Payment 40%	on Verification
	First Interim Payment 30%	on 50% of the progress for year 1
	Second Interim Payment 20%	on 85% of the progress for year 1
	Final Payment 10%	on 100% of the progress for year 1
Term 2	Advance Payment 40%	on commencement
	First Interim Payment 20%	on 50% of the progress for year 2
	Second Interim Payment 20%	on 85% of the progress for year 2
	Final Payment 10%	on 100% of the progress for year 2
Term 3	Advance Payment 40%	on commencement
	First Interim Payment 20%	on 50% of the progress for year 3
	Second Interim Payment 20%	on 85% of the progress for year 3
	Final Payment 10%	on 100% of the progress for year 3
Term 4	Advance Payment 40%	on commencement
	First Interim Payment 20%	on 50% of the year progress for year 4
	Second Interim Payment 20%	on 85% of the year progress for year 4
	Final Payment 10%	on 100% of the year progress for year 4

Article 7 Employer's Responsibilities

The following clauses are supplemented, as agreed by the Annex-2, 4 of the Minutes of Discussions on Basic Design Study signed on Sep. 14.1996.:

- 7.1.4) The Employer will **provide facilities** to the Contractor of Central Section for the supply of the above **electricity** essential for the execution of the Project at the boundary of construction site
- 7.1.6) The Employer will **provide facilities** to the Contractor of Central Section for the supply of the **water** essential for the execution of the Project at the boundary of construction site.

Article 8 Contractor's Obligations

The following clauses are supplemented:

8.1.2 Work within Canal

The Contractor shall conform with all the requirements of the navigation within the Suez Canal and he shall take the necessary precautions and the safety measures as required by the Suez Canal Authority (SCA). Before commencing

work at the Qantara Site, the Contractor shall submit to the SCA the drawings of the necessary measures for approval by the SCA. Marker Buoys shall be positioned in the Canal to clearly identify the Navigation Channel during the execution of the Work. A total of 8 (eight) such buoys shall be provided, from North and from South of the Bridge Structure, at 50 meters center, the first in each group being 25 meters from the Bridge Center Line. These buoys shall be painted in bright colours, and lighted normally during the night for navigation purposes. In addition, red warning lights shall be provided at other work sites outside the navigable channel.

8.3.1 Materials and Equipment

All Contractor's Plant, Temporary Work and materials provided by the Contractor shall, when brought to the Site, be deemed to be exclusively intended for the execution of the Work. The Contractor shall not remove the same or any part thereof, except for the purpose of moving it from one part of the Site to another, without the consent in writing of the Consultant, which shall not be unreasonably withheld.

8.3.2 Materials Imported

All materials & equipment necessary for the execution of the work transported from abroad on sea to the Harbors of the Arab Republic of Egypt, must be done by the General Society of the Sea Transportation in Cairo or by its permission on the account of the Contractor. This is in accordance with the Law No. 88/1959 of the establishment of the General Society of the Sea Transportation.

8.4.1 Implementation with Safety

The CONTRACTOR shall be responsible for implementation means, methods, techniques, sequences or procedures, and for all safety measures required in connection with the Work, including lights, signals, guards, fencing, detours and watchmen when and where necessary as required by the Consultant or by any other duly constituted authority.

8.4.2 No work at Night and on Holiday

Subject to provisions contrary to those contained in the Contract, none of the Permanent Work shall, save as hereinafter provided, be carried on during the night or on Fridays or Public/Religious Holidays without the permission in

writing of the Consultant, except when the work is unavoidable or absolutely necessary for the saving of life or property or for the safety of the Work, in which case the Contractor shall immediately advise the Consultant. Provided always that the provisions of this Clause shall not be applicable in the case of work which it is customary to carry out by shifts, such as watchmen at the Site.

8.4.3 Accident Prevention

The Contractor shall have on his staff on Site at all times when work is being executed an officer dealing only with the safety and protection against accidents of all staff and labour. This officer shall be qualified for this work and shall have the authority to issue instructions and shall take protective measures to prevent accidents.

The Engineer shall be notified immediately an accident occurs and shall receive copies of all Accident Reports prepared by the Safety Officer.

8.4.4 Health and Safety

Due precaution shall be taken by the Contractor, and at his own costs, to ensure the safety of his staff and labour and, in collaboration with and to the requirements of the local health authorities, to ensure that medical staff first aid equipment and stores, sick bay and suitable ambulance service are available at the camps, housing and on the Site at all times throughout the period of the Contract and that suitable arrangements are made for the prevention of epidemics and for all necessary welfare and hygiene requirements.

8.4.5 Measures against Insect and Pest Nuisance

The Contractor shall at all times take the necessary precautions to protect all staff and labour employed on the Site from insect nuisance, rats, and other pests and reduce the dangers to health and the general nuisance caused by the same. The Contractor shall provide his staff and labour with suitable prophylactics for the prevention of malaria, and take steps to prevent the formation of stagnant pools of water. He shall comply with all the regulations of the local health authorities in these respects and shall in particular arrange to spray thoroughly with approved insecticide all buildings erected on the Site. Such treatment shall be carried out at least once a year or as instructed by the Engineer. The Contractor shall warn his staff and labour of the dangers of bilharzia and wild animals.

8.4.6 **Epidemics**

In the event of any outbreak of illness of an epidemic nature, the Contractor shall comply with and carry out such regulations, orders and requirements as may be made by the Government or the local medical or sanitary authorities, for the purpose of dealing with and overcoming the same.

8.4.7 **Alcoholic Liquor and Drugs**

The Contractor shall not, otherwise than in accordance with the Statutes, Ordinances and Government Regulations or Orders for the time being in force, import, sell, give, barter, or otherwise dispose of any alcoholic liquor drugs, or permit or suffer any such importation, sale, gift, barter or disposal by his Subcontractors, agents, staff or labour.

8.4.8 **Arms and Ammunition**

The Contractor shall not give, barter, or otherwise dispose of to any person or persons, any arms or ammunition of any kind or permit or suffer the same as aforesaid.

8.6.2 **Superintendents and Employee**

The CONTRACTOR shall provide all the necessary superintendents and employees during the execution of the Work and as long thereafter as the Consultant may consider necessary for the proper fulfilling of the Contractor's obligations under the Contract. The CONTRACTOR or his Representative, approved in writing by the CONSULTANT, is to be constantly on the Work Site and shall devote his entire time to the superintendence of the same.

8.6.3 **Replacement of Staff**

The Consultant shall, during the period for the execution or remedying any defects of the Work, be at liberty to object to and require the CONTRACTOR to remove forthwith from the Work any person employed by the CONTRACTOR who, in the opinion of the Consultant, is guilty of misconduct, or is incompetent or negligent in the performance of his duties, or whose employment is otherwise considered by the Consultant to be undesirable. Such person shall not be employed again upon the Work without the written permission of the Consultant. Any person so removed from the Work shall be replaced by the Contractor, as soon as possible with a competent substitute approved by the Consultant.

8.6.4 Rates of Wages and Conditions of Labour

The Contractor shall pay rates of wages and observe conditions of labour not less favourable than those established for the trade and industry where the work is carried out. In the absence of any rate of wages or conditions of labour so established, the Contractor shall pay rates of wages and observe conditions of labour which are not less favourable than the general level of wages and conditions observed by other employers whose general circumstances in the trade or industry in which the Contractor is engaged are similar.

