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1. OBJECTIVE

The objective of these Business Governance Framework is to define the relevant processes and principles of the functional and operational Organization of **MMEC MANNESMANN LLC for effective and evidence-based & Risk-based management of commercial decisions.**

2. SCOPE OF APPLICATION

This document represents the principles and requirements to be applied within MMEC MANNESMANN LLC organization for all Projects and corporate functions with immediate effect.

3. DEFINITIONS AND ABBREVIATIONS

3.1 Definitions

The following terms used in this document have the meaning defined below:

| | |
|--------------------------|--|
| MMEC | MMEC Mannesmann LLC |
| ET | Early Tendering Form shall be completed by the Proposals (BSP) prior to start with any tendering activities and to be authorized ONLY as per relevant procedure. This ETF provides a summary of information and criteria to assess if tendering on the subject prospect will be pursued or not. |
| ATT | The Authorization To Tender submission. The ATT documentation is prepared and processed by Sales & Proposals and must be approved in accordance with the relevant Organization Note. |
| ATC | The ATC document is an up-dated ATT document which states the differences between the terms and conditions prevailing at ATT stage and those at the time of authorization to commit (same template as ATT template may be used)/ Authorization Tender Commitment |
| R | Responsible Functions responsible for performing a task and to conduct the actual work of the process step (PS). More than one function can be responsible for a task. |
| A | Accountable Function, which is accountable for the task (also Approver). Only one function can normally be accountable for a process step. The same function can be responsible and accountable for a task. Often the accountable function also verifies the output of a task (responsibility). The signature can be physically on paper documents or electronically on data files |
| S | Support Who provides support during the implementation of the activity / process / service |
| C | Consulted (Assists/Participate) Functions, which need to be consulted or participate by the task responsible regarding the performance of the task or and/or regarding the output of the task prior to the process step being performed or completed. Consulted means, that their contribution needs to be considered, but not necessarily accepted. |
| I | Informed Functions, which are to be informed by the task responsible about the performance or the output of a process step. The normal reporting process to the superior function of the task responsible as well as to the own team members does not need to be and should not be specified here. Information or documents submitted to the I-functions should be listed in the output of the process step. |
| Power of Attorney | the authority to act for another person in specified legal or financial matters as defined in the subject GBR. |

3.2 Abbreviations

| | | | |
|-----|-------------------------|-----|------------------------------|
| ATT | Authorization To Tender | FuS | Follow-up Sheet |
| ATC | Authorization To Commit | P | Head of Projects 'Delivery |
| CEO | Chief Executive Officer | GTC | General Terms and Conditions |



| | | | |
|-------------|--|--------|---|
| AGH | Arabian Group Holding | GPP | General Process Procedure |
| B | Head of Business Division | ITT | Invitation To Tender |
| O | Head of Projects /Operations Division | LoI | Letter of Intent |
| OE | Head of Engineering Division | PTC | Particular Terms and Conditions |
| OSC | Head of Supply Chain Division | MoU | Minutes of Understanding |
| BoD | Board of Directors for AGH | QHSE-S | Quality, Health, Safety, Environment and Security |
| EPC | Engineering, Procurement, Construction | RAW | Risk Assessment Workshop |
| EPCM | EP + Construction Management | REC | Risk Evaluation Committee |
| ET | Early Tendering | RPET | Risk Potential Evaluation Table |
| ETF | Early Tender Form | OC | Control Manager (Planning, QS & Cost) |

4. REFERENCES

4.1 MMEC Documents

Reference shall be made to following internal documents:

| Document Number | Description |
|-----------------|-------------------------------------|
| GPP-QSM-001 | Corporate Quality Management Manual |
| GPP-HSEM-001 | Corporate HSE-S Management Manual |
| GPP-QSM-003-001 | Risk Management Procedure |

4.2 National and International Regulations, Codes and Standards

Reference shall be made to following documents:

| Document Number | Description |
|-----------------|--|
| ISO 9001 | Quality Management Systems - Requirements |
| ISO 14001 | Environmental Management System |
| ISO 45001 | Occupational Health and Safety Management System |

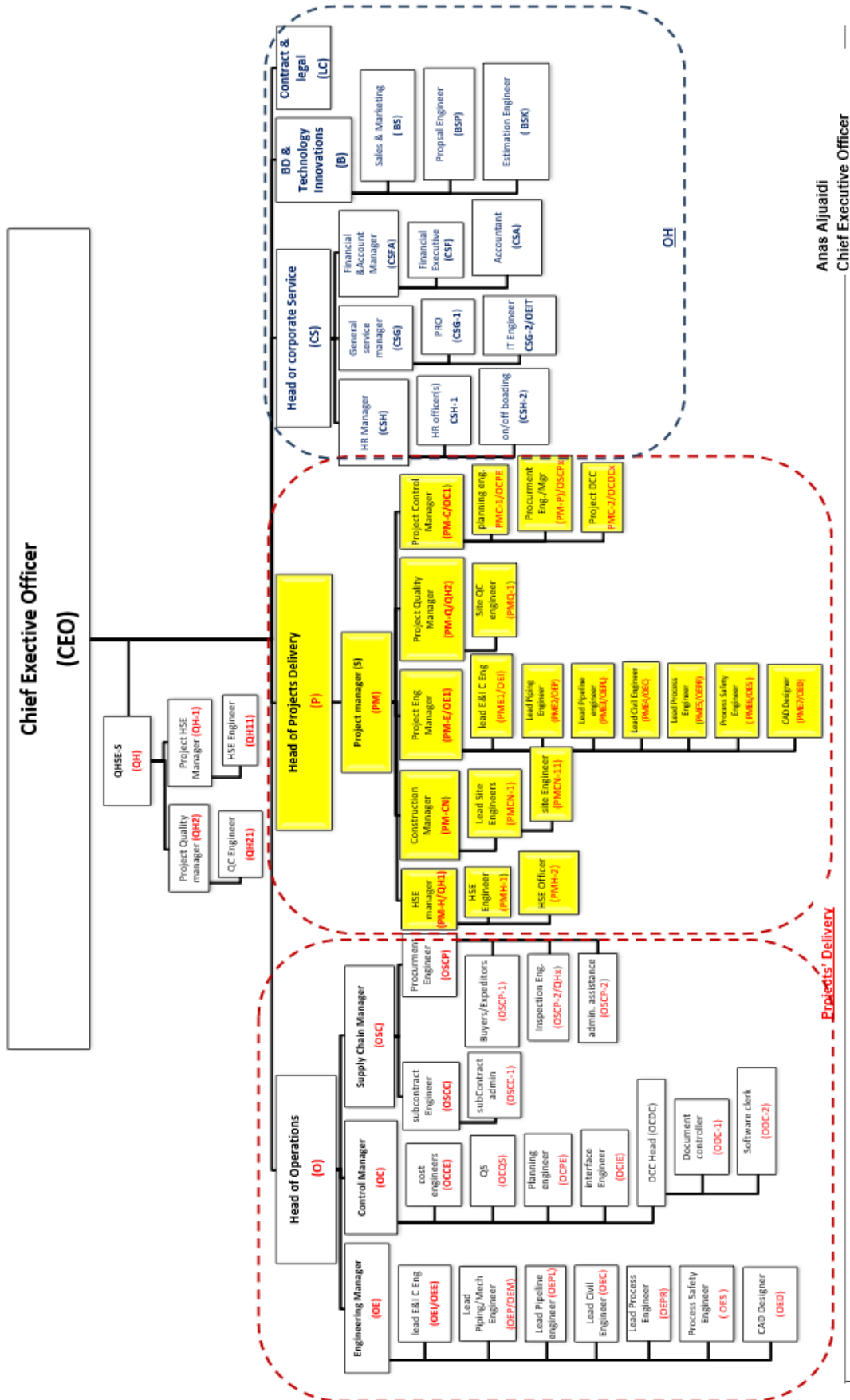
5. GENERAL RULES

Below please find a brief of MMEC MANNESMANN LLC business process overview, which is detailed in the following sections.

