

Exhibit B

"Scope of Service"

The Contractor shall, in accordance with the terms and conditions of this Contract, perform Concrete Maintenance Services (the "Service") for all the facilities located within the Company Reserved Area/premises and other Company's operational areas which may require this Service by the Contractor at Al-Khafji, Saudi Arabia.

1. **Service Area**

The area ("Service Area") covered by this Contract where the Contractor shall perform the Service as approved/instructed by the Company at its Reserved Area/Location shall be as follows:

- a. North Area
- b. South Area
- c. Family Area
- d. Any other Company's operational areas as requested by the Company

2. **Service to be performed**

The Services to be performed are described herein and in the Attachments to this Exhibit B. However, Contractor's Service shall not be limited to that described in the Contract but shall include all things necessary to accomplish the intent of the Contract and shall be for:

2.1 **Work Unit Rates**

Work Unit Rate work will be assigned to Contractor on a Work Order basis and cover work that is outside the scope of the Lump Sum Work mentioned below.

2.2 **Lump Sum Work**

The Company is committed to assign the value of work as shown in Attachment 1 of Exhibit C. This work will be issued to the Contractor on a Work Order basis throughout the Service Period.

2.3 **National Manpower**

The Contractor shall provide National Manpower as set out in Article 5 of Exhibit H. The Contractor shall also provide all other National Manpower as required.

3. **Requirements during the Mobilization Period**

3.1 **Contractor's Representative**

The Contractor shall, within seven (7) days after execution of this Contract, appoint his Representative and notify Company of said appointment in writing for its approval. Contractor's Representative shall have the full power to represent and act on behalf of Contractor, receive Company's instructions and respond to the Company in regard to the performance of Service. The Contractor's Representative or his authorized delegate shall have a mobile telephone for 24 hours communication with the Company.

The Contractor shall, within seven (7) days after execution of this Contract, provide contact details for Contractor's Representative and for Contractor's corporate management person to whom Contractor's Representative Reports.

The Contractor shall, within fifteen (15) days after execution of this Contract, appoint his Project Manager and notify Company in writing for its approval.

3.2 Company Preparatory Requirements

Within fourteen (14) days from the effective date of the Contract, the Contractor shall familiarize himself with the Company requirement for working in Company premises.

During the Mobilization Period, the Contractor shall obtain Company required documentation for his Personnel, Equipment and Materials such as, but not limited to, gate passes (e.g. Personnel, Equipment, Materials etc.), attend orientation courses (e.g. safety, work permits etc.), Equipment inspection requirements and the like.

During mobilization, the Contractor shall obtain Company approval for;

- Personnel to be assigned to the Contract,
- Equipment prior to placement of purchase order
- Materials to be delivered and
- Any other items requiring Company approval.

Such approval shall be obtained in a timely manner within a schedule to be approved by the Company.

3.3 Mobilization Schedule and Reporting

Within seven (7) days of the effective date of the Contract the Contractor shall submit to the Company its mobilization schedule, which shall cover all Contractor's mobilization activities such as, but not limited to, Personnel, Equipment, Materials, accommodation, offices, warehouse, Company approvals, Company gate passes and the like.

Contractor's Representative shall provide mobilization progress reports to the Company in a Company approved format weekly or as directed by Company. The Contractor shall provide any other information and/or documents requested by the Company to substantiate Contractor's mobilization status.

3.4 Organization Chart & Work Procedures

Within one (1) month of the effective date of the Contract the Contractor shall submit for Company's approval:

a. Organization Chart

- i. Organization charts for the overall Service and for each section/portion of the Service, showing lines of communication within Contractor's organization and with the Company as well as Personnel distribution.
- ii. Deployment of Equipment.

b. Work Procedures

- i. The Contractor shall produce work procedures as set out herein and as requested by the Company.
- ii. Work procedures for the overall Service and for each section/portion of the Service set out in Article 2 hereof. These work procedures shall cover, but not be limited to:
 - Personnel
 - Equipment
 - Tools, materials and consumables
 - Work methods
 - Work locations
 - Schedules
 - Timings
 - Safety
 - Quality control
- iii. The Contractor shall produce more detailed work methods when requested by the Company.