8.6.5 Employment of Persons in the Service of Others

The Contractor shall not recruit or attempt to recruit his staff and labour from amongst persons in the service of the Employer or the Engineer.

8.6.6 Repatriation of Labour

The Contractor shall be responsible for the return to the place where they were recruited or to their domicile of all such persons he recruited and employed for the purposes of or in connection with the Contract and shall maintain such persons as are to be so returned in a suitable manner until they shall have left the site, or in the case of persons who are not nationals of and have been recruited outside Egypt shall have left Egypt.

8.6.7 Housing for Labour

Save insofar as the Contract otherwise provides, the Contractor shall provide and maintain such accommodation and amenities as he may consider necessary for all his staff and labour, employed for the purposes of in connection with the Contract, including all fencing, water supply (both for drinking and other purposes), electricity supply, sanitation, cookhouses, fire prevention and firefighting equipment, air conditioning, cookers, refrigerators, furniture and other requirements in connection with such accommodation or amenities. All such accommodation and amenities shall conform as a minimum to local safety and health standards. On completion of the Contract, unless otherwise agreed with the Employer, the temporary camps/housing provided by the Contractor shall be removed to its original condition, all to the approval of the Engineer.

8.6.8 Burial of the Dead

The Contractor shall make any necessary arrangements for the transport, to any place as required for burials, of any of his expatriate employees or members of their families who may die in Egypt. The Contractor shall also be responsible, to the extent required by the local regulations, for making any arrangements with regard to burial of any of his local employees who may die while engaged upon the Works.”

8.6.9 Supply of Foodstuffs

The Contractor shall arrange for the provision of a sufficient supply of suitable food at reasonable prices for all his staff and labour, or his Subcontractors, for the purposes of or in connection with the Contract.

8.6.10 Festivals and Religious Customs

The Contractor shall in all dealings with his staff and labour have due regard to all recognized festivals, days of rest and religious and other customs.

8.6.11 Disorderly Conduct

The Contractor shall at all times take all reasonable precautions to prevent any unlawful, riotous or disorderly conduct by or amongst his staff and labour and for the preservation of peace and protection of persons and property in the neighbourhood of the Works against the same.

8.7.2 Duties for Mines and quarries

The Contractor shall comply with the stipulations of the law 86 of 1956 concerning the mines and quarries and any subsequent law and shall also comply with the instructions and regulations of the mines and quarries Department.

The Authority shall deduct from the payment due to the Contractor any such duties for the borrowed materials according to the Law 86 of 1956. The following duties for the quarried materials shall be paid at the end of each six month period according to Article 27 of this law.

Duties (LE)		Material Quarried
per ton	per meter cube	
0.015	0.020	Limestone, sandstone or similar.
—	0.100	Dressed limestone, Sandstone or similar
0.050	0.075	Clayey or silty material
0.050	0.075	Gypsum and anhydrite
—	0.020	Gravel, Sand, Silts (excluding materials cleared from rivers, canals)
0.200	—	Pumice stones
0.100	0.150	Glass sands
—	0.200	Granite, or marble stones
—	0.600	Dressed granite or marble stones
—	0.100	Basalt stone
—	0.200	Dressed basalt stone

The Contractor shall follow the local laws in these respect if it differs than that above mentioned table.

8.8.2 Maintenance of Bridge

The Contractor shall conduct Training of maintenance methods of Cable Stay Bridge and equipment supplied under the Contract to the Staff of the Employer. The programs shall be submitted to the Engineer for his approval prior to the commence of the relevant works.

8.9.1 Removal of Plant and Works

Upon completion of the Work the Contractor shall, if there is no notice or order in writing by the Employer, remove from the Site all the said Constructional Plant and Temporary Works remaining thereon and any unused materials provided by the Contractor.

8.10 Insurance Policies

The CONTRACTOR shall, for the total period of the execution of the Work and at his expense secure the Insurance Policies as listed below, to be submitted to the Employer for approval.

- 8.10.1 Insurance of the Work during the Construction period to the full replacement cost, plus another fifteen (15) per cent to cover any additional costs of and incidental to the restoration or repair of any such loss or damage including the cost of

demolishing and removing any part of the Work and of removing debris of whatever nature, together with the materials for incorporation in the Work at their replacement cost.

- 8.10.2 Transportation of all equipment, machinery, materials and supplies both in Egypt and elsewhere. Insurance shall be for the total cost of equipment, machinery, materials and supplies and shall be against all losses, including but not limited to damage, deformation ~~excessive corrosion~~ or damage due to inclement weather, water, fire, shipwreck, war, revolution, insurrection and mutiny.
- 8.10.3 Insurance for all his Temporary Facilities including constructional plant, to the replacement cost of such. This insurance should be against fire, theft and all those losses ~~due to Force Majeure~~ that can be covered by the Contractor's All Risk Policy.
- 8.10.4 Insurance for civil responsibilities in regard to third parties, for damage to objects and persons proven to have occurred in consequence of accidents caused by, or during the execution of the Contract.
- 8.10.5 Employer's Liability and Workmen's Compensation for all of the Contractor's employees, to the extent the Contractor deems advisable to protect his interests under the Contract.
- 8.10.6 The above insurance policies shall be effected with an insurance company subject to the approval of the Employer, the premiums for which shall be paid by the Contractor. The insurance policies under points 8.10.1, 8.10.2, 8.10.3 and 8.10.5 above shall be in the joint names of the Employer and the Contractor and said insurance policies shall stipulate that a portion of any claims thereunder, equivalent to the foreign currency cost which shall be payable in foreign currency.

The insurance policies defined in the preceding paragraphs, and the payment of the corresponding premium shall be the direct responsibility of the Contractor.

Article 9 Inspection and Delivery - No Supplement

Article 10 Warranty against Defects - No Supplement

Article 11 Performance Bond

The following clauses shall be supplemented:

- 11.4 The CONTRACTOR shall provide a Warranty Bond, which secures the proper carrying out of all of the Contractor's obligations during the Warranty Period from the date of Completion of the Work as above to the completion of the warranty works as described in Article 10.
- 11.5 The amount of the Warranty Bond shall be one percent (1%) of the Contract price.
- 11.6 The Warranty Bond shall be released immediately following issue of the Certificate of Completion of the Warranty Works by the CONSULTANT with the approval by the EMPLOYER.

Article 12 Assignment and Subletting - No Supplement

Article 13 Force Majeure - No Supplement

Article 14 Applicable Law - No Supplement

Article 15 Dispute and Arbitration - No Supplement

Article 16 Language and Measurement System

The following clauses shall be supplemented:

16.3 Decimals for the calculation of measurements should be taken as follows

Only two decimals for lengths measured by meters.

Only two decimals for areas measured by square meters.

Only three decimals for cubes measured by cubic meters.

Only three decimals for weights measured by tons.