5.1 Organization of MMEC Mannesmann LLC

The MMEC organization structure and responsibility lines are shown in the below Organization Chart.

In general, the MMEC Organization Chart is regularly updated, maintained, and distributed by QHSE-S Management (QHSE-S) and published upon approval by the CEO via the MMEC Intranet.



Anas Aljuaidi
Chief Executive Officer

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Note: The above organization charts are not subject of update.

5.1.1 MMEC Department Structure

The below department structure gives information about:

- (1) Description/function of Department,
- (2) Department Abbreviation (Initial),
- (3) Responsibility and accountability.
- (4) Organizational Hierarchy

Note: The below Department Structure is also published on the MMEC Intranet under “Useful Information”.

| MMEC MANNESMANN LLC | | |
|---|-----------------------|---|
| Organization unit in accordance with the Overall Organigram | | |
| Description | Function Abbreviation | Remarks |
| 1 | 2 | 3 &4 |
| General Management & Corporate Services | | |
| Group Chief Executive Officer | Group CEO | |
| Chief Executive Officer | CEO | To BoD and Group CEO |
| Head of Operation | O | To CEO |
| QHSE-S Management | QH | To CEO |
| Project Delivery Director | P | To CEO |
| Corporate Services | | |
| Corporate service | CS | To CEO |
| Human Resources | CSH | To CS |
| Information Technology | IT | To CS and OE |
| Finanace & Accounting | CSFA | To CS |
| Business | | |
| Business | B | To CEO |
| Sales | BS | To B |
| Estimating | BSK | To B |
| Proposals | BSP | To B |
| Projects | | |
| Projects Delivery Manager | P | To CEO |
| Project Management | PM | To P |
| Project Control (Planning, QS, and cost control) | PMC | To PM |
| Project QM, HSE-S, AE, Inspection | PMQ | Matrix reporting functionally to QHSE-S and site organizationally to PM |
| Construction | PM-CN | To PM |
| Commissioning | PM-CM | To PM |
| Cost Control | PMC-2 | To PMC and OC |
| Planning & Scheduling | PMC-1 | To PMC and OC |
| Document Control | OCDC | Matrix reporting functionally to PMC and OC and site organizationally to PM |
| Engineering | | |
| Operations | O | To CEO |
| Engineering | OE | To O |
| Process | OEPr | To OE and PM strong matrix |
| Pipelines | OEPL | To OE and PM strong matrix |
| Piping | OEP | To OE and PM strong matrix |

| | | |
|---|--------------|---|
| Civil & Structural | OEC | To OE and PM strong matrix |
| Mechanical | OEM | To OE and PM strong matrix |
| Electrical | OEE | To OE and PM strong matrix |
| Instrumentation & Automation | OEI | To OE and PM strong matrix |
| Supply chain (Procurement & Subcontract) | | |
| Operations | O | To CEO |
| Supply chain | OSC | To O |
| Corporate Procurement | OSCP | |
| Project Procurement | PMC-x /OSCPx | To OSC mainly, in major project may PM-P be appointed with strong matrix to OSC |
| Corporate Subcontracting Services | OSCC | To OSC for subcontract manager/engineer |
| Legal & Contract | | |
| Legal and Contract Engineer | LC | To CEO |

5.1.2 Business fields of MMEC

MMEC is an EPC Contractor and renowned for the execution of upstream and downstream projects for the oil, gas, (Petro) chemical, power, and minerals & metals industries. MMEC’s target is, **to develop its portfolio further in new technologies and renewables.**

With many years of experience, MMEC staff covers consulting services and the entire cycle from early project development, feasibility studies, including hydraulic and case studies, conceptual and basic design, front-end engineering up to the EPCM implementation of industrial projects and after sales.

EPCM project model required standardized project management systems and deployment of software and standardized forms of subcontract to manage and control site construction activities and sub activities.

MMEC combines in-house EPCM capabilities and expertise and alliances with German and international technology partners with individual requirements of CLIENT’s preferred project implementation schemes.



- Field Development
- Oil & Gas Processing
- Onshore Pipeline Systems
- Underground Gas Storage
- Compressor & Pumping Stations
- Oil & Gas Terminals



- Isomerization
- De-Sulphurisation
- Lube oils
- ADU-VDU
- HDS-Units



CHEMICALS

- Chlor-Alkali & Vinyl's
- Catalysts
- Base chemicals
- Fine chemicals



MINERALS & METALS

- Coke calcining
- Ash handling
- Solid material handling
- Slurry pipelines
- Direct Reduced Iron (DRI)



RENEWABLES

- Polysilicon
- Geothermal
- Bio ethanol
- Waste to Energy
- Recycling

5.2 Principles for signing documents

The principles for signing documents are specified herein. The delegation of authority to enter commitments is determined by the description in the specific **power of attorney** document.

The Procedure for signing documents committing MMEC towards third parties or releasing third parties of their obligations towards MMEC is based on the general rule of; **5 signatures being necessary** as described hereafter.

The rules are:

- Each "permanent power of attorney holder" can sign together with another permanent power of attorney holder.
- Each permanent power of attorney holder or "limited Power of Attorney holder" can sign together with a "specific Power of Attorney holder". A permanent power of attorney holder can nominate a limited power of attorney holder.
- Any binding commitment requires five signatures, only the CEO is authorized to sign alone.

| <u>Limited</u> / <u>Specific</u> Power of Attorney holder (min. 5 sign. Include CEO) | | | | | | | <u>Permanent</u> power of attorney |
|---|--------------|-------------|---------|----------|--------------|-------------|---|
| O(M) | OE(M) | P(M) | OC(Op.) | OSC(Op.) | LC(M) | QHSE-S(op.) | CEO (M) |

- An exception is, Secrecy Agreements which only govern confidentiality issues. For these agreements, a signature by one authorized person is sufficient.

The signature (initialling) of Engineering and QHSE-S related documents is not covered by this procedure.

For a project under execution, a limited Power of Attorney shall be issued enabling the designated persons to manage the day-to-day business as provided in the "specific Power of Attorney".

The designated person shall be authorized to sign day to day business matters together with e.g., a project discipline engineer in charge. All communication committing MMEC shall be signed together with a "permanent Power of Attorney holder" or "specific Power of Attorney holder" as required.

5.3 Delegation of powers within MMEC

Section 5.2 defines the principles for signing documents at **MMEC**. This section determines the practical details.

5.3.1 CEO and Permanent Power of Attorney holder

The shareholder(s) shall appoint the (CEO). Permanent Power of Attorney shall be granted by the CEO, based on approval of the shareholder(s).

5.3.2 Specific Power of Attorney

Specific Power of Attorney is given by the CEO and/or Head of Operations/or head of project delivery to designated managers, and if necessary, LC, QHSE-S ...

5.3.3 Limited Power of Attorney

Limited Power of Attorney is given by Head of Operation or permanent Power of Attorney holder in charge (OE, OC, OSC) or by P to selective PMs for efficient project operations.

5.3.4 Delegation of Powers

Internal sub-delegations are made by way of power of attorney, either permanently by reference to an employee's position in the Organization, the description in the power of attorney document and work description, or for a specifically defined single action (e.g., contract signature).

no authorizations are permitted to sign for bank accounts and are subject to a separate Procedure.

5.3.5 Delegation of Power to the Proposal/Project Manager

For proposals or projects with a value of > 10,000 USD, the Proposal/Project Manager shall be empowered by "Limited Power of Attorney" with the Letter of Appointment to perform MMEC's obligations towards the client as required.