3.5 Establishment of Forms

At least one (1) month prior to the Service Commencement Date, the Contractor shall prepare and submit, for the Company's approval, his proposed forms, with electronic copy for, but not limited to, the following:

- Daily Reports
- Attendance Sheets
- Monthly Reports
- Request for material supply
- Request for materials to be issued from the Warehouse
- Warning Letter
- Monthly invoice for payment
- Safety Reports – report of all accident/injuries/MVCs
- Weekly status reports
- Vacation Schedule
- Daily check-in and check-out list of Contractor Personnel
- Work Order Form

During the Mobilization Period the Contractor shall obtain approval from the Company of the format and contents of all documentation to be submitted to the Company and the frequency of such submittals.

3.6 Personnel

The Contractor shall, within fifteen (15) days from the effective date of the Contract, submit to the Company evidence that the concerned government authority has granted him approval for recruitment of the total number of expatriate laborer required under this Contract.

The Contractor shall, at least one (1) month prior to the Service Commencement Date, submit to the Company for its approval a list of all the Personnel to be assigned for the performance of the Service together with CVs, copies of visas, work permits and residence permits. The Company reserves the right to demand the submission of originals or authenticated copies of these documents if it deems fit or necessary. Such list of personnel shall give essential information of each of the Personnel such

as, but not limited to, name of Personnel, age, nationality, educational qualification and work experience.

The Company reserves the right to conduct an interview, screening and/or trade test for anyone or all the Personnel nominated by the Contractor prior to the final selection of the Personnel to be assigned for the Services under this Contract. The Contractor shall make necessary arrangements for the Company to conduct such an interview, screening and/or trade test, at the Contractors cost and responsibility.

3.7 Equipment

The Contractor shall within one (1) month from the effective date of the Contract, submit to the Company evidence that he has made arrangements for the delivery or use of all necessary equipment by the Service Commencement Date.

The Contractor shall, fifteen (15) days prior to the Service Commencement Date, submit to the Company evidence that he owns and has registered under his name all the required number of Equipment.

3.8 A sample of all Materials shall be submitted to the Company for its approval at least one (1) month prior to the Service Commencement Date.

3.9 A sample of the uniforms and the safety apparel shall be submitted to the Company for its approval at least one (1) month prior to the Service Commencement Date.

4. Personnel

The Contractor shall, to perform the Services under this Contract, provide and keep assigned the persons of the professions, qualifications and experiences as set out in Attachment 2 to Exhibit B and elsewhere in the Contract through out the Service Period at his own cost and responsibility. However, Contractor's supply of Personnel shall not be limited to that set out in Attachment 2 to Exhibit B and elsewhere in the Contract but include any and all Personnel required to carry out the intent of the Contract.

4.1 National Manpower

a. Definition

In this Contract, the following words shall have the meanings as below:

- "National(s)" means the person(s) of Saudi Arabian or Kuwaiti nationality.

- "Non-National(s)" means the person(s) of any other nationalities than Saudi Arabia and Kuwait.

b. Employment of Nationals

The Contractor shall conform to any and all Saudi Arabian rules and regulations governing the employment of Nationals and that set the requirements set out in Attachment 4 to Exhibit A "Contractor's National Manpower" and elsewhere in the Contract.

It is understood and accepted by the Contractor that it is his obligation to include the number of Saudi Arabian and/or Kuwaiti Nationals in his Personnel engaged on this Contract as set out elsewhere in the Contract.

5. Equipment

The Contractor shall, to perform the Services under this Contract, provide on a permanent basis the Equipment of the specification as set out herein, Attachments 2 to Exhibit B and elsewhere in the Contract through out the Service Period. However, Contractor's supply of Equipment shall not be limited to that set out herein, Attachment 2 to Exhibit B and elsewhere in the Contract but include any and all Equipment required to carry out the intent to the Contract.

5.1 Equipment shall include, but not be limited to;

5.1.1 Equipment for Concrete Maintenance Service

- a. Vehicles, spare parts and maintenance.
- b. Other equipment
- c. Tools of all kinds shall be included with Personnel

5.2 General requirement for Equipment

5.2.1 Marking

All Vehicles provided for the performance of this Contract shall have the following statement printed in Arabic and English on two sides of the Vehicles:

- "For KJO Services"
- Contractor's name
- Contract number
- Contract title

5.2.2 In the event of any Equipment being withdrawn from the Service for any reason including servicing, maintenance, breakdown, and inspection or over haul, it shall be the Contractor's responsibility to provide an immediate replacement of the same specification.

5.2.3 Contractor shall be responsible for purchasing sufficient stock of spare parts for the proper maintenance and repair of Equipment through out the Service Period.