16.4 The Contract for the Japanese Portion is priced on a Lump Sum basis, whilst the General Specification specifies not only Materials and Construction Requirements but also the Method of Measurement, Basis of Payment and Items in the Bill of Quantities. These sections relating to the Measurement and Payment, and in particular the Bill of Quantities items are to be completed by the Contractor and will form the basis for calculating the completion ratio for the payment as described in Article 6 of the Contract for the Central

Article 17 Amendment and Modification - No Supplement

Article 18 Validity of Contract

The following clauses shall be supplemented:

18.2 Variations

The Consultant may make any variation of the form, quality or quantity of the Work or any part thereof, that may, in his opinion, be necessary for that purpose, or, if for any other reason, it shall, in his opinion, be appropriate, he shall have the authority to instruct the Contractor, in writing, to do and the Contractor shall do any of the following:

- (a) increase or decrease the quantity of any work included in the Contract,
- (b) omit any such work,
- (c) change the character, quality or kind of any such work,
- (d) change the levels, lines, positions, and dimensions of any part of the Work,
and
- (e) execute additional work of any kind necessary for the completion of the Work.

No such variation shall in any way vitiate or invalidate the Contract. The value, if any, of all such variations shall not change the Contract Price.

All extra or additional work done or omitted by the instruction of the Consultant shall be valued at the rates and prices set out in the Priced Bill of Quantities if, in the opinion of the Consultant, the same are applicable. If the Priced Bill of Quantities does not contain any rates or prices applicable to the extra or additional work, then suitable rates or prices shall be agreed upon between the Consultant and the Contractor. In the event of disagreement the Consultant shall fix such rates or prices as are, in his opinion, reasonable and proper.

Article 19 Early Termination - No Supplement

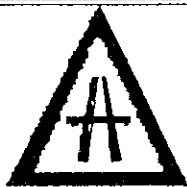
Article 20 Interpretation

The following clauses are supplemented as follows:

- 20.3 In the event that the requirement of the Specifications permit an interpretation inconsistent with any other provisions of the specifications or no stipulations be found in the Specifications, the Consultant shall determine such interpretation or stipulations in his opinion.

Article 21 Entire Agreement - No Supplement

Article 22 Notice - No Supplement



GENERAL AUTHORITY
FOR ROADS, BRIDGES AND LAND TRANSPORT
MINISTRY OF TRANSPORT AND COMMUNICATIONS
THE GOVERNMENT OF THE ARAB REPUBLIC OF EGYPT

THE PROJECT FOR CONSTRUCTION OF
THE SUEZ CANAL BRIDGE
IN EGYPT

SUPPLEMENTARY CONDITIONS

PART II

(JAPANESE GRANT AID PORTION)

January 1997

PREPARED BY
PACIFIC CONSULTANTS INTERNATIONAL
CHODAI CO., LTD.

The Suez Canal authority (SCA) have strict rules and regulations relating to work by others affecting the Canal operations, and the Contractor will be expected to strictly observe the two following SCA codes and regulations.

1. Rules of Navigation.

This is the general rules for the navigation on the Suez Canal and shall be followed and strictly complied with the execution of the Works.

A copy these "Rules" is available from the Consultant or the Employer free of charge.

2. General Clauses and Conditions for Working on or adjacent to the Canal.

This document is an extract from the SCA "General Clauses and Conditions for widening and Deepening of the Canal - Ismailia 1975 " and outlines the general requirements of the SCA for Contractors Working on or adjacent to the Canal and is to be complied with at all times. This is attached as Particular Conditions 2 hereinafter, and copies of original documents is available from the Employer or the Consultant.

**GENERAL CLAUSES AND CONDITIONS
for
Widening and Deepening of the Canal**

Ismailia , 1975

CHAPTER I - ADJUDICATIONS

Page

Art. 1 - Object -----	NOT USED
Art. 2 - Information concerning tenderers-----	NOT USED
Art. 3 - From of tenders-----	NOT USED
Art. 4 - Tenderer's representative - Residence and correspondence --	NOT USED
Art. 5 - Closing date for Tendering (First 2 paragraph only) -----	1
Art. 6 - Provisional deposit-----	NOT USED
Art. 7 - Validity of offers-----	NOT USED
Art. 8 - Awarding the Contract-----	NOT USED

CHAPTER II - GENERAL CONDITIONS

Art. 9 - Guarantee deposit-----	NOT USED
Art. 10 - Guarantee Withholdings -----	NOT USED
Art. 11 - Partnerships - Liability of associated Contractors -----	NOT USED
Art. 12 - Sub-Contractor-----	1
Art. 13 - Transfer of Contract-----	NOT USED
Art. 14 - Antiquities and Valuables-----	2
Art. 15 - Landslip - Drift-----	2
Art. 16 - Indemnity for Throwing Spoil or Any Object in the Canal---	2
Art. 17 - General Rules of Navigation - Damage Caused to the Authority or to Third Parties -----	3
Art. 18 - Loss of or Damage to Floating Plant - Force Majeure-----	3
Art. 19 - Supply of Fresh Water-----	4
Art. 20 - Materials - Contractor's Plant and Installations -----	4
Art. 21 - Transit Dues-----	5
Art. 22 - Exemption from Custom Duties - Transport of Materials-----	5
Art. 23 - Re-Export of Contractor's Plant and Materials-----	7

CHAPTER III - EXECUTION OF WORKS

Art. 24 - Programme of Work - Layout - Instructions -----	8
Art. 25 - Climatic Conditions -----	8
Art. 26 - Contractor's Director of Works-----	9
Art. 27 - Working Days-----	9
Art. 28 - Selection of Employees and Workmen-----	10
Art. 29 - Contractor's Responsibilities-----	10
Art. 30 - Payment of workmen's wages-----	NOT USED
Art. 31 - Contractor's Expenses and Incidental Expenses-----	13
Art. 32 - Visits and Inspections-----	13
Art. 33 - Urgent Work Carried Out by the Authority-----	13
Art. 34 - Requisition of Labour and Equipment for Works Executed by the Authority-----	13
Art. 35 - Modification of Works-----	14
Art. 36 - Levels - Distances -----	16
Art. 37 - Organization of Convoys -----	17
Art. 38 - Stopping of dredges on account of stones-----	NOT USED

**CHAPTER IV- TIME GRANTED FOR EXECUTION - PENALTIES -
STOPPAGE OF WORK - CANCELLATION OF CONTRACT**

Art. 39 - Time granted for the execution of the work -----	NOT USED
Art. 40 - Delay in the execution of the works -----	NOT USED
Art. 41 - Stopping of the works following an infraction to the Contract	18
Art. 42 - Cancellation of the Contracts and withdrawal of the works from the Contractor-----	NOT USED
Art. 43 - Consequences of the withdrawal of part or the whole of the works entrusted to the Contractor or of the cancellation of contracts -----	NOT USED

CHAPTER V - DUES - PRICES - PAYMENTS

Art. 44 - Dues and Taxes -----	18
Art. 45 - Prices and quantities-----	NOT USED
Art. 46 - Measurements of the works -----	NOT USED
Art. 47 - Settlement of accounts - Deductions-----	NOT USED

CHAPTER VI - SUPPLY OF MATERIALS - TESTS

Page

Art. 48 - Quality of materials -----	NOT USED
Art. 49 - Tests/and trials-----	NOT USED
Art. 50 - Rejection of materials and works not conforming to specifications -----	NOT USED
Art. 51 - Supplies Provided by the Authority and their Custody by the Contractor-----	18

CHAPTER VII - RECEPTIONS

Art. 52 - Provisional reception -----	NOT USED
Art. 53 - Period of guarantee -----	NOT USED
Art. 54 - Evacuation of the Site-----	21
Art. 55 - Final reception-----	NOT USED

CHAPTER VIII - GENERAL

Art. 56 - Definition of the Contract -----	NOT USED
Art. 57 - Conditions - Plans - Estimate-----	NOT USED
Art. 58 - Projects and Plans to be Submitted by the Contractor -----	22
Art. 59 - Currency - Prices-----	NOT USED
Art. 60 - Zones under Surveillance -----	22
Art. 61 - Jurisdiction - Disputes-----	22

SUEZ WIDENING & DEEPENING

CHAPTER I ADJUDICATIONS

Article 5 - Closing date for Tendering (First 2 paragraph only)

Before submitting his offer, each tenderer must under his full responsibility, take all necessary steps and make all required investigations to be able to estimate exactly the nature and extent of his obligations. Having submitted an offer he will be deemed fully aware of all servitudes inherent in the execution of the works.