5.3.6 Delegation of power to Site Managers

The Site Manager (subordinates for PM like construction/commissioning manager) shall be empowered by "Limited Power of Attorney" (Letter of Appointment) to perform MMEC's obligations towards the client as required.

5.4 Matters that require in-house release

The following approval matrix shall apply for the activities listed below:

| Activity | Function Responsible* | Approval required from* | |
|---|---|-------------------------|-----|
| Decision to prepare a bid and allocation of budget | B+O | CEO | |
| Pricing of a Proposal | BSK+O+P | CEO | |
| Nomination of | Proposal Managers | B | CEO |
| | Project Managers | P | CEO |
| Nomination of Key Personnel | Proposals | Dept. Heads | CEO |
| | Projects | Dept. Heads | CEO |
| External consultancy services | Respective Dept. Heads | CEO | |
| Granting of exclusivity to a partner/subcontractor, formation of Consortium, Joint Ventures | LC / B or P | CEO | |
| Tax Policy | Tax Advisor (external) | CEO | |
| Requests for Letter of Comfort, Bank Guarantees & Bonds | L & CSFA | CEO | |
| Risk/Liability insurances for Projects | LC | CEO | |
| All corporate financial matters and reporting of: - Profit/Loss Actual - Profit/Loss forecast and reporting - Commercial planning - Financial planning - Annual financial statements actual - Annual financial forecast and Reporting | CSFA CSFA O&P& CSFA CSFA CSFA CSFA | CEO | |
| Relationship with the media and publicity matters | B | CEO | |
| Authorization to proceed to a planned Commercial implying computer technology and software. | IT | CEO | |
| Commitment towards financing institutions and credit insurances e.g., Exporters guarantees required by ECAs, ECA applications | BSC (Support by CSFA in cooperation with ME) | CEO | |
| Business Agency Agreements | B | CEO | |
| Sponsor /Agents | O | CEO | |
| Starting/Closure of lawsuits/Arbitration Procedures | LC | CEO | |
| Acquisition of technology | B | CEO | |
| Establishment of incorporated companies/subsidiaries | O | CEO | |
| * Function, department, or division abbreviation | | | |

5.5 Communication / Meeting Matrix

| RASCI | | | CORPORATE/ DEPARTMENTS | | | BUSINESS & PROPOSALS | | | PROJECTS & MAJOR PROJECTS | |
|-------------------------------------|-------------------------------------|---------------------------------------|---|---|------------------------------|---|-----------------------------------|--------------------------|---------------------------|---------------------------|
| R | Responsible | Owens the task /Verification | MRM Monthly Review Meeting for all project | Strategy Meeting with shareholders | Division Coordination | Sales and Business Meeting | ET Decision & Approval | ATT/Price Meeting | PMR Projects | PMR Major Projects |
| A | Accountable | Decide & approve | | | | | | | | |
| S | Support | Support the task / Issue | | | | | | | | |
| C | Consulted | Assists/Participate | | | | | | | | |
| I | Informed | Receive information w/o participation | | | | | | | | |
| *() Depending on project specifics | | | | | | | | | | |
| FREQUENCY | | | Monthly | yearly | weekly | Monthly | On request | On request | Monthly | weekly |
| MEETING LEADER | | | P | CEO | BEPO | B | B | B | PM | PM/P |
| RECORD/PRESENTATION | | | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| PARTICIPANTS | Share Holders (SH) | | I | A | | I | | | | |
| | CEO | | A | A | A | A | A | A | A | A |
| | O | | C | R | R | C | C | R | C | C |
| | B | | I | R | R | R | R | R | C | C |
| | BS | | | S | S | S | S | S | | |
| | BSK | | | S | S | S | S | S | | |
| | BSP | | | S | S | S | S | S | | |
| | OE | | C | S | S | | | S | S | S |
| | P | | R | R | R | C | C | C | R | R |
| | LC | | I&C | R | R | C | C | C | C | C |
| | QHSE | | C | R | R | C | C | C | C | C |
| | PM | | S | S | S | | | | S | S |
| | OC | | € | S | S | | | S | S | S |
| | CS | | C | R | R | C | C | C | C | C |
| IT | | | S | S | | | | | | |
| CSFA/HR | | | S | S | | | | | | |
| Abbrev. | Function | | | | Abbrev. | Function | | | | |
| SH | Share holders | | | | OSCP | Head of Procurement | | | | |
| CEO | Chief Executive Officer | | | | LC | Legal & Compliance | | | | |
| B | Head of Business Department | | | | QH | Head of Corporate QHSE-S & OQ | | | | |
| BS | Head of Sales | | | | P | Project Directors/Projects delivery Manager | | | | |
| BSK | Head of Estimating | | | | PM | Project Manager | | | | |
| BSP | Head of Proposals | | | | OC | Corporate Control Manager | | | | |
| OC | Head of Project Cost Control | | | | | | | | | |
| OSC | Head of Sub-/Contracts & Risk Mgmt. | | | | | | | | | |
| OE | Head of Engineering | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |

5.6 Sales & Proposals Process

The primary tasks of the MMEC Sales & Proposals are to follow all commercial activities, the development and trend of the market, observe the actions and strategies of potential clients and competitors and based on that, develop and present business plans and strategic recommendations to increase market shares and achieve MMEC strategic vision.

Both the head of Projects and Operations will support of tendering process through the phases of business development, pre-enquiry, prequalification, tender preparation and negotiation activities, identification, and formation of alliances as well as to lead the reporting and planning activities, the establishment of the sales network and all other sales activities, which are necessary to secure the new projects. He is responsible for meeting MMEC's order intake targets and tendering targets.

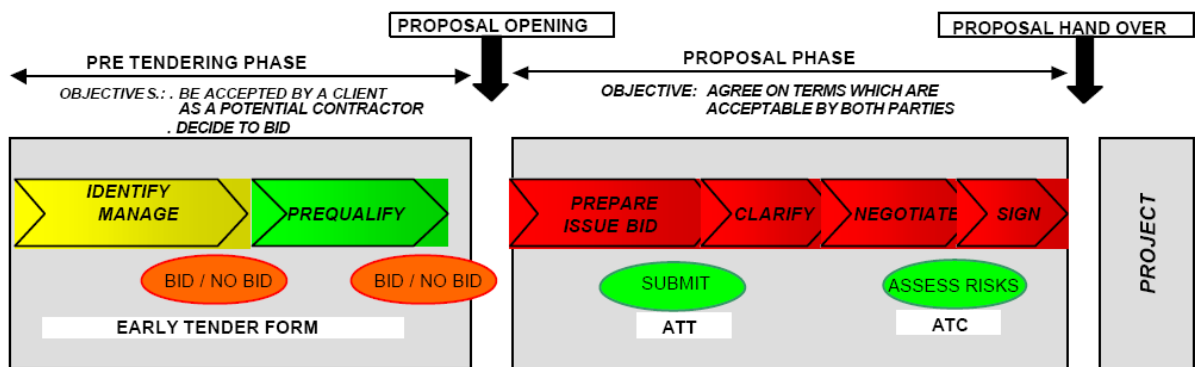
5.6.1 Proposal Process

The following section summarizes the main proposal process and tasks to be carried out from the initial contact followed by the decision to bid, to the bidding phase and hand-over of the Contract to the Project Management Team upon signing of a contract or to issue a close-out (post-mortem analysis) in case of unsuccessful submission. Details are given in MMEC Process Procedure and the sections below.

All Proposals shall be prepared, approved at the appropriate level of authority prior to submission and final commitment to Clients to ensure an optimized risk / reward profile. Full compliance with MMEC's Corporate Governance Rules, Principles and Requirements shall be ensured.