5.2.4 The Contractor shall observe and comply with the Safety Requirements issued by Industrial Security & Safety Dep't (ISD) of the Company.

6. Materials

The Contractor shall, to perform the Services under this Contract, supply Materials throughout the Service Period of this Contract at his own cost and responsibility.

6.1 Material shall include, but not be limited to:

- a. All concrete materials
- b. All temporary materials
- c. All consumables
- d. Other materials required for the intent of the contract

6.2 Materials to Be Supplied

All the Materials to be supplied by the Contractor shall be brand new, first class quality, and shall comply strictly with the requirements of this Contract. Contractor shall maintain ample stocks of Materials in warehouse in Al-Khafji throughout the Service Period.

At his cost and expense the Contractor shall submit to the Company a sample of all the Materials whenever so requested by Company.

6.3 Storage of Materials

The Materials supplied by the Contractor shall be stored at his own warehouse ("Warehouse"). The Contractor shall be responsible for loading, unloading, transporting, storing and handling of the Materials.

The Contractor shall be solely responsible for the care of the Materials stored in the Warehouse, and any damage to, loss or deterioration of such Materials, the Contractor shall, at his cost and responsibility, rectify, replace or otherwise make good such damage, loss or deterioration.

The Company reserves the right to inspect the Warehouse and condition of the Materials stored therein at any time during the Service Period of the Contract, and may request the Contractor to repair, maintain or other improvement in storing and handling of materials as deemed necessary to which the Contractor shall comply without question.

The Contractor shall keep a complete inventory of the Materials and shall record information such as, but not limited to;

- a. Description,
- b. requisition date,
- c. requisition quantity,
- d. delivery date,
- e. delivery quantity,
- f. issuance date,
- g. issuance quantity,
- h. balance quantity in stock and
- i. expiry/use by dates.

Company shall have the right to inspect the Warehouse from time to time to verify the quantity and quality of the Materials supplied by the Contractor as well as the quantity consumed.

Contractor shall, at all times, keep stock sufficient for six (6) months Service The actual number of stock items shall be approved by Company. However Company's approval of stock and/or stock levels shall not relieve the Contractor of his responsibility to provide sufficient Materials for the smooth and continuous operation of the Service.

7. Miscellaneous Items

The Contractor shall, to perform the Services under this Contract, supply miscellaneous items as set out herein and elsewhere in the Contract throughout the Service Period at his own cost and responsibility, however Contractor's supply of miscellaneous items shall not

be limited to that set out herein and elsewhere in the Contract but include any and all miscellaneous items required to carry out the intent of the Contract.

7.1 Office

- a. The Contractor shall at his own cost and expenses provide all furniture and fittings for his use in the office including, but not limited to;
 - latest computer & printer
 - fax machine,
 - telephone line
 - Internet
 - all furniture and fittings
 - all items for kitchen
 - all consumables for kitchen, toilet & cleaning
- b. The Contractor is responsible for the cleaning, repair, maintenance and security of the office.

7.2 Mobile Phones

For the smooth and efficient performance of the Service, the Contractor shall provide mobile phone to for the Contractor's Representative/Project Manager. The cost of said mobile phone shall be included in Contractor's overhead cost.

7.3 Warehouse

The Contractor shall arrange the Warehouse/workshop ("Warehouse") at his own cost and expense.

The Contractor shall at his own cost and expense equip the Warehouse with necessary furniture, shelving/racking, other facilities and equipment so that the Materials and Equipment shall be tidily kept in a good condition being protected against damage, loss, vaporizing, deterioration, etc.

The Company reserves the right to inspect the Warehouse at any time during the Service Period, and may request the Contractor to repair or maintain such warehouse as deemed necessary to which the Contractor shall comply without question.

The above said warehouse (if any) shall be ready for the Company's first inspection at least one (1) month prior to the Service Commencement Date.

7.4 Accommodation Facility

The Contractor at his own cost and expense provide suitable accommodation facilities in Al-Khafji, Saudi Arabia, for the Contractor's Personnel and for other persons for whom the Contractor may be responsible. The Contractor should not accommodate more than three persons in a room less than 16 Sq. M. Single rooms should be provided to Key Personnel such as engineers and foreman. All the rooms should be equipped with, but not limited to, mattress, bed, clothing cabinets, mirror, air conditioners and oil heaters.

