

PRESTEA SANKOFA GOLD LIMITED

TENDER DOCUMENT

FOR THE

CONSTRUCTION OF PIPE CULVERT FOR BARNEX TAILINGS STORAGE FACILITY II (TSF2)

INVITATION FOR BIDS

Project Name: Construction of Pipe Culvert for Tailings Storage Facility II (TSF2) at Prestea Sankofa Gold Limited.

- 1. **Prestea Sankofa Gold Limited (PSGL)** is seeking General Contractors for the construction and completion of works involved in the Construction of Pipe Culvert for Tailings Storage Facility II (TSF 2) at the mines site at Prestea in the Western region of Ghana.
- 2. Prestea Sankofa Gold Limited hereby invites sealed Bids from Selected Contractors registered with its offices to bid for the intended works.
- 3. A copy of the Bid documents may be obtained at PSGL Procurement office at a non-refundable fee of Five hundred Ghana Cedis (GH¢500.00); Interested Bidders may obtain further information at the same address.
- 4. Completed Bids shall be deposited in a Tender Box at -Prestea Sankofa Gold limited on or before **10:00 am on Friday 8th August 2025.** Bids shall be valid for a period of Sixty (60) days after the submission of the completed Bid Documents.
- 5. Bids submitted after the expiry of the submission time will be rejected.
- 6. The Bids received at the close of the Bid period will be -immediately opened in the Presence of Bidders or their representatives who choose to attend.

Section 1 INSTRUCTION TO BIDDERS

Section I. Instruction to Bidders

1.1

A. GENERAL

1 Scope of Bid

- The **Employer**, as named in the Agreement form, invites Bids for the construction and completion of **Works** involved in the construction of pipe culvert for Tailings Storage Facility II (TSF2) at Prestea Sankofa Gold Mine and as summarized in the Tender Data Sheet (TDS).
- 1.2 The successful Bidder will be expected to complete the Works within Ten (10) calendar weeks as stated in the Appendix section of the Agreement, hereinafter referred to as the Appendix. The Time for Completion of the works shall be Calculated from the Commencement Date.
- 1.3 Throughout the Bid Document, the term "writing" means any hand-written, type-written, or printed communication, including telex, cable and facsimile transmission. "Day" means calendar day and "Week" calendar week. Singular also means plural. The word "Bid" is synonymous to "Tender" and "Bid documents" synonymous to "Tender documents". Employer is synonymous to Client

2 Source of Funds

- 2.1 The **Employer** intends to apply part of its own internally generated funds in making payments under the **Contract** for which these Bid Documents are issued.
- 2.2 Payment for work done will be subject to a recommendation of valued work from the Consultant.

3 Fraud and Corruption

3.1 The attention of the Bidder is drawn to the regulations of the Republic of Ghana on the prevention of fraud and corruption, and to Sub-Clause 12.2 of the General Conditions of Contract (Section IV) which shall apply also to any Bidder.

4. Eligibility

4.1 Only Bidders registered with PSGL shall participate in this Bid.
Rates inserted against any work item shall be the all-in rate and shall be quoted only in Ghana Cedis-.

5 Qualification of the Bidder

- 5.1 Bidders shall include the following information and documents with their Bids unless otherwise stated in the **Tender Data Sheet (TDS):**
 - (a) *General Information:* copies of documents defining the constitution or legal status, place of registration, and principal place of business; written power of attorney of the signatory of the Bid to commit the Bidding company;
 - (b) General Construction Experience Record: total annual turnover in the civil construction works business expressed as total of payment certificates for work performed in each of the last three (3) years;
 - (c) **Particular Construction Experience Record:** experience on works of a similar nature and complexity over the last three (3) years, and details of work under way or contractually committed and addresses of clients who may be contacted for further information on those contracts;
 - (d) **Equipment Capabilities:** major items of construction equipment proposed to carry out the Contract;
 - (e) *Personnel Capabilities:* Key site management and technical personnel proposed for the Contract should be holders of the Minerals Commission Certificate of competence;
 - (f) *Financial Capabilities:* reports on the financial standing of the Bidder, such as profit and loss statements and auditor's reports for the past three (3) years;
 - (g) Evidence of adequacy of cash flow: for this Contract access to line(s) of credit and/or availability of other financial resources;
 - (h) Authority to seek references: the Bidder shall include an authorization note enabling the Client to check on financial information submitted from the Bidder's bankers;
 - (i) *Information regarding disputes:* the Bidder shall include information regarding any litigation, current or during the last three (3) years, in which the Bidder is involved, the parties concerned, and the issue under dispute;