All disciplines shall be involved in the process within their respective scope of work or detailed deliverables. Assignment of personnel to any proposal preparation and project execution shall be coordinated by the relevant department managers. They shall ensure that all aspects in terms of Proposal Execution especially regarding Quality, HSE-S, technological/technical aspects, engineering, procurement, estimating, cost, contractual commitments, payment, cash flow & exposure, taxation, insurance coverage and planning are considered and that all risks are assessed and mitigated.

Overall process schematic :



5.6.2 Pre-Tendering Phase

Decision to follow an offer will be taken in dedicated meetings between the Heads of ME, B, E, P & O with contribution of the Heads of "BS", "BSP", "BSC", "BSK" and L.

Such meeting shall be prepared by "B and /or O" prior to the start of bidding activities and an "Early Tendering Form" (ETF) shall be prepared for verification and decision for a prospective Tender.

After positive ET-decision obtained from the appropriate level of authority, the bidding activities shall commence on basis of the ETF.

The Proposal Manager shall present the bidding strategy in a dedicated Kick Off Meeting (KOM) summarizing project requirements including Scope of work, Quality & HSE objectives, technical execution specifics, project value, financing, payment security, competition, advantages, contractual elements and risks, potential partnership, licenses, local content, proposal budget, man-hours and schedule.

During this Process, the relevant Discipline Manager(s) shall be consulted by BS, BSK & BSP to align the bidding strategies and avoid any conflict of interest.

O AND B shall prepare the Job Master file Form, which is mandatory to DEVELOP a budget covering the estimated costs for the preparation of the proposal and to receive the Proposal activity number from FC "Corporate Controlling and Treasury" Department which records the accrued proposal costs.

NOTE:

If ET / ATT (authorization to submit technical bid and/or commercial bid) / ATC (authorization to sign new contract) documents are not completed and submitted in time for review, or cannot be reviewed due to missing adequate information, no approval will be obtained simply to meet a commercial deadline.

No commitment "vis-a-vis" any Client or Partner shall be taken without prior ET respectively ATT approval.

5.6.3 Proposal Preparation

The Manager Proposals (BSP) shall ensure that the ETF is updated in the same manner as for the decision to prepare the offer to reflect the actual Proposal budget, QHSE, Risks, Technical, Commercial, Contractual and Financial aspects of the project emerging because of the proposal preparation process.

The Proposal Manager is in charge for the preparation and follow-up of the Proposal Clarification Note (CN) together with a preliminary Project Execution Plan and, that appropriate ATT and price meetings are carried out properly and documented as required.

ATT and Price meetings shall be conducted minimum 1 week before the respective deadline to commit. ATC meetings shall be conducted on request - see Table 3 below.

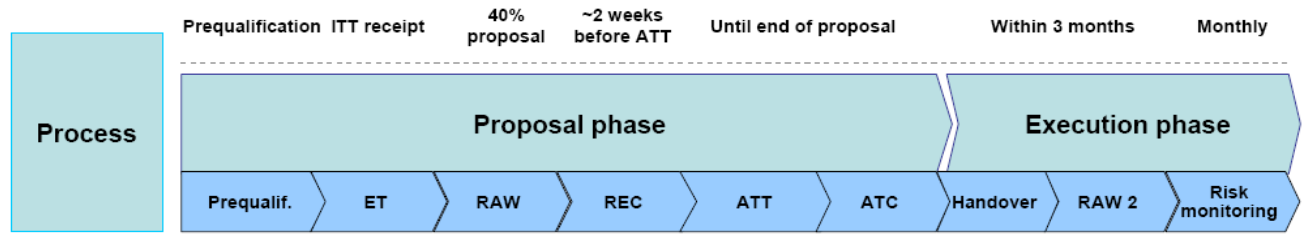
The minimum attendees of the price meeting for major bids are the CEO, O the Heads of B, OE & P & OSC and QH & LC and Heads of BSP, BS, BSK and Proposal Manager. In case of absence, a deputy shall be delegated to participate

5.6.4 Risk Management

The Risk management process during the proposal preparation must be conducted

To ensure that all Proposals are reviewed for proper assessment of all risks at appropriate levels of authority and addressed prior to their submission and to final commitment, the below process shall be followed.

Typical Risk management process



Risk management shall be conducted at each project gate as per risk management procedure GPP-QSM-003-001

The main steps are as follows:

Step 1, Evaluation of the overall risk potential

This is done by filing the RPET/ Risk Potential Evaluation Table during pre-tendering phase by Commercial (B & O AND P). No particular action is required in case the risk is categorized as "low".

In case the risk is categorized "Medium" or "High", Risk Assessment Workshops (RAW) are to be organized by the Proposal Manager and a Risk Evaluation meeting is to be held as per Steps 2 and 3 hereafters.

Step 2, Identification, assessment, and mitigation

The Proposal Manager should ensure that RAW's are conducted by Sub-/Contract & Risk Mgmt. (OR) where the risks are:

- Identified on a risk register
- Ranked following their rating and criticality
- Mitigated through qualifications, changes in execution plan, and/or contingencies

Step 3, Risk Evaluation Committee

A risk evaluation committee meeting is gathered by OR under the responsibility of the Proposal Manager some two weeks before the ATT meeting to:

- Review the execution plan and the basis of the price estimation
- Validate/complement the outcomes of the risk assessment/mitigation plan
- Provide recommendations for further investigation (if deemed necessary).

The outcomes of the REC are presented at the ATT.

5.6.5 Budgetary Proposal

A budget proposal is a non-binding quotation addressed to a CLIENT of the estimated future costs, expenditures, and resources to be spent on the implementation of a project over a specific period.

For budgetary proposal activities, an ETF shall be issued within the limits of proposal preparation cost.

5.6.6 Proposal Submission

Before sending the Proposal to a client, exposing MMEC to commitments, a Bid Review (ATT) and Price Meeting shall be convened by the Proposal Manager with support from BSP, BSC and OR to review the strategy including technical aspects, execution concepts, costs, procurement and subcontracting policy, partners, commercial, contractual, taxation, insurance and financing aspects, risks, estimate and price sheet.

5.6.7 Price and Management meetings / ATT

Generally, several price and Management meetings are necessary during the preparation of a large size Proposal. For small size Proposals (or those for services only), only two meetings described hereafter are usually sufficient. It is the responsibility of the General Manager to set the appropriate course of action.

The ATT and Price Meeting shall be prepared and co-coordinated by the Proposal Manager with support from Head of Proposal (BSP) to obtain an authorization to issue the initial bid.

The ATT Review and Price Meeting shall be minutes by Proposals "BSP" (ATT-Meeting) respectively Estimating "BSK" (Price-Meeting).

5.6.8 Special Liabilities

The Proposal Manager shall initiate for all bids which include special liabilities as defined below an ATT for approval purposes.

Special Liabilities are defined as follows:

- a financing offer, or
- financial risk sharing, or an economic risk sharing related to the project operation, or
- a deferred payment beyond the final acceptance, or
- a countertrade or an offset commitment, or
- a technological risk or a prototype or
- a specific country risks

5.6.9 Commercial Representation

Prior to submittal to any third party, all agreements dealing with Commercial Representation shall be subject to the verification and approval of the BSC.

Any agreement with commercial representatives shall be initiated jointly by O and B in co-ordination with Legal and Compliance for:

- safeguarding that MMEC policies related to 'Compliance' and 'Know Your Partner' are duly adhered to,
- checking that the subject, the contents and the wording of the agreements are in lines with National Legal requirements and MMEC policy in the matter,
- informing the CEO & O and the BSC of the contents of the agreements under preparation, being understood that the CEO will be responsible for final approval.

The signed agreements shall be archived by Legal & Compliance.

5.6.10 Contract Review

The final negotiation phase preceding the signature of a Contract sometimes requires a rapid updating of certain aspects of the Proposal.