The Contractor alone is qualified to solve all difficulties arising during the execution of the works, whether these difficulties were foreseen or not at the time of tendering. Consequently, the Contractor will not be entitled to any increase in the prices of his offer or to any indemnity or compensation whatsoever, on account of these difficulties or of any other unexpected circumstances or for additional expenses incurred, or for any error or omission which may be found in the documents of the Contract or in any other information received by the Contractor. In short, contract prices must include and cover all risks, responsibilities and obligations of the Contractor (Hereinafter not referred).

CHAPTER II GENERAL CONDITIONS

Article 12-Sub-Contractor

The Contractor may not sub-let one or more parts of the works without the previous consent of the Director of the Engineering Dept. If a sub-contract is concluded without such a permission being first obtained, the Authority may unconditionally cancel the contract signed with Contractor.

The acceptance by the Authority of a sub-contractor proposed by the Contractor, is revocable at any moment without need for justification. This acceptance, to entrust all or part of the works to sub-contractors, will not however alter the responsibility of the Contractor whether towards the Authority or towards the workmen and third parties, and all instructions, accounts and other documents shall be served to the Contractor.

Article 14-Antiquities and Valuables

All Antiquities, coins and other objects having a geological interest, discovered during the works, must be immediately handed over to the Authority, by way of its Engineer in charge or to the person qualified to receive them on behalf of the Egyptian Government.

The Contractor shall take the necessary precautions to extract these objects intact from the excavations.

On discovering in the excavations, tombs, statues, archeological sites, remains or antiquities which cannot be displaced, the Contractor must advise immediately the Engineer in charge. Moreover he will stop all work on the site until he receives further instructions from the Authority. The Contractor will not be entitled to claim an indemnity for this delay and on the other hand the Authority will not count this stoppage in the time fixed by the Contract for the completion of the work.

Article 15-Landslip - Drift

The Contractor shall not be entitled to any indemnity for additional work due to the removal of earth resulting from drift, from slipping or from falling-in of the Canal banks. In every case, he shall have to restore, at his own expense, the profile of the excavation according to the typical profile described in the Specifications.

Article 16-Indemnity for Throwing Spoil or Any Object in the Canal

Should the Contractor allow spoil, materials or any object to be thrown into the Canal or the harbour basins, that may impede Navigation or modify the profile of the Canal, or if any craft employed by the Contractor should happen to sink, whatever may be the cause of the accident, the Authority would undertake, by its own means, the removal of the objects, materials or craft at the Contractors risk and the latter would bear the expenses. Moreover the Authority would be entitled to deduct from any amounts due to the Contractor a reasonable indemnity, the Authority's estimation being final.

All expenses shall be evaluated by Applying the Authority's rates for "works for outsiders". When the spoil or materials in question is not likely to encumber

the Canal channel a fine of L.Eg. 50 (fifty Egyptian Pound) shall be deducted from any amounts due to the Contractor, each time the dead is established.

The Contractor shall be notified, in writing, of the expenses which will subsequently be deducted from the first statement following the incident. He will not be entitled to contest the cost of any work the Authority considered necessary to undertake.

In the event of repeated incidents due to the Contractor's negligence i.e. more than twice during the period of the contract, the Authority will subsequently collect L.Eg. 200 (two hundred Egyptian pounds) each time.

Article 17-General Rules of Navigation - Damage Caused to the Authority or to Third Parties

The Contractor must apply to his floating craft the international rules of Navigation as well as all rules published by the Authority (rules of Navigation, Port Said harbour regulations, rules for the Authority's servicing craft, etc.).

It is expressly stipulated that the Contractor must carry out his dredging in such a way as not to interfere with or endanger the transit of ships. He will strictly and promptly comply with the orders issued to him in this connection by the qualified departments of the Authority, without being entitled to claim any compensation or indemnity as a results of these constraints. Dredges are to stop work during the passage of ships and berth on the eastern bank and make fast to the mooring bollards or, in their absence, to any fixed fastening to be placed by the Contractor. At the same time, floating pipelines must be brought alongside the bank, at less than 25 m from it. As a safety measure, dredges and their accessory equipment must be moored fifteen minutes before the arrival of the first ship of the convoy.

As a general rule, the Contractor shall be responsible for all damage he may cause to the Authority or to third parties. He declares to have subscribed to an insurance policy which he deems reasonable. The Authority shall therefore not be involved in any way.

Article 18-Loss of or Damage to Floating Plant - Force Majeure

No indemnity will be allocated to the Contractor, nor will he be granted any extension of time for any breakdown, loss, damage, total or partial destruction of

his floating plant, including such installations as ships, wharves, loading and unloading equipment etc. whatever the cause or the importance of the damage, this plant being presumed insured against all risks. However in cases of "force majeure" and should the Contractor have reported them in writing within two days, an extension of time will be considered. After these two days the Contractor cannot submit any claim.

Will never be considered as cases of "force majeure": bad weather, landslips in the excavations, rivalry between contractors and the starting of new works either for the Authority or for third parties.

The Authority is free to ratify the requested extension of time, to amend it or to reject it. The Contractor agrees to accept the Authority's decision as final.

Article 19-Supply of Fresh Water

The Contractor shall supply, at his own expense, all fresh water required on the sites of work, for use by his personnel as well as for the working of his plant. The Contractor may obtain his supplies of water at the Authority's taps at the latter's official rate. Water barges and their tugs transporting this water for the Contractor must comply with the rules for Navigation on the Suez Canal.

Article 20-Materials - Contractor's Plant and Installations

All materials, plant and craft, supplied and transported by the Contractor to the site of work or to the piece of land occupied by him, for use in the execution of the works, object of the contract, as well as all other temporary installations erected on the site or on the said piece of land, are to be considered as necessary for the execution of the works and therefore cannot be removed without the previous written consent of the Director of Engineering Department or his representative.

If during the work, the Authority's engineer in charge rejects a part of the material or installations or if he declares in writing their inutility, or if, after the provisional reception, materials or installations remain on the site, the Contractor may, after rejection or notification of inutility or after the provisional reception, as the case may be, remove them from the site or the said piece of land.

The above provisions do not restrict in any way the Contractor's liability and moreover the latter alone is responsible in cases of loss, damage, theft, etc.

Article 21-Transit Dues

Personnel, plant and materials belonging to the Contractor and intended to be used in the works entrusted to him, will be exempted from transit dues in the Suez Canal provided no passengers, materials or plant not intended for the works, object of the contract, are carried on board the transporting craft.

