



GENERAL CONDITIONS FOR CONTRACTORS
(DOCUMENT 21/23 05-2012 REV.2)



1. DEFINITIONS

(i) “The Contract” means the documents forming the tender and acceptance thereof, together with the documents referred to therein including these Conditions, the Specifications, the Bills of Quantities, the Drawings, and the Contract Agreement and all these documents taken together shall be deemed to form the Contract.

(ii) “The Works” means the work described in the Contract including all modified or additional work to be executed and maintained in accordance with the Contract.

(iii) “The Site” means the area where work is to be executed under the Contract or which may be used for the purpose of carrying out the Contract.

(iv) “The Contract Sum” shall mean the sum accepted or calculated in accordance with the prices accepted by the Employer and which is named in the Contract and which may be subject to such additions thereto or deductions therefrom as may be made under the provisions hereinafter contained.

(v) “The Contract Value” shall mean the final total sum agreed as payable by the Employer to the Contractor for the full and entire execution, completion and maintenance of the Works and shall be the Contract Sum adjusted to give effect to additions or deletions arising out of Variations (see clause 2).

(vi) “The Engineer” shall mean the Employer’s General Manager, Manager or any deputy, subordinate, department or firm appointed from time to time by the Employer or the Engineer and whose authority shall be notified in writing to the Contractor.

(vii) “Variation” means the alteration or modification of the design, quality or quantity of the Works as shown upon the Drawings and described by or referred to in the Contract, and includes the addition, omission or substitution of any work, the alteration of the kind or standard of any of the materials or goods to be used in the Works, and the removal from the site of any work materials or goods executed or brought thereon by the Contractor for the purposes of the Works other than work materials or goods which are not in accordance with the Contract; it does not include changes in prices or rates.

(viii) “Government” means the Government of His Highness, the King of Bahrain.

2. VARIATIONS

The Employer may from time-to-time issue further instructions and / or explanations, with additional certified drawings if appropriate, to introduce Variations in the Works. The Contractor shall comply with the said instructions within seven days of written notification by the Employer and any appropriate revision of the Contract Sum will be made in accordance with the Contract. If the Contractor fails to comply as aforesaid, the Employer may make such other arrangements for performance of the Works in accordance with the instructions as he considers necessary and may recover from the Contractor all costs incurred in making such arrangements either as a debit or by set off against the Contract Sum.

Such Variations must be in the written form of either a purchase order, an agreement or a site variation order and must be authorised on behalf of the Employer.

3. INDEPENDENCE OF CONTRACTOR

The Contractor will at all times whilst carrying out the provisions of the Contract be deemed to be an independent contractor and not an agent or employee of the Employer, maintaining complete control as an employer over his men and full responsibility for his operations

4. CONTRACTOR'S PERSONNEL

(i) All persons engaged on the Works under the Contract are to be subject to the approval of the Employer. If any of the Contractor's employees fail to comply with any enactment of the Government or transgress the rules and regulations of the Employer or are in any way unsatisfactory to the Employer, then the Contractor shall on Employer's request remove such employee or employees from the Works without delay. Any persons so removed from the Works shall be replaced as soon as possible by a competent substitute approved by the Engineer. The Contractor shall, if required by Employer, make a daily return to the Employer of all men engaged in the Works.

(ii) It is a condition of the Contract that all persons employed by the Contractor to work on the Contract are to be medically fit, and the Employer reserves the right to carry out a medical examination of any person so employed either before such person starts work at the Site or at any time during which that person continues to work at the Site. The Employer's decision as to fitness or otherwise of any such person shall be final.

5. CONTRACTOR'S SUPERVISION

The Contractor shall at all times during working hours keep upon the Works a competent, English-speaking supervisor who shall be designated in writing by the Contractor as his representative. Any instructions given to the said supervisor by the Employer shall be deemed to have been given to the Contractor.

6. DAYWORK TIME REPORTING

Where work is performed by personnel for whom the Contractor is responsible on a day work basis, the Contractor or his representative must submit day work sheets on a daily basis for approval and signature by the Engineer. The Employer reserves the right to withhold payment in respect of work carried out on a day work basis if such approved day work sheets are not obtained.