Full control of this phase is particularly difficult when the place of negotiation is distant, and a fast decision making is a critical factor of success.

Filled in ATC forms will be circulated prior to review meeting in phase. Record of the result of the review (and actions arising) will be prepared by the Head of Proposals.

It is necessary that the Executive Management be informed during this phase of all events affecting the future Contract, whether commercial or contractual or unexpected risks.

The Proposal manager is responsible for the updating of the risk analysis incorporating all modifications, amendments, and changes of the negotiation phase.

Prior to starting final discussions with the Client, the Proposal Manager is requested to review the key points in the contract in accordance with the technical, contractual, and financial points of view and to place a synthesis note on these issues.

5.6.11 Bid follow up and contracts

The ATT document shall be updated, when required, by BSP, BSC and L to highlight any deviation during the negotiation phase and shall circulate the Authorization To Commit (ATC) prior to contract signing.

5.6.12 Responsibilities for negotiation and ATC

CEO must be confident, at final stages in the negotiation and prior to signature, that the Proposal Manager has obtained the assistance of all the relevant departments and that there is no longer any major issue forming an obstacle to signature and of which the CEO would not have been informed. Therefore, the below steps on Table 3 shall be performed.

For the sake of clarity, the ATC document is an up-dated ATT document which states the differences between the terms and conditions prevailing at ATT stage and those at the time of authorization to commit (same template as ATT template may be used).

The signature of any Letter Of Intent (LOI) or Contract, Consortium and/or Joint Venture agreements shall be subject to specific ATC procedure developed for managing this joint venture or consortium. The limitations of Table 3 below shall apply.

| Table-3 Authorization to Commit Contract (ATC) <i>(New Contract signatories and responsibilities)</i> | | | | | |
|---|--------------------------|---------------------------------------|------------------------------|------|------------------------------|
| R | Responsible | Owens the task / Verification | Project value in Million USD | | |
| | A | Accountable | | | |
| S | Support | Support the task / Issue | < 1M | < 5M | >5M & Special Liabilities |
| C | Consulted | Assists/Participate | | | |
| I | Informed | Receive information w/o participation | a) | b) | c) |
| Function | | | | | |
| 1 | CEO | | A | A | A |
| 2 | B (Head of Business) | | R | R | R |
| 3 | O (Head of operations) | | C | C | C |
| 4 | BSP (Proposal) | | S | S | S |
| 5 | BSK (Estimating) | | S | S | S |
| 6 | L (Legal & Compliance) | | C | C | C |
| 7 | OE (Head of Engineering) | | S | S | S |
| 8 | P (Head of Projects) | | C | C | C |
| 9 | OC (control manager) | | S | S | S |
| 10 | QHSE | | C | C | C |
| 11 | CS (Corporate Service) | | C | C | C |

5.6.13 Proposal Closing

The proposal closing out shall be initiated by the Proposal Manager. As soon as the proposal work is finished (the contract has been awarded or the proposal is lost or delayed), the Feedback has been properly recorded, the proposal should be closed. Closing will be made after all proposal activities have been properly carried out.

5.6.14 Proposal is lost

In case a proposal is lost, it is important to analyse the reasons. A post-mortem session shall be carried out. This session shall be coordinated and recorded by the Proposal Manager. Dedicated lesson learnt shall be prepared by the proposal manager and shall be introduced to improve the tendering and sales process for selected bids.

The lessons learnt shall be forwarded to the MMEC Feed Back data base and information send to the CEO, O, B, E, P. The CQM shall request Clients Satisfaction and any action required to improve the QM/HSE/ISM System.

5.6.15 Archiving

Filing and archiving of proposal documents must be performed in due time such as archiving would create significant man-hour expenditure. Archiving shall be carried out.

5.6.16 Contract is awarded

In case the contract is awarded, the Proposal Manager shall prepare a dedicated meeting involving the proposal and the project management team to secure seamless hand over of all project information and required documents in accordance with this document. This meeting shall be attended by:

Appointed key personnel (or their Lead Manager) of the project execution team, particularly:

- Project Manager
- Project Engineering Manager / Project engineers
- QHSE Manager
- Project controllers (cost control, planning)
- Lead Discipline Engineers
- Procurement Manager
- Contract Manager
- Subcontract Manager
- Designated Construction Manager (if appointed) otherwise the Head of Construction

The agenda of this meeting should include:

- Project technical overview, basis of design, review of scope of work.
- Project execution plan (only for projects with a value \geq 5 million USD), Partners and their respective scope of work, project organization charts, schedule.
- Main contractual and commercial terms.
- Identified project risks, particular technology, schedule, cost, contract terms etc.

All documents properly filed according to the proposal filing system shall be passed over to the Project Management Team with a transmittal sheet.

5.7 Budgetary Control

Project Manager shall be responsible for Takeover of Project from Operations (O) and Business Development (B) and execute the Project, issue the project budget, and obtain project budget approval PBA as per below table-3A within agreed Project Schedule, Cash flow and Budget.

For detailed responsibility and authority including supporting processes refer for Table 3a.

| Table-3a Project Budget Approval | | | | | |
|---|--|---------------------------------------|-------------------------------------|----------------|---|
| R | Responsible | Owns the task & verification | Project value in Million USD | | |
| A | Accountable | Decide & approve | | | |
| S | Support | Support the task / Issue | < 1M | < 5M | >5M & Special Liabilities |
| C | Consulted | Assists/Participate | | | |
| I | Informed | Receive information w/o participation | a) | b) | c) |
| Function | | | | | |
| 1 | CEO | | A | A | A |
| 2 | B (Head of Business) | | I | I | I |
| 3 | O (Head of operations and his subordinates OSC supply chain manager) | | C | C | C |
| 4 | PM (Project Manager) | | S | S | S |
| 5 | BSP (Head of Proposal) | | I | I | I |
| 6 | BSK (Estimating) | | I | I | I |
| 7 | L (Legal & Compliance) | | I | I | I |
| 8 | OE (Head of Engineering) | | S | S | S |
| 9 | P (Head of Projects) | | R | R | R |
| 10 | CS (Corporate Service and subordinates CSFA) | | C | C | C |
| 11 | QHSE | | C | C | C |
| 12 | OC (under subordinates cost engineers OCCE) | | S | S | S |

- a. This process shall be read in conjunction with Operation (Doc. No. GPP-QSM-004).
- b. CEO, Operations, Project Control Manager – Corporate Service will involve actively and decide the Budgetary Controls.
- c. Project Manager, Project Control Manager (Project) during execution are responsible for realistic control of Budget, Achieving the milestones, Preparation of Reports, Documents required to execute the project on right timeline and budget.
- d. Project Manager, Project Control Manager (Project) are responsible to establish the Project Planning Procedure, WBS, Planning Package, Level II, III and IV schedules (as Required), 3 Weeks Look ahead, Budget proposals and all other documents required to execute the project on right timeline and budget.

e. Project Manager, Project Control Manager (Project) are responsible to submit Weekly / Monthly Internal Project Progress Report, KPI and Cost report.

5.8 Purchase Orders

The requisition for project material (MR) shall be prepared by the relevant engineering discipline. Based on the requisition (MR), Procurement shall prepare enquiry (RFQ) documents and submit these for quotation to qualified/approved Vendors of Client (from AVL only).

The successful bidder shall be determined and released for purchase after bid evaluation (TBE).

TBE shall be approved by client as required

The Purchase Orders shall be prepared by Procurement and shall bear the limitations as indicated in Table 4 below.