- 5.2 After evaluation of all responsive Bids, and prior to award of the **Contract**, the successful Bidder shall meet the following qualifying criteria:
 - (a) Average annual turnover of construction work in the last three years greater than the amount specified in the **Tender Data Sheet (TDS)**;
 - (b) Experience in the construction of works of a nature and complexity similar to the **Works** of not less than the number of projects specified in the **TDS**, in the last three years;
 - (c) Availability of the essential equipment listed in the **TDS** or alternative equipment proposed by the Bidder and proposals for its timely acquisition (own, lease, hire, rental, loan, etc.);
 - (d) Suitable key site management and technical personnel to fill the positions, qualifications and experience requirements specified in the **TDS**;
 - (e) A sound financial position for the past three years as confirmed by audited balance sheets or other financial statements acceptable to the **Employer**;
 - (f) Liquid assets and/or credit facilities (net of other contractual commitments and exclusive of any advance payments which may be made under the **Contract**), for not less than the amount specified in the **TDS**.
- 6. One Bid Per Bidder
- 6.1 A firm shall submit only one (1) Bid either individually or as a partner of a joint venture. A firm which submits or participates as a Bidder in more than one (1) Bid will be automatically disqualified.
- 7. Cost of Bid
- 7.1 The Bidder shall bear all costs associated with the preparation and submission of its Bid and the **Employer** will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the Bid process.
- 8 Site Visit by Bidders
- 8.1 The Bidders, at their own responsibility and risk, are encouraged to visit and examine the **Site** and its surroundings, where the **Works** are to be executed, to obtain all information that may be necessary for preparing the Bid and entering into a contract for the construction of the **Works**.

B. BID DOCUMENTS

- 9. Content of the 9.1 The Bid Documents are those stated below and should be read in conjunction with any Addenda issued in accordance with Clause 11:
 - (a) Invitation for Bids
 - (b) Instruction to Bidders (Section I)
 - (c) Tender Data Sheet (Section II)
 - (d) All the documents listed in the Appendix to this Document (Section III)
 - (e) Any other documents listed in the **TDS** as forming part of the Bid Documents.
 - 9.2 The "Invitation for Bids" is included as a reference only. In case of discrepancies between the Invitation for Bids and the Bid Documents listed in the preceding sub-clause, the said documents will take precedence.
- 10. Clarification of Bid Documents
- 10.1 A prospective Bidder requiring any clarification of the Tender Documents shall contact the **Employer** in writing at the Employer's address indicated in the **TDS**. The **Employer** will respond in writing to any request for clarification received no later than three (3) calendar days prior to the deadline for submission of Bids. Copies of the Employer's response shall be forwarded to all participants of Bidding, including a description of the inquiry, but without identifying its source.
- 11. Amendment of Bid Documents
- 11.1 At any time prior to the deadline for submission of Bids, the **Employer** may amend the Bid Documents by issuing an Addendum.
- 11.2 Any Addendum thus issued shall be part of the Bid Documents and shall be communicated in writing to all participants of the Bidding
- 11.3 To give prospective Bidders reasonable time in which to take the amendment into account, in preparing their Tenders, the **Employer** may extend the deadline for submission of Bids.

