

CONTRACT FOR MAINTENANCE SERVICES - RESIDENCE
AT EMBASSY OF ITALY

This contract is made between:

Embassy of Italy, P.O. Box 94389, Diplomatic Quarter, Riyadh-11693 (hereinafter referred as 'First Party')

and

Al Foadia Group General Contracting, Head Office, PO Box 1650, Riyadh-11441, (hereinafter referred to as the 'Contractor') or Second Party.

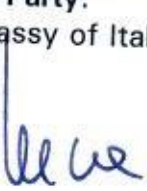
Whereas the Contractor's offer dated December 02, 2018 for the provision of maintenance services to the First Party's Residence located at Diplomatic Quarter, Riyadh has been approved by the First Party.

Whereas it is agreed in Riyadh on February 6, 2019, between both parties to conclude this Contract as elaborated hereunder:

1. System Maintenance – residence (As per Annexure- I, attached)
2. Terms and conditions governing the contract are given in the "General Contract Conditions" (as per Annexure-II, attached).
3. The payments shall be made by the Embassy for the CIG number Z6D21B314C in arrears @ SR. 7,995/- per month (Yearly SR. 95,940/-). If this contract is renewed for a further period, the Expatriate Levy @ SR. 400/- per month per worker will be added in the contract effective February 01, 2020.
4. Any addition or deletion of Services for First Party will be notified 30 days in advance and the price shall be calculated and paid pro-rata.
5. The period of this contract will be from February 01, 2019 to January 31, 2020 and renewable for another year upon mutual acceptance by both parties.



6. In witness whereof, the parties hereto have caused this agreement to be executed in duplicate originals, this _____ day of _____, 2019.

First Party: Embassy of Italy   HE : Luca Ferrari Ambassador	Second Party: Al Foadia Group General Contracting   Fouad Ahmad Al Jizawi Director of Operations
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SCOPE OF WORK**TASK OF THE MAINTENANCE WORK**

The scope of work to perform at the different elements is detailed next:

QUANTITY:

ELECTRIC GATES,
BATHROOMS 12,
SPLIT A/C 8,
CHILLERS 1,
ACU PACKAGE 1,
AIR HANDLING UNIT 19,

A) AIR CONDITIONING SERVICE (HVAC):

Period check-up of all fixed and mobile air conditioning systems, in more detail:

- Seasonal conversion of temperature (hot-cold);
- Periodic cleaning and possible replacement of filters (split-units and centralized systems);
- Repair and/or replacement of parts and accessories that are part of ordinary maintenance to ensure the proper operation of the systems.

B) ELECTRICAL SYSTEM

- Repairs of electrical circuits, replacement of fuses, transformers, switches, sockets, plugs, checking of indoor and outdoor lighting systems and replacement of lamps.
- Checking transformer and generator rooms as well as all electrical panels;
- Checking the diesel fuel level in the underground tank and in the internal service tank with periodic supply of fuel for equipment and tanks cleaning;
- Electrical system and water re-circulation pumps for ornamental fountains;

C) FIRE PREVENTION SYSTEMS

Maintenance of fire-fighting pumps and verification of the functionality and efficiency of fire-fighting equipment.

D) WATER-SANITARY AND SEWAGE SYSTEMS

- Periodic inspection of internal water-sanitary appliances and systems repairs, replacements, necessary checkups of all water-sanitary and sewerage systems.
- Periodic inspection and maintenance of manholes in the water and sewerage networks.

List of consumables items to be provided by the contractor:

- AIR CONDITIONING**
Oil and grease
Freon
- ELECTRICAL FOR AC**
Capacitor
Terminal Clips
Brazeing rod
Oxygen and acetylene gases and Nitrogen gas
Contactor
- PLUMBING**
Toilet flush assembly
Silicon
PVC Cement
Drain Cleaner
- IRRIGATION**
Taps
Nozzle/emitter
Hoses
- ELECTRICAL**
Ballast
Starter
Outlet/cover
On/Off switch
Electrical Tape

In case it was necessary to use a different material from the referred one in this relation, the price to pay will be the indicated in delivery note of the providing warehouse adding general expenses and industrial benefit.



The Second Party must provide an emergency telephone number that will be available 24 hours. To the extension of this contract, it will be considered emergencies the following:

- Breakdown of AC units
- Electrical faults
- Burst piping and flooding.