Signatures of related FuS (combined with CBT) are a precondition for any release of Purchase Orders and/or Subcontracts (see attached sample of FuS)

Attachments to LPO:'

1. Material requisition (MR) or Scope of Work (SOW) include all technical specification, QHSE and inspection and certification requirement signed by engineering OE and QHSE/QH

MR form no GPP-QSM-PRO-F004. (Annexure -A) and other attachment as below:

- a. VDDR all document required from the vendor/supplier form GPP-QSM-PRO-F005
- b. Spare parts list (if required)
- c. Commissioning spares (if required)
- d. Vendor assistance details (if required)

Each page of the PO and its attachment shall be signed by the originator (OSC) and by the responsible verifier (PM)

Each attachment shall have a reference for PO No. and revision/amend No.

2. Comparison sheet for MMEC purchasing form No.GPP-QSM-PRO-F006
3. Client approved TBE form no GPP-QSM-PRO-F007 for MR form No. GPP-QSM-PRO-F004 item or comparison sheet for Material Approval request (MAR)form No.GPP-QSM-PRO-F008 or Stockiest Material Approval Request (SMAR) form no GPP-QSM-PRO-F009 for project permanent material
4. Client Approved Vendor List AVL pages for supplier/subcontractor approval
5. Budget sheet (budget item shall be filled by PM or his subordinates in PMT)
6. Commercial Document (Trade License , VAT Certificate , ICV Score)

Note:

1. TBC shall refer to overall prices include man-days required for site vendor assistance
Price of the items + price of spare +Price of Man-days for Vendor assistance
2. LPO itself shall have reference for either MR or MAR or SMAR

| Table-4 Approval of Purchase Orders | | | | |
|---|--------------------|---------------------------------------|--------------------------|------------------------|
| R | Responsible | Owens the task & Verification | PO Annexure-A | Quick books LPO |
| A | Accountable | Decide & approve | | |
| S | Support | Support the task / Issue | | |
| C | Consulted | Assists/Participate | | |
| I | Informed | Receive information w/o participation | | |
| Function | | | | |
| CEO | | | | A |
| P (Head of Projects Division) | | | A | C |
| O Head of Operations | | | C | C |
| QHSE | | | C | C |
| CSFA | | | C | S |
| PM Project Manager | | | R | R |
| OSC (Supply Chain= Procurement and Subcontract Manager) | | | S | S |

-
- CSFA will receive PO Annexure -A with complete attachment and input the approved PO in the electronic system issue electronic PO and will stamp **“Received Original”** on each page of the PO Annexure -A and whole attachments
- The manual PO Annexure -A shall have a clause to mention the supplemental importance of electronic PO for payment authorization.
- Electronic PO shall be issued by CSFA for OSC to send for supplier in due time before start of the work Manual PO will not be Valid for Payment.
- Separate Technical evaluation and commercial evaluation of the service provider/subcontractor shall be conducted
- Upon technical evaluation, the successful bidders/subcontractor shall send their Commercial bid within a prespecified period, All CB bids shall be received and kept in closed cabinet by CS
- The CEO shall chair committee to open ALL closed envelopes and fill the form of CB opening form to ensure completion of submissions and assure normalizing among all bidders by signing and stamp on all pages of the submissions
- PO for local Company will be in AED & for Overseas will be in USD.

5.9 PO Terms of Payment for Supplier and Subcontractors

| Payment Options Ref. No. | Quick books PO | For Local PO | For Overseas PO |
|--------------------------|--|--------------|-----------------|
| Option-1 | Supplier credit facilities, the monthly credit payment after "30 or 60 or 90 or 120" DAYS for either Major or Non-Major (Preferred financial option) | X | |
| Option-2 | LC- Letter of "30 or 60 or 90 or 120" DAYS for major items or LLI In case LC-letter in advance/at Sight, it will be against bank Guarantee ABG | X | X |
| Option-3 | Stage payment - Payment of agreed amounts at stage "Milestone, Progress" for both Local PO and Overseas PO | X | X |
| Option-4 | COD – Cheque on Delivery of the service/product for local PO | X | |
| Option-5 | Payment in advance Against Security cheque if the amount below 100,000 AED for local PO | X | |
| Option-6 | Payment in advance Against Bank Guarantee if the amount Above or equal 100,000 AED for local PO | X | |
| Option-O | Others; (to be detailed and approved by CSFA prior commitment with supplier) | | X |

5.10 Subcontracts for Contract Execution

The request for subcontract services shall be prepared by the department to which the subcontract service is related to.

Requests for construction subcontracts shall be prepared by Construction (OC), corporate Subcontracting (OSCC) with assistance of QHSE Management and others, as required.

Requests for other service subcontracts, including engineering subcontracts, shall be prepared by the respective discipline. The approval shall be as specified in pertinent Table 5(A to E). Subject to exceptions (legal services, financial services etc.) such subcontracts shall be administered by Procurement with assistance of Legal & Contract (LC).

The preparation of enquiry and issue for subcontracts for proposals/projects shall be executed in close co-operation and approval by the Project Manager. Depending upon the complexity or phase of the proposal or project, QHSE-S Management shall be involved as required.

In case of a new subcontractor or a subcontractor is rated insufficient, the Quality & HSE Management System of subcontractor(s) shall be audited and assessed by the QHSE-S Department on request and prior to issue the subcontract.

The determination, release for subcontracting and placement of subcontracts shall be in accordance with the limitations of the Follow Up Sheet (FuS) for Subcontracting and FuS for Engineering Services. It shall be noted that the FuS are merged with the Commercial Bid Tabulation (CBT). See attached sample of FuS).

| Table-5a | | |
|--|--------------------|---------------------------------------|
| Approval of Subcontract Project Services | | |
| R | Responsible | Owns the task & Verification |
| A | Accountable | Decide & approve |
| S | Support | Support the task / Issue |
| C | Consulted | Assists/Participate |
| I | Informed | Receive information w/o participation |
| Function | | |
| CEO | | A |
| P (Head of Projects Division) or CS for Administration and service subcontract | | R |
| O (Head of Operations) | | S |
| PM (Project Manager) | | R |
| OSC (Supply Chain=Procurement and Subcontracting Manager) | | S |
| QHSE | | C |
| CSFA | | C* |
| LC | | C |

(*) CSFA will receive PO Annexure -A or subcontract with complete attachment and input the approved PO Annexure -A or subcontract in the electronic system and to issue electronic PO in due time for OSC to send for suppliers

| Table-5b | | | |
|--|--------------------|---------------------------------------|---|
| Opening and Evaluation closed Commercial Bid for Subcontract Project Services | | | |
| R | Responsible | Owens the task & Verification | Value Limitation in USD |
| A | Accountable | Decide & approve | |
| S | Support | Support the task / Issue | |
| C | Consulted | Assists/Participate | |
| I | Informed | Receive information w/o participation | |
| Function | | | Committee Opening Closed envelops (>1M USD) |
| | | | CB Evaluation |
| CEO | | | A |
| CS | | | R |
| CSFA | | | R |
| LC | | | R |
| PM | | | S |
| P | | | |
| O | | | |
| OC and OE (QS, Lead disciplines and cost inputs to control manager) | | | |
| OSC | | | |

(**) LoI= Letter of Intent, MoU, Minutes of Understanding CONTRACT

| Cont. - Table-5C | | | |
|--|--------------------|---------------------------------------|---|
| Approval of Subcontract or PO for Administration Services | | | |
| R | Responsible | Owens the task & Verification | Value Limitation in USD (>5000 AED) * |
| A | Accountable | Decide & approve | |
| S | Support | Support the task / Issue | |
| C | Consulted | Assists/Participate | |
| I | Informed | Receive information w/o participation | |
| Function | | | |
| CEO | | | A* |
| CS for Administration and service subcontract | | | R/A |
| OSC (Supply Chain=Procurement and Subcontracting Manager) | | | S* |
| CSFA | | | C |

General Notes for above tables 4 & 5:

- Deviation from the approval process mentioned above is only permitted with an approval of the CEO. Deviations shall be recorded and filed within the project documentation.
- In the absence of the CEO and after his consent, the authorized Heads of Division (O, B, E, and P) are the only authorized to sign purchase orders or subcontracts in his place. The same procedure applies in the absence of a Head of Division (O, B, E and P).

