

Ref No:

**TERMS AND CONDITIONS OF THE CONTRACT**

THIS CONTRACT is made on the <.> day of <.....> by and between;

- (1) [Name of the Client], a company incorporated and existing under the laws of [ ] and having its registered office at [ ] (hereinafter referred to as "HAJT" or "the Client") of the one part; and
- (2) [Name of the Contractor], a company incorporated and existing under the laws of [ ] and having its registered office at [ ] (hereinafter referred to as "the Contractor") of the other part.

**WHEREAS:**

- (1) The Client <body>
- (2) The Contractor <body> be related to the project
- (3) <body> facility as



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“Retentic

Contractor’s de

, details, plans, specifications, calculations, samples, patterns, maintenance manuals, other manuals and of a similar nature, electronic data and k prepared by or on behalf of the Client in

connection with the Works (including all amendments and alterations thereto);

“Completion Date” means ..... calendar days from the date of signing the Contract;

“Site” means the area in ..... as identified in Schedule 4;

“Services” means the Scope of Works as identified in ..... by the Client and it shall include all other ..... amendments further to the survey orders etc;

Taking ..... by the Client in response ..... requesting the issue of this ..... and acceptance

.....ent date to the

.....be



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III. .... unless ..... shall be

IV. Clause ..... form part of this Contract

**1. Contractor’s General C**

- a) The Contractor shall design ..... in accordance with the Contract, and shall remedy any defects in the ..... Works shall be fit for the purposes for which the Works are intended and ..... as per the Bill of Quantities or the revised bill of quantities as the case may be ..... information received by the Contractor, from the Client or otherwise, shall not relieve ..... Contractor from his responsibility for the design and execution of the Works.

- b) The Contractor shall provide all Contractor's personnel, goods, consumables and other things and services, whether of a temporary or permanent nature, required in and for this design, execution, completion, and remedying of defects.
- c) The Contractor shall submit details of the project schedule, arrangements and methods which the Contractor proposes to adopt for the execution of the Works within 7 days from the Commencement Date. No significant alteration to these arrangements and methods shall be made without this having previously been notified to the Client.
- d) The Client's overriding requirement is for the Works to be suitable and fit in all respects for the intended purpose and in compliance with Applicable Law, all local statutory requirements, applicable legal requirements or other provisions, be free from all defects in design, manufacture, materials, and workmanship. The Contractor shall also remain responsible for any infringement of any patent or copyright in the Works. The Contractor shall be responsible for the specification and drawings.
- e) The Contractor shall act as the agent for the Client and shall give him all authority necessary to carry out the contract.
- f) Setting Out: The Contractor shall establish all points, lines and levels of reference for the correct positioning of all parts of the Works. The Contractor shall be responsible for the dimensions or alignment of the Works.
- g) The Contractor shall provide all necessary work, enabling



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- b) For each... not commence prior to the review and... to modify any design or document which... Contractor shall submit the revised documents to the



- b) The Supplier shall submit a retention payment guarantee in the form approved by the Purchaser prior to the release of final payment. Subject to the proper performance by the Supplier under this Contract the retention payment guarantee shall be released within 30 days after the Defect Liability Period. The Supplier shall ensure that the retention payment guarantee is valid and enforceable until the expiry of Defects Liability Period.
- c) If the Supplier fails to extend the retention payment guarantee in accordance with the foregoing, the Purchaser shall retain the full amount of the retention payment guarantee.

**7. Payment Terms**

- a) Subject to proper performance, payment of the Contract Price shall be made as follows:
- b) All monies payable to the Supplier shall be paid by HAJT upon receipt of the Progressive Report approved by the Client.



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- vi. The Contractor shall be liable for any and all expenses and measures taken by the Client to recover the Contract Price.
- vii. In the event of a breach of the Contract, the Contractor shall be liable for all expenses and measures taken by the Client to recover the Contract Price.
- d) In the event performance is delayed, the Contractor shall submit its plan for schedule recovery, or specify in writing the steps to be taken to ensure compliance with such schedule, and/or exercise any other remedies under the Contract. The Contractor shall thereupon take such steps as may be directed by Client or otherwise to complete its progress without additional cost to Client.
- e) In addition to and without prejudice to any other rights or remedies of the Client, all losses, damages, costs, charges, expenses, debts or sums for which the Contractor is liable to the Client in accordance with any provision of the Contract, or as a result of a breach of any such provision may be deducted by the Client from any monies including Retention Money and the Contract Price due or to become

due to the Contractor in accordance with the Contract and/or from any monies due or to become due to the Contractor in accordance with any other contract between the Client and the Contractor.

**8. Clients Taking Over**

- a) The Works shall be taken over by the Client when the Services have been completed in accordance with the Contract and as required by the Client.
- b) The Contractor may apply by notice to the Client for a Taking-Over Certificate not earlier than 14 days before the Works will, in the Client's opinion be complete and taking over.
- c) The Client shall within 28 days of the Contractor's application:
  - i) Issue the Taking-Over Certificate stating the date on which the Works were completed in accordance with the Contract.
  - ii) Reject the Contractor's application if the Contractor is required to be do done by the Contractor.
- d) The Contractor shall be relieved of his obligations to the Client from the date of the Taking-Over Certificate.