The emergencies will be attended in a maximum of 03 hours for the phone call.

New Installations

New installations and major repair work should be properly organized, scheduled and be carried out within the available time frame, by the corrective maintenance team and will be charged to First party.

OPERATING PROCEDURE:

The Work Control Desk will prepare and fill the Work Order Form Checklist and Assignment Sheet, with the coordination of First party in charge Maintenance Engineer to avoid conflict of activities. Work Control Desk will register the Work Order in the log book. For any delay in execution the First party or his representative Engineer should be informed.

The assigned technician will perform the job with utmost care of quality and time elements of complete the job with least possible efforts, cost and time and also keeping in mind the cleanliness and orderliness of his completed tasks. Further a job completion report (satisfaction note) from the representative of First Party will be acquired for acknowledging the completion of tasks requested.

Monthly Report

A monthly report will be submitted by the Second Party for chiller and other machines related units indicating all activities of the preceding quarter month with any chronic problem with photocopies and be submitted to the facility manager of the First party.



TERMS & CONDITIONS

Contract Period

This contract will be valid for a period of one year from February 01, 2019 to January 31, 2020.

Renewal of Contract

This contract is automatically renewable after the expiry of the initial period on yearly basis unless either party will advise the other party in writing of his wish to terminate the contract three (3) months prior to its expiry (see clause 5 from main contract)

Termination

The Second Party, prior to three months of his contract completion period must verify his interest to extend the contract for another period or to terminate his contract. If the Second Party wishes to terminate his contract before the completion period of the contract, then he shall give a three months written notice. The First Party reserves the right to give a 3 months written notice before terminating the contract or part of it.

Terms and Payment / New Taxes and Fees

1. Second party to submit a monthly invoice mentioning the CIG number Z6D21B314C as per the approved amount with the satisfaction of job completion.
2. First party shall proceed with the payment to the Second party with certificate with completion certificate. The charges agreed within 1 weeks of due date of the invoice.
3. The second party shall be liable for the payment of local taxes and dues on any services necessary for the execution of the contract with in K.S.A.
4. First party will bear any value tax (VAT) and any new fees imposed by MOI & Labor office which shall be as per actual rate and applicable law of K.S.A.

Maintenance Manpower

One Maintenance Supervisor shall be assigned to supervise, monitor, control check and carry out quality control activities. All necessary hand tools and testing instruments should be made available by the Second Party.



GENERAL TERMS AND CONDITIONS

1. It is the responsibility of the Second Party to supply the professional and homogeneous work force from the start of the contract. If the First party at any time is not satisfied with the performance or ability of any of the workers then the Second Party is responsible to provide an alternative technician after 5 working day notice by the First Party.
2. All costs related to transportation, food, housing, insurance, taxes, GOSI, sick-leaves and standard uniforms for the crew members are to be the responsibility of the Second Party. The Second Party shall abide by applicable laws and regulations of the Kingdom of Saudi Arabia in respect of his work force.
3. The Second Party is liable and responsible for any tampering or damages to the or its furniture and equipment or misuse of any of the installed system for the private interest of any of the work force or any proven fraud by the Second Party's staff (the quality if the workers is of utmost importance).
4. The First party will supply the Second Party free of charge, electricity, water and reasonable storage space for their tools and equipment.
5. The First party reserves its right to instruct the Second Party staff on any specific work within the contractual terms and the Second Party shall carry out such instructions to the best of its ability.
6. The maintenance services will not be disrupted or interrupted as a result of any local holiday. During such holidays, Second Party's staff will be assigned to carry out the works if requested on a chargeable basis and charged on an hourly basis.
7. In case of emergencies, the Second Party agrees to work round the clock to complete the required work.
8. The Second Party shall provide transportation, housing, uniform and all hand tools necessary for their technicians use.
9. If the First party management decides to change its working hours then the Second Party to reschedule his labour force accordingly with no obligation.

Specific Conditions

1. The Second Party shall respond to the "on call" maintenance requests immediately and the problem should be solved as soon as possible, but not



later than 3 days maximum period. Failing to comply/perform this, the First party has right to conduct the work through others and deduct all such expenses from the Second Party's monthly payment.