7. ASSIGNMENT AND SUB-LETTING

(i) The Contractor shall not assign or transfer the Contract or any benefit or interest therein, (other than a charge in favour of the Contractor's bankers of any money due or to become due under the Contract) without the prior written consent of the Employer.

(ii) The Contractor shall not sub-let any portion of the Works without the prior written consent of the Employer and such consent, if given, shall not relieve the Contractor from any liability or obligation under the Contract. The Contractor shall assume responsibility for employees of subcontractors as if they were his own employees.

8. GOVERNMENT REGULATIONS

The Contractor shall comply with any government decree, edict, order and any Bahrain standard, code of practice or law and shall indemnify the Employer against any liability arising out of such regulations in respect of the Works.

If any variation to the Works is necessitated by compliance with any such regulations, then the contractor shall give written notice to the Employer outlining the reason for and cost of such variation. If within seven days, the Contractor does not receive further instructions from the Employer he shall proceed with the Works in conformance with the regulation in question and the extra cost of so doing shall be added to the Contract Sum.

9. EMPLOYMENT OF BAHRAIN NATIONALS

The Contractor will be expected to employ Bahraini nationals dependent upon availability and ability to perform the work to be carried out under the Contract.

10. SAFETY

The Contractor shall ensure that at all times his personnel observe the ALBA "Health and Safety requirements For Contractors", ALBA Code of Practice (ACOP) 25).

11. PROTECTIVE CLOTHING

All contractor personnel required to work in the so called "Hot Metal Areas" (in most Reduction and Casthouse areas), must be wearing Flame Retardant Personal Protective Clothing (FRPPC). As with all other Personal Protective Equipment, this FRPPC is to be supplied by the Contractor at its cost. This FRPPC can either be obtained from Alba at a price or direct from an Alba Approved Supplier (details available from Alba).

12. SECURITY

The Contractor shall obtain from the Employer, security passes for all his employees entering the Employer's premises and shall ensure that they observe the conditions, which apply to them. To obtain these security passes the Contractor must provide the Employer with the following information, for each of his employees, at least two working days in advance of requirement:-

- CPR Number
- Full name
- Nationality
- Passport no. (or identity card no. for Bahrainis)
- Residence permit no. (for expatriates)
- Job title/position

The Employer will charge the Contractor BD5 (Bahrain Dinars Five) for each security pass. All badges must be returned to the Employer upon completion of the contract.

The driver of each Contractor's vehicle leaving the Employer's premises must be provided with an authorised gate pass in respect of any load. The Employer shall have the right to search any such vehicles including the driver and any passengers, and the right to require the vehicle to be unloaded to facilitate the search.

The Employer reserves the right to search any of the Contractor's employees leaving or entering the Employer's premises and to inspect any parcel, package, handbag or motor vehicle and it shall be the Contractor's responsibility to make all those of his employees who visit the Employer's premises aware of this provision.

13. WORK PROGRAMME

As soon as practicable after acceptance of his tender the Contractor shall submit to the Engineer for his approval a programme showing the order procedure and the method in which he proposes to carry out the Works. If required by the Employer, the Contractor shall produce a revised programme. A record of progress shall be kept by the Contractor and reported to the Engineer as and when required by him. The approval of any programme by the Engineer shall not relieve the Contractor of any of his duties or responsibilities under the Contract.

14. INSPECTION OF THE SITE

The Contractor shall be deemed to have inspected and examined the Site and its surroundings and to have satisfied himself before submitting his tender as to the nature of the ground and sub-soil, the hydrological and climatic conditions, the form and nature of the Site, the extent and nature of the work and materials necessary for the completion of the Works, the means of access to the Site by land or sea, the accommodation he may require and in general shall be deemed to have obtained all necessary information about the risks, contingencies and other circumstances which may influence or affect his tender price.