C. PREPARATION OF BIDS

12. Language of The Bid

12.1 The Bids as well as all correspondence and documents relating to the Bid, exchanged by the Bidder and the **Employer**, shall be written in the English language.

13. Documents Comprising the Bid

13.1 The Bid submitted by the Bidder shall comprise the original and one copy of the following:

- (a) Duly filled-in Bid pages;
- (b) Priced Bill of Quantities or Prices of Schedule of Activities;
- (c) Alternative offers, at the Bidder's option where invited;
- (d) Written power of attorney authorizing the signatory of the Bid to commit the Bidder;
- (e) Information on qualification of the Bidder;
- (f) Any additional information required to be completed and submitted by Bidders as specified in the **TDS**.

14. Bid Prices

- 14.1 The Contract shall be for the whole **Works**, summarized in the **TDS**, and based on the priced Bill of Quantities or priced Schedule of Activities submitted by the Bidder.
- 14.2 The attention of the Bidder is drawn to Sub-Clauses 11.1.1 and 11.7 of the Particular Conditions (Section IV) on taxation and currency respectively.
- 14.3 The **Contract** does not include a price adjustment clause and, rates and amounts quoted by the Bidder shall be firm for the duration of the **Contract**.

15. Currency of Bids and Payments

Prices shall be quoted by the Bidder entirely in Ghana Cedis. Payments shall be made wholly in Ghana Cedis at the prevailing exchange rate for the week of the submission of invoices/statements.

16. Period of Validity of Bids

16.1 Bids shall remain valid for the period stipulated in the TDS after the date of Bid submission specified in Sub-Clause 20.1. A Bid, valid for a shorter period shall be rejected outright by the **Employer** as non-responsive.

In exceptional circumstances, prior to expiry of the period of validity of Bids, the **Employer** may request that the Bidders extend the period of validity for a specified additional period. The request and the responses thereto shall be made in writing. A Bidder may refuse the request. A Bidder, agreeing to the request, will not be required or permitted to modify its Bid.

17. Alternative Proposals by Bidders

17.1 Bidders shall submit Bids that comply with the requirements of the Bid Documents, including the basic technical design as indicated in the **Drawings** and **Specification**. Alternatives will not be considered, unless specifically allowed in the **TDS**.

18. Format and Signing of Bids

- 18.1 The Bidder shall prepare one (1) original of the documents comprising the Bid as described in Clause 13 and clearly marked "ORIGINAL". In addition, the Bidder shall submit one (1) copy of the priced pages, clearly marked as "COPY". In the event of discrepancy between them, the original shall prevail.
- 18.2 The original and the copy of the Bid shall be typed or written in indelible ink and shall be signed by the person or persons duly authorized to sign on behalf of the Bidder. All pages of the Bid shall be numbered sequentially and initialed by the person or persons signing the Bid.
- 18.3 Bids shall be submitted strictly in accordance with the Bid Documents. Any amendments or qualifications made by the Bidder, except those to comply with instructions issued by the **Employer**; may result in rejection of the Bid.

19 Bid security

- 19.1 A Bidder may provide a Bid Securing Declaration, a cheque certified by a bank, a banker's draft or a Bid guarantee in local currency in the amount and currency specified in the Bid Data Sheet.

 Any Bid not accompanied by an acceptable Bid Security will be out rightly rejected by the Employer and the Bid documents returned to the affected Bidder.
- 19.2 The Bid Security of the Bidders will be discharged and returned to the Bidders within five (5) days after the Contract has been signed. The Bid Security of the successful Bidder will be discharged upon the signing of the contracts

D. Submission of Bids

20. Sealing and Marking of Bids

20.1 The Bidder shall seal all original Bid documents in one envelope and mark it "ORIGINAL", The copy of the completed Bid document and required qualification information shall be enclosed in another envelope and marked "COPY". Each of these envelopes shall bear the address of the Bidder to enable the Bid to be returned unopened in case it is declared late, pursuant to Clause 22. The two sealed envelopes shall be enclosed in a third or outer envelope.