2. Upon the mutually agreed schedule of works, if the Second Party fails to perform any of his duties in a week time of the schedule date then the First party has the right to impose a penalty at a rate of SAR 150.00 per day of delay.
3. All activities and requirements for major repairs and new installations, or modifications to the existing construction/premises will be chargeable (as built drawings should be submitted by the Second Party) and is to be carried out, handled, managed, supervised and controlled by the Second Party Engineer through its Control Desk situated in Second party and under the general guidance of First party Maintenance Supervisor. The monthly report will also be submitted to First party.

Insurance

The Second party shall maintain during the performance under this contract, workers compensation and employer's liability insurance covering injuries, loss or damage to persons or property caused by the Second Party's activities.

Major Repair or New Installation

Second Party will carry out all trouble shooting work and provide on written request and work orders a fully commensurate repair and installation service as per requirements of the First party. Such request, if not an emergency, will be carried out after submitting a cost breakdown and getting its approval on agreed manhour rates and material cost plus service charges.

Seasonal and Periodic Breakdown Overhaul

Second Party will intimate in advance, in writing, all requirements of seasonal switch over and manufacturer's recommendations of periodic overhauls and servicing of installed equipment and machines. Such work will be carried out after the approval of such requests on work orders, to be charged on approved manhours costs of material and spares plus service charges.

Spareparts Cost and Handling Charges

The materials purchased for the maintenance will be reimbursed by the First Party at actual cost plus 25% handling charges and 5% Government VAT.

Manhour Rates for Extra Hours

Engineer	SR. 95/hour
Technician	SR. 65/hour
Pick-up Truck	SR. 80/hour

24 Hours Emergency Call out Service

24 hours a day, 7 days a week emergency call out services will be provided, which will be responded immediately after receiving the call. Emergency services of minor nature requiring less than 1 manhour will be carried out free of charge, whereas any major repair work will be considered as extra work and will be charged at manhour, spare parts, support service and supervision.

Emergency service is defined as a situation where in an immediate danger to life and property may take place. All such emergencies will be attended immediately after receiving the emergency call.

Work Control Desk

To have highly organized work regulation, a work control desk should be established Second party location, wherein an operator, well versed with maintenance procedures and work control desk operations, should be assigned to the facility. His work and functions should include:

- i) Receiving all work requests.
- ii) Strict implementation of the PPMP as per the established schedule and frequencies and standard operating procedures with logging of all functions carried out.
- iii) Interfacing with the First party premises management.
- iv) Follow up work assigned, in process and completed.
- v) Reporting, documenting, filing, developing and analyzing historical data for management review.

Filing System

A proper filing system should be developed for each facility, where in a building record equipment, machines and installations should be kept with its history and activity reports such as PPM, time of repairs , spare parts and parts changed along with other relevant information like date of purchase, etc. This historical record would give a full view of the status of equipment, its condition and expected functional life and will be a basis for management information service. One PC loaded with necessary program, filing cabinets, necessary furniture and stationeries should be made available by the Second party.

Safety & Security

1. The second party undertakes to take any utmost care of all facilities within the premises while performing the maintenance services.
2. The Second party indemnifies and hold First party harmless against any damage, theft or loss arising out of any negligence/act and undertakes that it shall be liable to compensate First Party for claim against such damages, theft or loss.

3. The Second Party undertakes to take any complaint/suggestion advised by the designated office of First Party and endeavor to rectify/implement.

Deployment, Mobilization & Delivery Period

Second party shall complete mobilization and ready to perform first quarter service within two weeks from awarding the contract.

Sub-Contracting

1. If needed, the Second party shall provide the First party a request to use a sub-Second Party to perform any service, where First party shall approve. The Request based on the nature of the service required.
2. All Sub-Second Party's shall meet the applicable rules and regulations in K.S.A.
3. The Second party will be fully responsible to the Sub-Second Partys staff legality, supervision and management.

Force Majeure

Neither party to this contract shall be liable to the other party in the case of force majeure. Both parties agree that force majeure shall (but not limited to) inability to implement due to any nature or cause and any other circumstances beyond control.

Settlement of Disputes

Any dispute that may arise between the two parties in respect of this contract shall be referred to and settled under the arbitration laws and regulations enforced in the Kingdom of Saudi Arabia. Place of jurisdiction shall be in Riyadh.

Contract Language

The main signed contract shall be in English. The general terms and conditions and technical aspects shall be in English language only.