No claim for additional payment will be allowed on account of the failure of the Contractor to obtain complete and correct information on all matters relating to the Site. The Contractor shall be responsible for any misunderstanding or incorrect information however obtained, except information given in writing by the Employer.

Any neglect, delay or failure on the part of the Contractor to obtain reliable information upon the above or any other matters shall not relieve him from any risks or liabilities for the completion of the Works included in the Contract.

15. CONTRACT DOCUMENTS INFORMATION

(i) The Employer or his Engineer shall provide the Contractor with such certified drawings and other information as shall be necessary to enable the Contractor to locate and set out the Works.

(ii) If the Contractor shall find any discrepancy between Contract documents, he shall immediately give to the Engineer a written notice specifying the discrepancy, and the Engineer shall issue instructions with regard thereto.

(iii) Subject to paragraph (ii) above, the Contractor shall be responsible for any errors arising from inaccuracies in his own setting out and shall bear the cost of correcting such errors.

(iv) The checking of any setting-out by the Employer or his Engineer shall in no way relieve the Contractor of his responsibility for the correctness thereof.

16. SITE AND ACCESS

(i) During the progress of the Works the Site and adjacent areas are to be kept clean and tidy at all times. The Contractor shall remove and dispose off all debris from the site on a daily basis. The Employer will decide on what constitutes a satisfactory standard of cleanliness and tidiness.

(ii) Upon completion of the Works the Contractor shall at his own expense, reinstate all disturbed land surfaces and remove and dispose of all debris from the Site to the satisfaction of the engineer.

(iii) Access to the Site shall be through the main entrance of the Employer's premises and will be subject to the Employer's regulations concerning the entry and exit of men, materials and equipment from the Employer's premises (see clause 11).

(iv) The Contractor shall use all reasonable means to prevent damage to any of the roads leading to the Site and shall not subject such roads to excessive weight or extraordinary traffic without the prior agreement of the Employer.

17. PLANT, TOOLS AND VEHICLES

Unless otherwise specified the Contractor shall provide all plant, tools, vehicles, consumable stores and equipment necessary for the proper execution of the Works.

18. STANDARD OF WORKMANSHIP & MATERIALS

(i) The Engineer shall act as inspector on behalf of the Employer. The Contractor shall afford every facility for the performance of that duty including unrestricted access to the Works and to the Contractor's workshops or other places where work is being carried out under the Contract, and the opening up of work covered up.

(ii) The Contractor shall submit samples of materials and goods to be used in the Works for the Employer's approval. Work executed shall conform to the approved samples. The Employer reserves the right to reject any work where in his opinion the workmanship is below the standard required to comply with the Drawings and Specifications and the cost of replacing and making good any materials damaged as a result of such rejection shall be borne by the Contractor.

19. TEMPORARY WORKS

The proposed location of all huts and other temporary structures on the Site shall be approved by the Engineer.

20. EXISTING SERVICES

The Contractor shall be responsible for maintaining all existing services and drainage to other areas and premises, other than the Site, during the progress of the Works and shall take all steps to prevent interruption of the same. No diversion of such services shall be carried out without written instruction from the Engineer and any temporary disconnection which may be necessary as a consequence of the Works, shall be done at such times as may be directed by the Engineer.

21. SITE UTILITIES

Unless specifically agreed otherwise the Contractor will be responsible for the supply of all utilities to the Site, including but not limited to, electricity, gas, water and compressed air.

22. OTHER CONTRACTORS

The Contractor shall afford all reasonable opportunities for other Contractors, engaged by the Employer on work not included in the Contract or ancillary to the Works, to carry out their work on or near the Site.

23. CANTEEN FACILITIES

Unless specifically agreed otherwise the Employer's canteen and catering facilities will not be available to the Contractor's employees. The Contractor will be responsible for the supply of drinking water for his employees.

24. MEDICAL FACILITIES.

Only in cases of emergency will the Employer's medical facilities be made available to the Contractor. In such cases the Contractor will be invoiced for all services utilised plus all other charges incurred at the Employer's normal rates and the Contractor will reimburse the Employer for such costs.