**9. Compensation**

- e) If the Contractor fails to complete the Works by the date specified in the Contract, the Client shall be entitled to claim compensation from the Contractor for every day, which shall be calculated as the difference between the actual completion date and the date of Completion of the Works. The Client may, without prejudice to the Contractor's obligation to complete the Works, deduct the amount of such compensations from the monies due or to become due to the Contractor. The Client's consent or deduction of such compensations shall not relieve the Contractor of his obligation to complete the Works, or from any other of his obligations and liabilities to the Client.
- f) Contractor agrees that these deductions shall be a genuine pre-estimate of the losses that the Client is likely to suffer due to the default of the Contractor and shall constitute liquidated damages and not a penalty.



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- g) If delay damages is found for any reason to be void, invalid or otherwise inoperative, so as to disentitle the Client from recovering liquidated damages, the Client is entitled to recover damages from the Contractor for such failure to pay, which damages will not be limited to the liquidated damages that the Client would have been entitled to recover from the Contractor.
- h) The Client shall be entitled to recover in full any amount due to this Clause from any monies due or to become due to the Contractor, and may recover the same from the Contractor as a debt due to the Client. This Clause shall be without prejudice to any rights of the Client to recover general damages for any loss suffered by the Client.

**10. Defects**

- a) In the event of any defect appearing within the period of the warranty, the Contractor shall, at the option of the Client, either repair or replace the defective work or materials, or pay the cost of such repair or replacement.



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- a) The Contractor shall be liable for the cost of any carry out (a) the repair or replacement of the defective work or materials, or (b) the cost of the defect or damage caused by the defect or damage, or (c) if the defect or damage is not repaired or replaced, the Contractor shall have the right to terminate the contract and to claim the amount of the contract price plus financial loss and interest, and to return the materials to the Contractor.

**11. Decennial Liability**

- a) The Contractor shall be liable for the cost of repair or replacement of any part of the Works, where such defects are due to any bad workmanship, defective or inferior quality materials, error, omission, or negligence of the Contractor, at such defects become apparent during the period of ten (10) years from the date of completion of the Works. The Contractor shall issue a Defects Liability Certificate for the part of the Works. However, the Contractor shall not be liable for defects arising from lack of proper maintenance, fair wear and tear, or damage caused by any person other than the Contractor or personnel's.
- b) The Contractor shall be liable for the consequences of faulty design and specifications, lack of care and negligence for that part of the Works, which was designed and specified by the Contractor for this period. The Contractor shall keep the Client fully and effectively indemnified against all legally enforceable losses, damages, injuries, deaths, actions, proceedings, claims, demands and all associated costs suffered by the Client or any third party.

- c) The Contractor shall assign the warranties provided by its subcontractors to the Client upon completion of the Works.

## 12. Performance Certificate

- a) Performance of the Contractors shall be considered to have been completed until the Client has issued the Performance Certificate to the Contractor.
- b) The Client shall issue the Performance Certificate after the latest of the expiry dates of the Defects Liability Periods shall be completed and tested all the Works, including the Works.

## 13. Variations

- a) Variations shall be subject to a Variation Order Certificate for the Works and a Variation Proposal.
- b) The Contractor shall submit their



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- c) **Subcontractors:** The Contractor shall be responsible for the acts or default of its employees, as if they were the acts or default of the Contractor.
- d) **Co-operation:** Contractor shall, as instructed by the Client, allow appropriate opportunities for the Client's representatives, any other contractors employed by the Client, and any constituted public authorities who may be employed in the execution on the Works, not included in the Contract.
- e) **Safety Procedures:** Contractor shall
- Comply with all applicable safety regulations,
  - Take care for the safety of all persons entitled to be on the Site,
  - Use reasonable efforts to keep the Site and Works clear of unnecessary obstruction so as to avoid danger to these persons,

- Provide fencing, lighting, guarding and watching of the Works until the completion and issuance of Taking-Over Certificate.

f) **Rights of Way and Facilities:** The Contractor shall bear all costs and charges for special and/or temporary rights-of-way which may be required for access to the Site. The Contractor shall also obtain, at his risk, any necessary permits outside the Site which he may require for the purpose of the Works.

g) **Avoidance of Interference:** The Contractor shall not interfere or improperly with the convenience of the public or the use of all roads and footpaths, irrespective of whether they are owned by others. The Contractor shall indemnify the Client for all losses and expenses resulting from such interference.

h) **Contractor's Responsibility:** The Contractor shall be responsible for the safety of the Works. When the Contractor is performing the Works, he shall be responsible for the safety of the Works.



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l) **Clearance of Site:** The Contractor shall clear away all obstructions from the Site. The Contractor shall be responsible for the safety of the Works. The Contractor may retain the Site for the Contractor to fulfil obligations.