Will also be exempted from paying transit dues all small craft belonging to the Contractor, according to the provisions of the "Rules of Navigation for Small Craft and Boats", but provided no passengers, materials or plant, not intended for the works object of the contract, are transported, otherwise the Contractor will lose the benefit of this exemption. Will also be exempted all floating craft, such as dredges, etc. provided they do not impede Navigation in the Canal and do not cause any hindrance as stated in Articles 17 and 29 of the present general Clauses and Conditions.

This exemption is also applied on the assisting craft as barges used for carrying, on board, the plant or tug boats used for towing these floating equipment through the Canal or other similar peripherals.

Skippers and masters of floating craft are to get acquainted with the conditions of the "Rules of Navigation" and agree to comply with these conditions in every way. The Authority is entitled to refuse to issue a permit to transit the Canal to any craft, or even to stop its progress, if it considers it dangerous to Navigation.

Article 22-Exemption from Custom Duties - Transport of Materials

In certain cases, which will be defined in the Specifications, materials supplied by the Contractor and imported from abroad may, on entering Egypt, be exempted totally or partially from custom duties, on the express condition that they be dispatched to the address of the Director of the Engineering Department at Port Said. Should the Contractor import into Egypt equipment intended exclusively for the works, object of his contract, it would equally and under the same conditions, be exempted from custom duties, provided that this equipment be re-exported after the completion of the works.

As soon as the Contractor has placed his order, he will have to advise the Director of the Engineering Department and specify the nature and quantity of goods to be received, the name of the supplier and the expected date of delivery.

He will also have to forward to the Authority's General Stores, without delay and as soon as he receives them, the bills of lading and invoices so that the required custom documents be established for the withdrawal of the materials exempted from duty.

On arrival, the goods will be treated exactly as if they were intended for the Authority. In particular they will be unloaded by the Authority's lightermen. If the Contractor does not comply with the required conditions, the Authority will not be responsible should the Egyptian Authorities contest the exemption.

The Contractor's authorized representative must be present during all operations, for he shall have to check and receive the goods. It is on his instructions that the agent of the General Stores shall eventually address to the shippers the necessary reserves and give them complete or conditional discharge. In the presence of the Contractor's representative, the goods will be transhipped from the lightermen's barges and stowed in those of the Authority, which will then be towed by the General Store tug to the site where they are to be used.

The Authority shall debit the Contractor, at cost price:

- expenses for unloading;
- expenses for transshipment and stowing into the Authority's barges;
- expenses for supervision in customs;
- eventual constant and survey fees; and generally all expenses disbursed by the Authority while delivering the goods.

Materials supplied by the Authority, free or against payment, shall be delivered to the Contractor all charges paid.

Only materials imported by the Contractor under the foregoing conditions will be transported on the Canal by the Authority, who shall only bear the cost of supplying barges and towing to the site of work. From the moment the Authority has given discharge to the shippers, the materials will be deemed to have been taken in charge by the Contractor, who will not be entitled to any claim against the Authority, in cases of accident, theft or damages. Furthermore the Contractor has to provide for their safe-keeping till their arrival on the site.

On arrival at destination, the barges shall be unloaded by the Contractor, at his own expense, in a maximum time of two days for a 100 ton barge and three days for a 200 ton barge, as from the date of arrival. For any delay the Contractor will have to pay a fine of L.Eg. 5 (Five Egyptian pounds) per day and per barge. All fines will be deducted from the monthly payments.

In all other cases, transport will devolve on the Contractor. He will have to provide means for towing his boats and barges. In no case will he be allowed to have them towed by the Authority's craft on duty on the Canal. He may, however, on demand, hire from the Authority, tug-boats or barges according to the tariff in force. All craft making these shipments must comply with the Authority's rules and instructions.

The Contractor may import into the A.R.E. the plant and equipment necessary for the work. According to Law 186/86, 20 % (twenty percent) of the Custom duties due on such plant and equipment must be paid for every year or a part of the year during their existence in the A.R.E.

Article 23- Re-Export of Contractor's Plant and Materials

The Contractor is obliged to re-export all plant, materials and supplies admitted duty-free into Egypt that were not incorporated or used in the works, and this within six months as from the reception of the last portion of work executed according to the Contract, or within any other time to be specified by the competent authorities. The Contractor shall undertake all proceedings to obtain the necessary export licenses from the aforesaid authorities.

Plant, materials and supplies remaining in Egypt, after the expiry of the specified time or sold to third parties, shall be liable to custom duties.

These duties shall be paid by the Contractor and the Authority having warranted the payment to the Egyptian Customs, will retain their amount from payments to be made to the Contractor if the latter does not justify having paid them in due time.

In cases other than those provided for in the proceeding articles, the Contractor can resort to the local market to obtain the necessary plant, materials or supplies he may need. He shall also be free to import these directly in his own name or to have them imported by a third party, within the limits and according to

established formalities. In which case he shall be subjected to the payment of custom and other duties. The Contractor, without asking for the Authority to intervene, may take all steps to obtain eventually the total or partial refund of custom duties when re-exporting the plant, materials or supplies imported under these Conditions.

CHAPTER III EXECUTION OF WORKS

Article 24-Programme of Work - Layout - Instructions

As soon as the Contractor receives the Authority's letter informing him that he has been awarded the contract, he must submit to the Director of the Engineering Dept. a detailed programme, indicating the method of execution and the time necessary to complete each part of the works.

Before starting work on each part, the Contractor's Engineer must carry out with precision the necessary setting out in the presence of the Authority's Engineer. The Contractor shall alone be responsible for all work concerning the setting out, for its accuracy and for checking the dimensions shown on the plans. He must also ascertain that the indications shown on the plans correspond exactly to the nature of the ground. The approval of the Authority's Engineer or his collaborators does not clear the Contractor of his responsibility for the proper execution of the layout.

The Contractor must start his works within the fixed time; he must also execute them in strict conformity to the setting out and to the plans and profiles annexed to the contract and comply to the instructions of the Director of the Engineering Dept. or the competent Head of Department.

The Contractor shall also carry out any modification prescribed during the works, but only whenever the Authority's Director of Engineering Dept. has ordered them in writing. These modifications shall be taken into account for payment only if the Contractor is able to give proof of a written order from the Director of the Engineering Dept.

Article 25-Climatic Conditions

The climatic conditions prevailing in the Isthmus are given hereinafter as mere information:

The climate is hot and damp during a major part of the year.

In summer, the temperature reaches frequently 30 to 36 degrees centigrade and may register 40 degrees.

In winter it only exceptionally drops below 5 degrees.

Rain is relatively unfrequent but it is sometimes heavy.

Prevailing winds usually blow from the North or North-West. During winter bad weather, wind velocity sometimes reaches 70 km/hour.

Article 26 - Contractor's Director of Works

The Contractor must make known to the Authority the name of his representative in Egypt and that of his Director of works indicating the latter's technical references. During the execution of the work, the Contractor's representative will not be allowed to leave the vicinity of the works before naming a delegate capable of replacing him and obtaining the consent of the Director of the Engineering Department.

In the absence of the Contractor's representative all statements, partial and final accounts signed by the Authority's representative will be deemed valid.

Service instructions shall be deemed to have been served validly which are sent to the Contractor by registered post. The Egyptian Postal Administration's receipt will be proof of posting. In which case times mentioned in Article 39 will start on the day following the posting of the registered letter.