25. INDEMNITY AND INSURANCE

(i) The Contractor shall indemnify the Employer against any liability resulting from injury or death of any person engaged in connection with the Works, including employees of subcontractors, and shall maintain such insurance as shall be necessary to cover his liability in this respect.

(ii) The contractor shall indemnify the Employer against death or injury of their parties and against any loss of or damage to property caused through his own default or default of the Contractor's personnel and which shall arise by reason of the carrying out of the Works, and shall maintain such insurance as shall be necessary fully to protect himself against any liability incurred as a result of such indemnity.

(iii) The Contractor shall in the joint names of the Employer and Contractor insure against all loss or damage to the Works resulting from fire and other hazards over which neither he nor the Employer has control, up to a maximum amount for each loss which amount shall be specified in the Contract.

(iv) Insurance by The Contractor

- a. The Contractor shall arrange as a minimum the insurance set out in this clause 25 (iv) and ensure that they are in full force and effect throughout the life of the Contract. All such insurances shall be placed with reputable and substantial insurers, satisfactory to ALBA, and shall for all insurances (including insurances provided by Subcontractors) other than Employers Liability insurance/ Workmen's Compensation to the extent of the liabilities assumed by the Contractor under the Contract, include Alba, Co-Venturers and its and their respective Affiliates as additional assureds. All insurances required under this clause 25 (iv) shall be endorsed to provide that underwriters waive any rights of recourse, including in particular subrogation rights against Alba, Co-Venturers and its and their respective Affiliates in relation to the Contract to the extent of the liabilities assumed by the Contractor under the Contract. Such insurances shall also where possible, provide that ALBA shall give not less than thirty (30) days' notice cancellation of or material change to cover. The provisions of this clause 25 (iv) shall in no way limit the liability of the Contractor under the Contract.
- b. The insurances required to be affected under Clause 25 (iv) a. shall be as follows (to the extent that they are relevant to the WORK):
 - Employers Liability and / or (where the jurisdiction of where the Work is to be performed or under which the employees employed requires the same) Workmen's Compensation insurance covering personal injury to or death of the employees of the Contractor engaged in the performance of the Work to the minimum value required by any applicable legislation including extended cover (where required);
 - General Third-Party Liability insurance for any incident or series of incidents covering the operations of the Contractor in the performance of the Contract.
 - Third Party and Passenger Liability insurance and other motor insurance as required by applicable jurisdiction.
- c. The Contractor shall supply ALBA with evidence of such insurances on demand.
- d. The Contractor shall procure that Subcontractors are insured to appropriate levels as may be relevant to their work.

26. DELAY IN COMPLETION

- (i) If in the opinion of the Employer the Works are delayed: -
- by 'force majeure', or
 - by reason of any exceptionally inclement weather, or - by reason of fire (not including fire caused by the Contractor or personnel for whom he is responsible), or - by reason of civil commotion, local combination of workmen, strike

or lockout affecting any of the trades employed upon the Works, or - by reason of instructions given in pursuance of clause 2, or - because the Contractor has not received in due time necessary instructions from the Employer for which he shall have specifically applied in writing, or - by delay on the part of other contractors or tradesmen engaged by the Employer in executing work not forming part of the Contract. Then in any such cases the Employer shall make a fair and reasonable extension of time for completion of the Works. If the delay is caused by the Employer, he shall reimburse the Contractor for any proven loss occasioned thereby or for any reasonable expense incurred, provided always that the Contractor has given prompt notice of any such case to the Employer and has used constantly his best endeavours to prevent delay and to proceed with the Works.

(ii) Notwithstanding the above, any delay caused as a result of non-observance of the Employer's safety rules and regulations by the Contractor shall not entitle the Contractor to an extension of time or additional payment.

27. DETERMINATION BY EMPLOYER

(i) If the Contractor through his own fault causes delay in the execution of the Contract, or suspends the Works without reasonable cause, or fails to remove defective work or materials, and continues in default for fourteen days after written notice specifying the fault has been given by the Employer, or if he commits the act of bankruptcy or enters into liquidation proceedings, or if he or any of his employees in the opinion of the Employer commits a serious breach of the Employer's safety rules and regulations, then the Contractor shall be considered to be in breach of the Contract.