5.11 Invoicing for Vendors / Sub-Contractors

Invoices shall be certified by completing the payment certificates by the same signatories mentioned in table-5D and table-5E

In addition, Payment certificates shall be verified by account CSFA before initial and approval by HoD /PM and CEO respectively

Payment certificate form GPP-QSM-FNC-F002 shall be used for invoicing the LPO or Subcontract progressively and numbering shall be maintained as below example: -

MMEC Project No-LPO No.-Payment Certificate Serial No.

Example:

P01-001-001

P01: P90243, EPC for ASAB gas injection trunkline 2 relocation for ADNOC onshore

001: PO No.01 for IT software requisitioning by engineering department

001: payment certificate serial for PO No.001 particularly.

Invoice register shall be logged by reception, with input from operation control OC and accounts CSFA

Invoice register form GPP-QSM-FNC-F001 is attached, the register will follow the progress of payment for each LPO or subcontract

Payment certificate attachment:

1. LPO latest revision form No. GPP-QSM-PRO-F001
2. LPO Progress sheet form No. GPP-QSM-PRO-F002
3. The Site signed (by PM or his subordinates) Delivery notes from supplier for supplied items or signed (by PM) completion certificate form No. GPP-QSM-PRO-F003 for subcontractor.

| Table-5D | | | | |
|---|--------------------|--|---|----------|
| Payment Certificate for Project Vendor/Subcontractor | | | | |
| R | Responsible | Owns the task & Verification | | |
| A | Accountable | Decide & approve | | |
| S | Support | Support the task / Issue | | |
| C | Consulted | Assists/Participate | | |
| I | Informed | Receive information w/o participation | | |
| Function | | | | |
| All project and LoI & MoU CONTRACTS | | | | |
| | | | CEO | A |
| | | | PM (Project Manager and his subordinates PMT) | R |
| | | | CSFA (Accounts) | C |
| | | | O (Head of operations) | C |
| | | | OSC (Supply Chain=Procurement and Subcontracting Manager with vendor) | S |

| Cont. Table-5E | | | | |
|--|--------------------|--|---|------------|
| Payment Certificate for Administration Vendor/Subcontractor | | | | |
| R | Responsible | Owns the task & Verification | | |
| A | Accountable | Decide & approve | | |
| S | Support | Support the task / Issue | | |
| C | Consulted | Assists/Participate | | |
| I | Informed | Receive information w/o participation | | |
| Function | | | | |
| Value Limitation in USD (>5000 AED) * | | | | |
| | | | CEO | A* |
| | | | CS (Corporate Service manager) | R/A |
| | | | CSFA (Accounts) | C |
| | | | OSC (Supply Chain=Procurement and Subcontracting Manager with vendor) | S* |

5.12 Invoicing and Payment Procedures with Clients

5.12.1 Types of Invoices

There are three (3) types of invoices to be submitted to Client, namely:

a) Invoice for Advance Payment

MMEC shall submit an invoice for an advance payment equal to the percentage of amount mentioned in the Project contract of LUMP SUM PRICE against an advance payment bank guarantee.

The advance payment shall be recovered by Client at the rate of percentage of amount mentioned in the Project contract of every subsequent invoice of LUMP SUM PRICE. The recovery from the last invoice(s) will be such that the entire amount of advance payment made is recovered by Client.

The advance payment bank guarantee shall be equivalent to the same percentage as advance payment of the LUMP SUM PRICE and shall be of fixed value and valid only for one year from EFFECTIVE DATE.

Subject to receipt by Client, complete invoice for the advance payment and of the performance bank guarantee and the advance payment bank guarantee, Client shall make payment of the advance payment within thirty (30) days after the EFFECTIVE DATE or thirty (30) days after receipt of the invoice, the performance bank guarantee, and the advance payment bank guarantee, whichever is the latest.

b) Invoices for the LUMP SUM PRICE against certified Monthly Physical Progress and against achievement of Payment Milestones in the month.

Within 15 days following the end of each month, MMEC shall submit one invoice against the LUMP SUM PRICE in accordance with the actual monthly progress certified by Client and achievement of payment milestones in the month. For the same, MMEC shall submit the invoice and Client certified Actual Progress Certificates and Milestone Completion Certificates.

Shall submit one invoice each month for payment of the LUMP SUM PRICE in accordance with the contract invoice and payment terms.

c) Invoices for the Reimbursable Items. (If any).

The actual landed cost of such as two years' operating spares as incurred during the preceding period and not previously invoiced to Client shall be invoiced in accordance with the provisions of the Project contract at monthly intervals.

5.12.2 Progress Measurement

Progress measurement sheet shall be prepared by Project Control Department as per Project Milestones in co-ordination with Project Manager and shall be submitted to Client for approval.

After the approval signature form Client, copy of the certified progress report signed by the Client shall be forwarded to MMEC Finance department for invoicing purpose.

5.12.3 Number of copies and distribution of invoices

All Invoices from MMEC shall be addressed to Client's Finance / accounts division.



Client shall have the right to request additional copies of the invoices at no additional cost to Client.

The original invoice shall be supported by all supporting documents in original as required by Client. All documents and supporting evidence shall be in English language or translated to English language.

5.12.4 Invoice details and Numbering

Each invoice shall bear the following details:

- Invoice Number
- Invoice Date
- AGREEMENT/CONTRACT Number
- Reference to the applicable item of CONTRACT against which the payment is sought.
- Complete Bank address and account number to which payments are to be transferred

Each invoice shall follow a numbering sequence as follows:

Project Number-INV-aa-xxxx

Where "aa" will represent the type of invoice as below:

- **AP** for advance payment
- **PP** for Progress Payment
- **MP** for Milestone payment
- INV = **IC** for ICV Payment
- INV= **RI** for Reimbursable Items payment

"xxxx" will represent the serial number (0001, 0002, and so on) of respective type of invoice.

| Table-5F | | |
|---|--------------------|---------------------------------------|
| Payment Certificate and Invoice for Client | | |
| R | Responsible | Owns the task & verification |
| A | Accountable | Decide & approve |
| S | Support | Support the task / Issue |
| C | Consulted | Assists/Participate |
| I | Informed | Receive information w/o participation |
| Function | | |
| PM (Project manager) | | A |
| CSFA (Accounts) | | C |
| Head of department (O, P,) | | R |
| OC and OE | | S |

5.12.5 Client invoice Currency

All invoices shall be in US Dollars. In case reimbursable costs are incurred in a currency other than US Dollars, then conversion will be affected by referring to the middle market rate for the dollar spot range in the country of expenditure on the last business day of the month during which the cost was incurred, as detailed in the "currencies, money and capital market section" of the Financial Times.

In the unlikely event of de-pegging of UAE Dirhams, if elects to be paid in UAE Dirhams in lieu of US Dollars, shall request Client in writing for the same. However, the payment of UAE Dirhams in lieu of US Dollars shall be based on the proportion of UAE Dirhams component to the balance LUMP SUM PRICE in US Dollars as per CONTRACT.