**15. Risk and Insurance**

a) Contractor shall be liable for any expense, liability, loss, claim or proceedings whatsoever in addition but without limitation the Contractor's negligence or breach of obligations under this Agreement. Without prejudice to its liability to indemnify the Client, the Contractor shall maintain in the names of itself, its subcontractors and its employees, appropriate professional indemnity insurance (minimum liability amount USD 1,000,000), third party indemnity insurance (minimum liability amount USD 1,000,000) and employer's workmen's compensation insurance to cover all risks which may arise in the performance of its obligations under this Contract. A copy of the insurance policies shall be provided to the Client upon demand together with evidence satisfactory to the Contractor that they are in force and will be maintained for the entire period during which the Services are being provided.



percentage of the work performed prior to termination, plus actual direct costs (to be evidenced by proper supporting documentation) resulting from such termination.

**18. Assignment**

Either Party may assign the whole or any part of its obligations under this Contract with the prior agreement of the other Party, at the sole discretion of such other Party.

**19. Confidentiality**

- a) Both Parties shall treat all information received from the other Party as confidential, except to the extent necessary to carry out the obligations of the Contractor under this Contract. The Contractor shall not publish, print, or otherwise disseminate any trade or technical information received from the other Party on any paper or electronic medium.
- b) Contractor shall be permitted to disclose information to perform its obligations under this Contract to its employees and subcontractors without the prior written consent of the other Party.



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**21. Se**

If any part of this Contract is found to be unenforceable, the remaining parts shall remain in full force and effect. The Contractor shall be liable to make the necessary amendments to the Contract as discussed herein. In the event of a breach of any of the other provisions of this Contract and the Contractor fails to remedy the breach, the Contractor shall be in default of this Contract and the Contractor shall be liable for the consequences thereof.

**22. Force Majeure**

Notwithstanding any other provisions to the contrary, the Contractor shall be liable to the other Party for loss, injury, death, or damage suffered or incurred by such other Party due to outbreak of a state of emergency, war, hostilities, civil commotion, riots, epidemics or registered typhoon, in each case, which is beyond the control of the Party whose performance is affected by such event. The Party whose performance is affected by an event of force majeure referred to above shall take all reasonable steps to minimize the effect of such event. Forthwith after any event of force majeure, the Party whose performance is affected by such event shall give notice to the other Party of such event and at the other Party's request provide it with detailed particulars of such event and details of the action which it proposes to take to minimize the effect of such event. If Force Majeure continues for more than 30 days, then either Party has the right to terminate this Contract.

### 23. Advertising

Contractor shall not use the name of HAJT or any of its affiliates or quote the opinion of any employees thereof or refer thereto directly or indirectly in any news release, advertisement or release to any professional or trade publications without receiving specific written approval for such use or release from HAJT.

### 24. Notices

Any notice to be given under this Contract shall be delivered personally or sent by prepaid registered mail (air-mail if overseas) or tested telecommunication. The address for service of each Party shall be the address given herein or such other address as the Party to be notified for this purpose. A notice shall be deemed to have been served if:

- a) if personally delivered, at the time the same is delivered into the custody of the addressee;
- b) if posted, at the time the same is delivered into the custody of the postal authority;
- c) if sent by telecommunication, at the time the message is transmitted.

In providing notice by registered mail, the Party shall ensure that the envelope contains the necessary postage and is prepaid. The Party shall be obliged to register the mail as the case may require.



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### 27. Govern.

- a) This Contract shall be governed by the Laws of U.A.E. and the Emirate of Ajman.
- b) Any dispute arising from the interpretation, nullification, termination, or invalidation, if this Contract is terminated or annulled in any manner whatsoever, shall be amicably settled by the Parties. If the dispute couldn't be reached between the Parties within thirty (30) days from the date the dispute had arisen, then such a dispute shall be referred to the Ajman Civil Court for its jurisdiction.
- c) Each Party shall continue to perform its obligations under this Contract without any stoppages or impediments during the discussion of the dispute between the Parties.

IN WITNESS whereof this Agreement has been signed by \_\_\_\_\_ and year first above written.

Signed by \_\_\_\_\_  
for and on behalf of \_\_\_\_\_  
<Name of the Client> \_\_\_\_\_  
in the presence of : \_\_\_\_\_

\_\_\_\_\_  
Witness

Signed by \_\_\_\_\_  
for and on behalf of \_\_\_\_\_  
("the Client") \_\_\_\_\_  
in the presence of \_\_\_\_\_



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**Schedule 1**  
**Scope of Services**



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Description	Price	Payment
Upon completion of work identified in S.S. Legal Certificate		100% payment within 30 days of submission of invoice and retention security by contractor



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**Times for ... Damages**

<b>Section</b>	<b>Liquidated Damages to be ... for Late Completion</b>
Entire Scope of Work identified in Section ... issuance of Title Certificate	Contract Price per day

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