(ii) In such cases the Employer may forthwith terminate the Contract and employ another contractor to carry out and complete the Works and may utilise all temporary buildings, plant, tools, equipment, goods and materials intended for and delivered to the Works. Furthermore, the Contractor shall, if so required, assign to the Employer without further payment the benefit of any agreement for the supply of materials for the purposes of the Contract, and the Employer will pay the supplier of any such materials at the prices fixed in so far as such payment has not already been made by the Contractor.

(iii) If the Works are completed in this way, any difference between the total of the amount paid by the Employer to the Contractor, plus the amount paid by the Employer to complete the Works as herein described together with any expenses incurred by the Employer in completing the Works, and the amount of the Contract Sum revised within the terms of the Contract, shall be payable between the Employer and the Contractor in such a way as to ensure that the total amount paid by the Employer equals the amount of the Contract Sum, revised as appropriate.

(iv) The Employer hereby reserves the right to terminate the Works at any time, provided however that in any such event the Employer shall pay the Contractor for all work done in conformity with the plans and specifications, plus a reasonable amount for any loss sustained by the Contractor due to the suspension of the Works.

28. DETERMINATION BY CONTRACTOR

(i) Without prejudice to any other rights and remedies which the Contractor may have, if - the Employer does not pay the Contractor the amount due under the agreed payment terms within 14 days of the due date and continues such default for seven days after receipt of a written notice from the Contractor, or - the Employer interferes with or obstructs the issue of any certificate due under the Contract. Then the Contractor may thereupon by written notice to the Employer forthwith determine the Contract, provided that such notice shall not be given unreasonably or vexatiously.

(ii) Upon such determination, the Contractor shall remove from the Site all his temporary buildings, plant, tools, equipment, goods and materials and shall assist for his sub-contractors to do the same, but subject always to the provisions of paragraph (iii) of this clause.

(iii) Upon such determination, the Contractor shall be paid by the Employer:

- the total value of work completed at the date of determination; less amounts previously paid.
- the total value of work begun and executed but not completed at the date of determination.
- the cost of materials or goods properly ordered for the Works for which the Contractor shall have paid or for which the Contractor is legally bound to pay, and on such payment by the Employer any materials or goods so paid for shall become the property of the Employer.

29. COMPLETION OF THE WORKS

(i) Where in the opinion of the Engineer the Works are practically completed, he shall forthwith issue a Certificate of Completion.

(ii) The Employer reserves the right to occupancy of the whole or such portion of the Works covered by each Certificate of Completion from the time of issue of such Certificate.

(iii) The Contractor shall not withdraw from the Site on completion of the Works until the Employer has issued a final Certificate of Completion.

(iv) Any defects, shrinkage or other faults which shall appear within each period of twelve months after issue of each Certificate of completion and which are due to materials and workmanship not in accordance with the Contract, shall within a reasonable time after receipt of the Employer's written instruction be made good by the Contractor and (unless the Employer shall otherwise direct) at his own cost. The Employer reserves the right to retain an agreed percentage of the whole or an appropriate proportion of the Contract Sum for the duration of each such period of twelve months.

(v) The twelve months defects liability period mentioned in (iv) above shall apply to any part of the Works that has been repaired or replaced, from the date of such repair or replacement.

30. GREGORIAN CALENDAR

Unless otherwise stated, all reference to time and dates in the Contract shall be in accordance with the Gregorian calendar.

31. ARBITRATION

Any dispute arising between the parties to the Contract in connection therewith and which cannot be resolved shall be referred for arbitration in Bahrain in accordance with the Civil and Commercial Procedures Act, Statute No. 12/1971 as amended from time to time.

32. LAW

The Contract shall in all respects be construed in accordance with and governed by, the laws of the Kingdom of Bahrain.

**Regards,
Alba Procurement & Warehouse**

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