The camp shall have sufficient number of kitchens with cooking equipment, dining facilities, laundry facilities, sufficient water tanks for the storage of water, generator etc.

The camp should have a suitable yard such as playground for volley ball, basketball etc. and should have sufficient number of toilets so that there is not less than one toilet for every 6 persons and the same number of showers and kitchens.

The accommodation facility for Contractor's Personnel shall have medical facilities (such as first aid box, medicines etc.) for any emergency including an ambulance.

Should the Contractor not provide three (3) adequate daily meals for his Non-National personnel, the Contractor shall provide adequate cooking facilities and a minimum food allowance of Saudi Riyals five hundred (SR 500.00) per month to each of such personnel.

The Company reserves the right to inspect the accommodation facility at any time during the Service Period and may request the Contractor to repair or maintain such accommodation facility as deemed necessary to which the Contractor shall comply without question.

The above said accommodation facility shall be ready for Company's first inspection at least one (1) month prior to the Service Commencement Date.

The Company shall be the sole judge as to the adequacy of meals and cooking facilities and have the right to verify Contractor's compliance with this requirement.

Should Contractor be in violation of this requirement by not providing suitable adequate cooking facilities or nonpayment of the food allowance the Contractor shall rectify this deficiency within ten (10) days and the Company shall have the right to withhold payment until the Contractor provides evidence that such deficiency has been corrected

7.5 Transportation

The Contractor at his own cost and expense provide transportation for all the Contractor's personnel between the accommodation facility and site of Service and between a site and other site of Service. Buses shall be in good working condition not older than 5 years and equipped with working A/C's and heating system. The buses shall have the markings as set out in Sub-Article 5.2.1 herein. This transport shall be driven by professional licensed drivers.

7.6 Uniforms and Safety Apparel

The Contractor at his own cost and expense shall each year supply each of his employees with three (3) pairs of suitable overalls or work suits (for hot and cold climates) with the Company Logo (tag), they shall have a distinctive color for each work group.

The Contractor shall supply each of his employees with any necessary safety apparel such as, but not limited to, safety shoes, gloves, goggles and helmets (for the entire Contractor's Personnel).

The Company reserves the right to inspect all apparel provided by the Contractor to his Personnel, at any time during the effective period of the Contract, and may request the Contractor to renew such apparel, which are worn or unserviceable, to which the Contractor shall comply without question.

7.7 Vacation and Benefits:

Company General Use

The Contractor shall settle his employee's overtime payments, vacation and termination benefits as per Saudi Labor Law.

8. **Reports**

The Contractor shall submit daily, weekly and monthly reports to the Company Representative in an approved format.

The Contractor shall submit any other reports, logs and the like as requested by the Company and in an approved format.

9. **Familiarization and Cooperation**

9.1 **Familiarization**

At least two (2) weeks prior to the commencement of the Service, the Contractor shall, at its expense, make available on Site key Personnel in order to enable the Contractor's key Personnel to familiarize themselves with and take over the Service. During this period, the Contractor shall co-ordinate his resources and liaise closely with the Company Representative and the existing contractor to ensure smooth and efficient take-over of the Service.

The Contractor shall not receive separate payment by the Company during the two (2) weeks of familiarization period. This cost shall be deemed to have been included in the Consideration for the Contract.

9.2 **Cooperation with follow-on contractor**

9.2.1 During the last two (2) weeks at the end of the Service Period or upon termination of all or part of the Service for any reason, and in the event of a replacement Contract being awarded to another contractor, the Contractor shall familiarize the new contractor with the Service/works and hand them over the Service in the manner best suited to the uninterrupted performance of the Service.

It is the Contractor's responsibility to do all things necessary and reasonable to achieve a satisfactory hand-over of the Service to the follow-on contractor.

9.2.2 The Contractor shall fully cooperate with the follow-on contractor to transfer Nationals/non-nationals who wish to transfer from his employment to that of the follow-on contractor.

10. **Penalty**

It is understood and accepted by the Contractor that penalties shall be applied for delayed performance of the work as per Article 21 of Exhibit A (General Terms and Conditions).

Attachment 1 to Exhibit B	- Concrete Maintenance Service
Attachment 2 to Exhibit B	- Requirements for Contractors Provisions
Attachment 3 to Exhibit B	- Estimation of Work Volume
Attachment 4 to Exhibit B	- Typical Drawings
Attachment 5 to Exhibit B	- Flow of Services
Attachment 6 to Exhibit B	- Technical Specifications