5.12.6 Back-up Data / Supporting Documents

a) Shall attach Client approved Physical Progress Certificate sheets, Milestone Achievement Certification along with the invoices for LUMP SUM PRICE.

b) Invoices for two years operational spares shall comprise the actual landed cost of the Two Years' Operating Spares in accordance with the provisions of the AGREEMENT and shall be supported by:

- Photocopy of the VENDOR's invoice and other shipping documents
- Photocopy of relevant pages of "The London Financial Times" published tables for all invoices containing currency conversion calculation, if applicable.
- Material receipt report issued by Client
- Copy of relevant Purchase Order
- Proof of Payment made to Vendor

Separate invoices shall be raised for each Purchase Order.

c) The actual landed cost of Two Years Operating Spare will be calculated based on its Ex works cost as invoiced by the VENDOR plus all-inclusive 5% mark-up which is to cover the following cost:

- Cost of transportation from ex-works to port of embarkation
- Cost of material handling at port of embarkation
- Cost of sea-freight to port of entry in Abu Dhabi
- Cost of material handling at port on entry in Abu Dhabi
- Cost of Customs Clearance and levies (excluding Customs Duty)
- Cost of inland transportation to SITE (including unloading costs)

In the event, Two Year Operating Spares is procured locally from UAE, the mark-up shall not be applicable for calculation of the actual landed cost for that Two-Year Operating Spare and such costs will be deemed to be included within the LUMP SUM PRICE.

d) The cost of Two-Year Operating Spares shall be reimbursed based on stage payments as per the following:

- For an SPIR with value less than or equal to US\$ 250,000 – Full Payment shall be payable upon delivery at SITE.

- For an SPIR value more than US\$ 250,000 – 70% Payment will be payable upon FOB and the remaining 30% upon delivery at SITE.

The cost of each SPIR will be invoiced for stage payment, as mentioned above, when all the items under a given SPIR have been shipped or delivered at SITE respectively.

5.13 EPCM Service Contracts

For EPCM service contracts, MMEC may prepare purchase orders and/or service contracts, including construction contracts to be executed either by the Client or by MMEC on behalf of the Client.

In case it is agreed in the contract with the Client that MMEC shall sign purchase orders and/or service contracts, including construction contracts on behalf of the Client, **the threshold, and authorizations of Table 4 and/or Table 5 and respective FuS shall apply.**

In case MMEC shall prepare (not sign) purchase orders and/or service contracts, including construction contracts, thresholds, and authorization of Table 4 and/or Table 5 shall apply, unless otherwise agreed in the contract with the Client.

Any commitment towards vendors, service contractors etc. shall be signed by the relevant party/parties as being established in the contract with the Client. A project specific procedure shall be issued.

5.14 Reimbursable Projects

Reimbursable projects, which are compensated by the Client, based on actual cost incurred (plus fee) and unit rates agreed in the contract require dedicated procedures e.g., approval of personnel assigned to the project, accounting of man-hours to be charged to the Client, payment provisions etc.

Similar agreements/procedures shall be concluded with the Client for authorization of MMEC personnel, responsibilities, and liabilities.

5.15 Recruitment of Payroll and Personnel

Each year, a general capacity planning covering the needs in quality and quantity shall be developed in accordance with Table 6 and 6 A below.

5.15.1 Payroll Employees

Refer for the below table for payroll, manhours should be allocated to projects budget using appropriate form by HR

Cut-off date 15th of each month, last submission date will be 16th of each month any delay

For time sheet submission will be carried to following month.



| Table-6 Payroll Employees | | |
|--------------------------------------|--------------------|---------------------------------------|
| R | Responsible | Owens the task & Verification |
| A | Accountable | Decide & approve |
| S | Support | Support the task / Issue |
| C | Consulted | Assists/Participate |
| I | Informed | Receive information w/o participation |
| Functions | | |
| CEO | | A |
| CS (subordinates accounts CSFA) | | R |
| CSHR (HR Manager) | | S |

5.15.2 Recruitment Process

The request to recruit payroll employees shall be made in writing by the respective Department Manager with the form "Personnel Requirement". The competencies shall be reviewed by QHSE-S and CV evaluation shall be completed by head of department and interview panel shall formed and Interview evaluation form shall be completed by head of department, The Personnel recruitment contract shall be signed by the Head of Human Resources together with the Lead HR. All Contracts shall be signed by the Human Resources Manager together with the CEO or powers delegated to relevant Division Manager.

| Table-6a Hiring System | | |
|---|--------------------|---------------------------------------|
| R | Responsible | Owens the task & Verification |
| A | Accountable | Decide & approve |
| S | Support | Support the task / Issue |
| C | Consulted | Assists/Participate |
| I | Informed | Receive information w/o participation |
| Functions | | |
| CEO | | A |
| CS/P/O/QHSE/LC/B (Departments Heads) | | S |
| CSHR (HR Manager) | | R |
| <p>The head of the requesting department shall prepare in detail the qualification, function, and target of requested personnel.</p> <p>He shall participate in respective recruitment interviews and agree with the recruitment decision prior contract or Purchase Order signature.</p> | | |

5.16 Other basic Procedures to be applied

Relevant Heads of Departments shall issue necessary internal Process Procedures so called Departmental Procedures (DPP) to ensure a proper and optimized operation of their area and business process.

Those concerning financial matters, including bonds and guarantees, these shall be issued by FC in accordance with applicable MMEC Principles, Procedures and Guidelines

5.17 Request for bank guarantees

The request to Bank Guarantees (performance bond, advance payment, progress bond, retention guarantee, etc.) shall be made addressed to Arabian company in writing by the respective project manager /PM to Department Manager / in the form "MMEC memo form" to the CEO. The financial content and format of the memo form shall be reviewed by CSFA

| Table-7a | | |
|---|--------------------|---------------------------------------|
| Request for Bank Guarantees and other Banks services | | |
| R | Responsible | Owens the task & Verification |
| A | Accountable | Decide & approve |
| S | Support | Support the task / Issue |
| C | Consulted | Assists/Participate |
| I | Informed | Receive information w/o participation |
| Responsibilities | | |
| Functions | | |
| CEO | | A |
| P | | R |
| CSFA | | C |
| PM (Project Manager) | | S |

5.18 Request for LC

The request to LC shall be made addressed to Group CEO in writing by the respective project manager /PM & Department Manager / in the form "LC request form" to the CEO. The financial content and format of the LC request form shall be reviewed by CSFA.

| Table-7b Request for LC | | | |
|---|--------------------|---------------------------------------|-------------------------|
| R | Responsible | Owns the task & Verification | Responsibilities |
| A | Accountable | Decide & approve | |
| S | Support | Support the task / Issue | |
| C | Consulted | Assists/Participate | |
| I | Informed | Receive information w/o participation | |
| Functions | | | |
| Group CEO | | | A |
| CEO | | | A |
| O & P | | | R |
| CSFA | | | R |
| PM (Project Manager) | | | C |
| Procurement and subcontract manager OSC | | | S |

6. DOCUMENT HANDLING

6.1 Responsibility / Authorization

The CEO and O, QHSE, L, PD's/PM's and Corporate Service and their associated department Heads are responsible for the effective implementation of the General Business Rules (GBR) in their field of responsibility.

The verification of the implementation and maintenance within the various Divisions and Departments is subject of regular Audits carried out by the CQM (Head of Corporate QHSE-S Management) on behalf of the CEO.

6.2 Implementation and Distribution

This General Business Rules (GBR) are valid from the date of approval signature on the cover page. It must be noted that this GBR is subject of update as required.

Distribution of this document is under the responsibility of Corporate QHSE Management in accordance with the actual MMEC Overall Organization Chart for controlled distributed documents.

6.3 Revision and Filing

Corporate QHSE-S Management retains the signed original of this GBR. The data-file containing the current version of the GBR (original) is retained on the server (virtual drive **Z:\Departments\QHSE**), which is specially defined for that reason.

Revision of this Document will be carried out when required by the QHSE-S. Each revision shall be prepared, verified, approved, endorsed, and distributed under the same conditions as the initial issue.

All earlier revisions of this GBR are archived as voided/superseded copies by the QHSE-S.