The acceptance by the Director of the Engineering Dept. of the Contractor's representative will not diminish the Contractor's liability.

The Contractor's representative shall escort the Director of the Engineering Dept. or the heads of Departments in their inspection tours whenever requested.

Article 27 - Working Days

The Contractor is free to fix the daily working hours on his site, provided he strictly respects actual or future legislation in force in Egypt.

The Contractor must notify the Authority, sufficiently in advance, of his working hours so that the latter may organize its supervision.

If the Contractor finds it necessary to work at night, he will first make a written request to the Director of the Engineering Dept. stating the type of lights he intends to use, which shall be arranged in such a way so as not to interfere with Navigation. Night work shall not start until a written consent has been obtained. The Authority has the right to accept or refuse this request without giving any reason.

In case of approval, the Authority may demand from the Contractor the payment of an additional sum for supervising night work. Moreover the Contractor shall bear all lighting and other expenses.

Article 28-Selection of Employees and Workmen

All employees and workmen, employed on the sites must be fully competent in the kind of work they have to execute. The Director of the Engineering Dept. has the right to demand the replacement or dismissal of any of the Contractor's employees or workmen, for disobedience to the Authority's employees orders or for any other reason.

The Contractor is responsible for the behavior of his personnel towards the Authority's personnel. The Contractor shall in no case hire an employee or workman dismissed by the Authority, unless he obtains a written consent from the Director of the Engineering Dept. The latter can oppose the appointment, by the Contractor, of an employee or workman working or having worked for the Authority. In order to observe the enforcement of these various prescriptions, the Head of Department in charge of the supervision of the works, may ask that a nominative roll of employees and workmen employed by the Contractor be handed to him periodically. The Contractor shall dismiss at once and definitely from the works entrusted to him by the Authority, any employee or agent falling under the provisions laid down in Article 40 of Law No. 317 of 1952 on individual labour contracts.

Article 29- Contractor's Responsibilities

The Contractor declares he is aware of all social and labour conditions in the Republic of Egypt, and is acquainted with Egyptian Legislation concerning the

kind of work entrusted to him. He agrees to accomplish by himself all formalities necessary or useful to obtain the entry into Egypt of his personnel, especially of his technicians.

In this respect the Authority will give every possible assistance, but without any responsibility.

As from the signature of the contract, the Contractor will comply with labour legislation in force in Egypt, and with any such legislation that may be promulgated during the execution of the contract.

In order to avoid accidents on his sites of work, the Contractor is bound to take, on his own initiative, all measures of security and order as well as all necessary precautions. He shall not employ workers aged under 17 years and over 60 years. He undertakes to observe, under his full responsibility, the provisions of law No. 89 of 1950 relative to labour accidents. The Contractor is solely responsible for the consequences of accidents involving his or the Authority's personnel or third parties, which may result from the works entrusted to him. He is bound to provide, at his own expense, necessary medical attendance to wounded or sick workmen. The execution or non execution of a work by the Authority or its representatives, does not release the Contractor from his responsibility.

The Contractor is answerable for any faults committed by his personnel against the Authority or a third party such as:

- depredations or material accidents caused intentionally or not to the prejudice of the Authority, its personnel or a third party.
- misconduct of the Contractor's personnel or any infraction falling under the provisions of the law etc.

The Contractor shall be chargeable for all expenses, repairs and damages resulting thereof. He must guarantee the Authority that no action is brought against it for any such reasons. If necessary, the Authority may retain from any sums due to the Contractor or from the amounts already withheld as guarantee, the expenses it may have disbursed as a result of responsibilities defined in this article.

It is fully understood that the provisions of the present article apply not only to works object of the Contract but also to any supplementary work that the Contractor could be requested to undertake as a result of the said contract.

The Contractor must guarantee the Authority from any action brought against it for any reason whatsoever by the Contractor's personnel.

The Contractor must comply with all laws of the country and all police regulations enacted by the local authorities and also with customs regulations etc. He will be responsible for crimes of smuggling in which members of his personnel are implicated.

The Contractor is solely responsible for finishing completely and thoroughly the works object of the Contract. This responsibility remains complete until the final reception of the works. The supervision of the execution of certain works by the Authority does not lessen this responsibility.

The Contractor is also responsible for any plant as well as for all floating craft lent or hired to him by the Authority during all the time they are deemed to be in his custody until the final reception, not excluding off days; he will take every necessary precaution for their mooring and guarding by day and night, every floating craft being provided for this purpose, with an able seaman.

Damage caused by the Contractor's fault or neglect shall be repaired by the Authority at his expense, by applying the rates for "Work for Outsiders". Should repairs prove to be impossible, the Authority would replace the plant involved at the Contractor's expense. Furthermore, the Authority shall charge the Contractor towing expenses of the floating craft as well as indemnities resulting from his negligence.

The Authority will inflict upon the Contractor penalties specified in Article 57 in cases of negligence concerning any floating craft used on the works. In this respect the Authority's decisions will be final and must be accepted by the Contractor.

The Authority shall recover, from any amount due to the Contractor all immediate expenses and overhead charges that it may have disbursed as a result of the Contractor's negligence or for non-fulfillment of his obligations towards his personnel.

The Contractor's works must be closed down at least one day every fortnight; regulations concerning working hours and holidays must be observed. The Authority may, in agreement with the Contractor, fix the holidays.

Article 31- Contractor's Expenses and Incidental Expenses

The Contractor is bound to pay for all the labour necessary for the execution of the works, the salaries of employees and assistants engaged to lay out and supervise the works as well as all petty expenses and incidental expenses. All the Contractor's plant shall be equipped, towed, supplied, maintained and repaired by his own means and at his expense unless specified otherwise in the Specifications.

In all cases of earthwork, a survey will be carried out, before any work is started, in the presence of the Contractor, so as to ascertain the original state of the place. This survey shall be made by the Authority and at its expense.

Article 32- Visits and Inspections

The Director of the Engineering Department, his delegates or the Engineer in charge of the works, have full liberty to tour at any time and at any hour, any part of the works with intent to inspect, visit, examine, measure, etc. All facilities must be given them by the Contractor, his representative or workmen.

Article 33- Urgent Work Carried Out by the Authority

If orders are given to the Contractor with mention of urgency and are not carried out within twenty-four hours, the Authority may have the work in question executed directly at the Contractor's expense without need of any formality and without objection from the Contractor. Works, thus withdrawn from the Contractor shall be immediately measured and a statement certified by the Director of the Engineering Dept. shall be notified without delay to the Contractor.

**Article 34- Requisition of Labour and Equipment for Works Executed
by the Authority**

Should the Authority be compelled to carry out any part of the work, the Construction must, if requested, supply the tools and appliances necessary for its execution as well as the labour. Wages of workmen, rent and maintenance of

equipment by the Contractor for such work shall be paid for according to rates which shall have been agreed upon.

Article 35-Modification of Works

The Authority is entitled, upon mere service order notified to the Contractor, to modify the projects at any time, either before the beginning of the works or during their execution. Unless otherwise stated in the Contract, the value of these modifications must not increase or reduce by more than 20 % (twenty percent) the initial value of the Contract.

Consequently, the Authority reserves all rights to modify the quality, quantities and dimensions of the works stated in the Contract, to order the cancellation of part or all of certain works and to replace them by other works or to add new works and generally to modify the dimension or the layout and to draw up new plans and prescriptions. The Contractor is bound to carry out these modifications as if they were part of the initial provisions of the Contract; they do not lessen in any way his responsibility for a proper execution of the works according to these new stipulations and to those of the Specifications. The Contractor shall not be entitled to claim an indemnity or a revision of the rates in the Contract or in the Schedule of Prices, as a result of the increase or reduction of the works within the limit hereabove indicated unless otherwise stated in the contract.

On the other hand, should the value of the modifications whether an increase or a reduction, exceed the stated percentage (20 %) and should the Contractor consider that the modifications would entail additional expenses or would cause him a loss, he could within ten days, following the receipt of the order concerning these modifications, request from the Director of the Engineering Dept. the payment of the increase in expenses or the refunding of the losses. However this request shall only concern modifications required by the Authority beyond the stated limit of 20 % (or that eventually stated in the Contract). The Director of the Engineering Dept. remains sole judge of what is due to the Contractor and his decision shall be final.

Whenever the works are increased, the Contractor shall be entitled to a proportional extension of the time stated in the Contract, provided he applies in writing for such, to the Director of the Engineering Dept., within 10 days following the receipt of the order concerning the modifications. The estimation

of the extension of time to be granted made by the Director of the Engineering Dept. shall be final.

Likewise should the works be reduced as a result of certain modifications, the Authority would be entitled to reduce proportionally the time provided for the execution of the works.

When reckoning additional expenses borne by the Contractor, the Director of the Engineering Dept. reserves the right to take into account any savings the Contractor may have eventually made as a result of the modification.

It is however agreed that the extension of the time for the completion of the works and the payment of an additional sum or of an indemnity as a result of any modification, shall only be granted if the Contractor submits his request in the manner and within the time stated above. In any case the Contract shall remain in force as if the modifications had been originally provided for.

Whenever the Contract includes a schedule of prices, the value of the modifications, either in addition or in deduction, shall be established according to the said schedule.

Should the Contract not contain the necessary elements to settle the price of these modifications, this settlement shall be made by mutual agreement prior to the starting of the work, provided the work is not delayed through a disagreement or a dispute on this subject between both parties. In case of disagreement over the price to be paid, the Contractor must keep detailed accounts and registers as prescribed by the Director of the Engineering Dept. These accounts and registers shall contain all expenses incurred as a result of these modifications. The amount that the Authority shall pay to the Contractor for these works must in no way exceed the real expenditure increased by 10 % (ten percent).

Any error or omission in a description or a plan received by the Contractor from the Authority can be amended at any time by the Engineer in charge without the Contractor being entitled to claim an indemnity.

The Contractor must check, before starting the work, all drawings and plans and communicate to the Authority, in proper time, any remarks on their subject. Consequently, the Contractor shall be solely responsible for the accuracy of the drawings and plans annexed to the Contract as if they were drawn by him, unless he notifies the Authority, in writing, of a defect or a technical error.

The Contractor may request to substitute to materials and objects prescribed in the Contract, other materials or objects profitable to a proper execution of the works. If the suggestion is accepted, he shall receive a written approval specifying as well the rates to be applied as a result of the changes.

Article 36-Levels - Distances

All height readings mentioned in the Specifications and on the annexed plans are referred to the general leveling of the Canal made in 1925.

Datum levels under which depths are reckoned are :

- (17, 60) - for the part of the Canal and the Ballah derivation North of km. 61.
- (17, 80) - between km 61 and km 136.
- (17, 60) - between km 136 and km 141.
- (17, 40) - between km 141 and km 146.
- (17, 20) - between km 146 and km 151.
- (17, 00) - between km 151 and km 156.
- (16, 90) - for the part of the Canal South of km. 156 and the Port Thewfik channel road stead.

These datum levels correspond to the level of the lowest waters registered in the above mentioned sections.

Distances along the Canal are reckoned in kilometers from North to South, starting at kilometric point zero (K.P.O.) situated in alignment with the Port Said lighthouse. North of this point the Port Said channel road stead is divided into hectometers from South to North starting at K.P.O.

In the Ballah derivation distances are reckoned from North to South. The starting point corresponds with km 51.006 of the Canal and readings are characterized by the sign”.

The Authority will place tide gauges in the regions as and where the Contractor requests.

The Contractor must take every care of the bench-marks, pickets and beacons set up by the Authority and shall replace, at his expense, those which would have been displaced or removed for any reason whatsoever. These shall only be replaced in the presence of the Authority's engineer in charge of the works.

Article 37-Organization of Convoys

Navigation in the Canal is at present organized in convoys according to a fixed time-table. However the formation of convoys does not exclude, when necessary, the transit of certain isolated ships; in particular small vessels (of less than 500 tons) and sailing boats, circulate by day without being subject to the convoys.

The Authority is sometimes compelled to modify the time-table of the convoys, especially when Navigation is being resumed after a traffic incident. In such cases the Contractor must modify the working hours of his dredged accordingly.

As laid down in Article 17 and 29 of the present General Clauses and Conditions, the Contractor is responsible for any delay, hindrance or accident caused directly or indirectly by his works.

The Contractor's attention is drawn to the movements set up in the water by the passage of ships in the Canal, making necessary the careful mooring and special watching of the floating craft. There is at first a lowering of the water level, which may reach one metre in the case of a large ship. Simultaneously a current which can attain 5 to 6 knots is produced in a direction opposite to the movement of the ship. Then, lastly, while the ship is passing, there is a sudden increase in the water level with obliged waves running along the revetments, following the direction of the ship.

Moreover, in order not to hinder Navigation in the Canal, the Contractor shall conduct his works according to conditions which shall be specified to him on the site by the Authority, especially with regard to the position of the dredges, the floating pipeline, the anchors and the chains or cables for mooring, swinging or advancing.

Garaging of dredges, whether for repairs or by night or during the passage of transiting ships shall always be made along the eastern bank.

period of guarantee. Should repairs not be carried out, the Authority shall have them executed at the Contractor's expenses and under his responsibility, without need of a summons or recourse to courts or other formality.

In a general way, the Contractor shall be responsible for the works until their final reception and shall have to repair faults that may show up or damages suffered through any cause whatsoever, before or after taking over by the Authority of the defective or damaged part of the works.

**CHAPTER IV TIME GRANTED FOR EXECUTION-PENALTIES-
STOPPAGE OF WORK-CANCELLATION OF CONTRACT**

Article 41-Stopping of the works following an infraction to the Contract

Should the Contractor infringe on any provisions of the Contract or neglect to observe them, the Director of the Engineering Dept. Shall have the right to order the stopping of work in the sector or sectors affected by this infringement or neglect until their effects have been repaired. In such a case the Contractor shall have no right to an extension of the time of execution nor to any compensation by reason of the stopping of work.

CHAPTER V DUES - PRICES - PAYMENTS

Article 44-Dues and Taxes

The contractor is exempted from paying taxes, dues and duties (Except custom duties on imported equipment which he has to pay) according to law No 88/1975 which states : "The Authorities, companies and all other foreign enterprises which undertake the projects of dredging, widening and deepening of the Suez Canal, are exempted from all taxes and duties which are due, in the Arab Republic of Egypt on their profits, dividends funds, equipment and transactions necessary for the execution of the projects."

Article 51-Supplies Provided by the Authority and their Custody by the Contractor

The Authority shall supply, free of charge, to the Contractor, the materials specified in the Specifications. All supplies shall be delivered in 100 or 200 ton barges or in 700 ton lighters belonging to the Authority.

Shifting of these craft within the site and according to the requirements of the work will be assumed by the Contractor, who will undertake the unloading of the materials by his workmen and under his own responsibility. Each delivery will be accompanied by a bill of lading to be signed by the Contractor's representative on the arrival of the craft, as receipt of the materials and to ascertain the date of delivery.

Unloading must be completed within a maximum time of two days for a barge of 100 tons, of three days for a barge of 200 tons and five days for a lighter of 700 tons as from the date of delivery on the site.

Should these time limits be exceeded, the contractor would be subject to a deduction, for every day of delay, of 50 L.Eg. (Fifty Egyptian Pounds) for a barge less than 200 tons, and of 100 L.Eg. (One Hundred Egyptian Pound) for barges 200 / 400 tons, and of 150 L.Eg. for lighter of 700 tons.

The Contractor must assume the lighting by night of all the floating craft on his site, including the Authority's barges and plant used for deliveries, as well as all plant lent or hired to the Contractor. For every craft found at night without lights, a penalty of L.Eg. 5 (five pounds Egyptian) shall be inflicted on the Contractor ; even if the craft is correctly moored.

A fine of L.Eg. 100 (one hundred pounds Egyptian) shall be inflicted on the Contractor whenever anything floating belonging to him or entrusted to him is found drifting in the Canal, notwithstanding towage expenses which may be debited to him.

The Contractor shall also be responsible for materials supplied to him by the Authority ; should he misuse them, he would have to replace them at his expense or compensate the Authority.

The Contractor will have to ask, in writing, the Director of the Engineering Dept., at least thirty days in advance, the materials he will need and which are listed in the Specifications. Should the Authority not be able to deliver these materials within this period, the Contractor would have no right to claim an indemnity, but in case of stoppage of the site due to this lack of materials, the time of execution could be extended by a period equal to the time elapsed between the stoppage of the site and the delivery of the materials requested. The duration of this delay will be estimated by the Director of the Engineering Dept.; his estimation will alone be valid.

The Contractor shall supply the plants for the unloading of materials delivered by barge by the Authority, he must provide day and night watching over every craft by an able seaman.

In short, the Contractor must assume all liability for the mooring of the barges along the waterline of his site, it being understood that coupled moorings are forbidden. To this end the Contractor must supply at his expense :

- the spacing planks, at the rate of two 8 to 10 metres planks per barge ;

- the necessary grapnels ;
- the ropes : two hawsers of at least 180 mm circumference per lighter or two hawsers of at least 120 mm for any other barge,

all being in good condition. Moorings must be checked at every passage of a ship. Broken or worn out planks or ropes shall be replaced by the Contractor. Every faulty mooring will entail a penalty of L.Eg. 15 (fifteen pounds Egyptian).

Moreover the following fines shall be inflicted, whenever it is established by a superintendent, except in cases of force majeure or should it be proved that the Contractor had taken all necessary precautions :

- for a grounded barge, even partially : L.Eg. 15 (fifteen Pounds Egyptian) plus the necessary refloating and repairing expenses.
- for a barge butting against the revetment when a ship is passing : L.Eg. 6 (six pounds Egyptian) plus the eventual expenses for repairing the barge and the revetment.
- for any craft found without a sailor on board : L.Eg. 15, (fifteen pounds Egyptian).

The Contractor shall be held responsible for the loss of the loose planking of the barges serving his site. In case of loss, the following penalties shall be inflicted upon him :

- per loose-planking board, of a 50 or 100 ton barge : L.Eg. 30 (thirty pounds Egyptian).
- per loose-planking board, of 200 ton barge : L.Eg. 36 (thirty six pounds Egyptian).

In general, the Contractor shall be responsible for all deterioration suffered by the different craft and floating plant lent or leased to him by the Authority and resulting from a negligence of his personnel or from insufficient supervision. These repairs shall be carried out by the Authority at the expense of the Contractor, without the latter being able to object.

All the above mentioned penalties concerning the Contractor's plant as well as that entrusted to him by the Authority, shall be deducted from the monthly statements as the works proceed.

Should the Specifications state that the Authority must supply the cement necessary for the execution of the works, the following provisions shall be applied :

- the cement shall be delivered to the Contractor, accompanied by a bill of lading, in paper or jute bags. The Contractor shall take every precaution to protect the cement against deterioration.
- if for any cause the cement should be deteriorated, the Contractor would be held responsible ; he must hand over the damaged cement by his own means to the Authority who will replace it at the Contractor's expense.
- the Contractor must use the cement supplied for the execution of the works object of the Contract. It is forbidden to use it for outside works.
- the value of cement supplied to the Contractor shall be eventually debited at the official rate, the transport to the site being added unless otherwise stipulated in the Contract.

CHAPTER VII RECEPTIONS

Article 54 - Evacuation of the Site

The Contractor must keep the site in good state and to the satisfaction of the Authority's engineer. Immediately after the provisional reception, the Contractor must clean the site and hand it over.

Should he have not evacuated the site within the time fixed by the Authority by registered letter, the latter would proceed with the cleaning up of the site, with the removal of the sundry plant and materials, their transport and storing, all this without any liability and at the Contractor's expense. The Authority shall deduct from any sums due to the Contractor, the expenses and cost of storage incurred.

When the time of storage has reached sixty days, the Authority shall consider these materials as having been abandoned by the Contractor, and after another notification and another period of three weeks, the Authority shall be free to dispose of them as it judges suitable.

CHAPTER VIII GENERAL

Article 58-Projects and Plans to be Submitted by the Contractor

Whenever it is stipulated that the Contractor must submit projects or plans for a part or the whole of the works, he must submit them in three copies duly signed by his representative within a sufficient time before the execution of the works. The Contractor may not begin the works until after approval by the Director of the Engineering Dept.

The Contractor must annex to his plans all calculations regarding the resistance and stability of the works; to be approved by the Authority. This approval by the Authority or the supervision of the works does not diminish the Contractor's responsibility in regard to the proper execution of the works until their final reception.

Article 60-Zones under Surveillance

The eastern bank of the Suez Canal and both banks of the Ballah East derivation are zones under strict surveillance by the Coasts Guards and Frontier Corps in their struggle against smuggling. Therefore the Contractor must take all necessary steps to be in order with these Administration before starting work.

If necessary the Contractor should provide his workmen with passes or request the establishment of one or more control station all expenses resulting from this surveillance shall be born by the Contractor.

The Authority declines all liability concerning disputes that may arise between the Contractor and Civil or military Government Administrations, for reasons resulting from the execution of the Contract or from any other cause.

Article 61-Jurisdiction - Disputes

The Egyptian Courts are alone competent to examine disputes arising between the Authority and the Contractor during the execution of the works object of the Contract, these disputes being settled according to the provisions of Egyptian Courts.

Any controversy arising during the work between the Authority's staff and the Contractor must be referred, within forty eight hours to the Director of the Engineering Dept. whose decision shall be final.

In no case can a dispute be lodged in court unless the Contractor has, at least one month beforehand, submitted a detailed memorandum in justification.

Legal notices concerning judicial matters or others with which the Authority may have to serve the Contractor, shall be validly notified at the domicile the latter has elected according to Article 4 above.



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