20.2 The outer envelope shall

- (a) be addressed to the Employer at the address provided in the Bid Data;
- (b) bear the name and identification number of the Bid as defined in the Bid and Contract Data; and
- (c) provide a warning not to open before the specified time and date for Tender opening as defined in the Bid Data.
- 20.3 If the outer envelope is not sealed and marked as above, the Employer will assume no responsibility for the misplacement or premature opening of the Bid.

21. Deadline for Sub-mission of Bids

- 21.1 Bids shall be delivered to the Employer at the address specified above no later than the time and date specified in the Bid Data.
- 21.2 The Employer may extend the deadline for submission of Bids by issuing an amendment in accordance with Clause 10, in which case all rights and obligations of the Employer and the Bidders previously subject to the original deadline will then be subject to the new deadline.

22. Late Bids

22.1 Any Bid received by the Employer after the deadline prescribed in Clause 21 will be returned unopened to the Bidder.

23. Modification and Withdrawal of Bids

- 23.1 Bidders may modify or withdraw their Bids by giving notice in writing before the deadline prescribed in Clause 21.
- 23.2 Each Bidder's modification or withdrawal notice shall be prepared, sealed, marked, and delivered in accordance with Clauses 18 and 20, with the outer and inner envelopes additionally marked "MODIFICATION" or "WITHDRAWAL," as appropriate.

- 23.3 No Bid may be modified after the deadline for submission of Tenders.
- 23.4 Withdrawal of a Bid between the deadline for submission of Bids and the expiration of the period of Bid validity specified in the Bid Data or as extended pursuant to Sub-Clause 15.2 may result in the forfeiture of the Bid Security.
- 23.5 Bidders may only offer discounts to, or otherwise modify the prices of their Bids by submitting Bid modifications in accordance with this clause, or included in the original Bid submission.

E. Bid Opening and Evaluation

24. Bid Opening

- 24.1 The Employer will open the Bids, including modifications made pursuant to Clause 23, in the presence of the Bidders' representatives who choose to attend at the time and in the place specified in the Bid Data.
- 24.2 Envelopes marked "WITHDRAWAL" shall be opened and read out first. Tenders for which an acceptable notice of withdrawal has been submitted pursuant to Clause 23 shall not be opened.
- 23.3 The Bidders' names, the Bid prices, the total amount of each Bid and of any alternative Bid (if alternatives have been requested or permitted), any discounts, Bid modifications and withdrawals, the presence or absence of Bid Security, and such other details as the Employer may consider appropriate, will be announced by the Employer at the opening.
- 23.4 The Employer will prepare minutes of the Bid opening, including the information disclosed to those present in accordance with Sub-Clause 24.3.

Confidential

- **25. Process** to Be 25.1 Information relating to the examination, clarification, evaluation, and comparison of Tenders and recommendations for the award of a contract shall not be disclosed to Bidders or any other persons not officially concerned with such process until the award to the successful Bidder has been announced. Any effort by a Bidder to influence the Employer's processing of Bids or award decisions may result in the rejection of his Bid.
- **26.** Clarification of 26.1 To assist in the examination, evaluation, and comparison of Bids, Bids the Employer may, at the Employer's discretion, ask any Bidder

for clarification of the Bidder's Bid, including breakdowns of unit rates. The request for clarification and the response shall be in writing or by cable, telex, facsimile, or email but no change in the price or substance of the Bid shall be sought, offered, or permitted except as required to confirm the correction of arithmetic errors discovered by the Employer in the evaluation of the Bids in accordance with Clause 28.

Bids **Determination** of Responsiveness

- **27. Examination of** 27.1 Prior to the detailed evaluation of Bids, the Employer will determine whether each Bid (a) meets the eligibility criteria defined in Clause 3; (b) has been properly signed; (c) is accompanied by the required securities; and (d) is substantially responsive to the requirements of the Bid documents.
 - 27.2 A substantially responsive Bid is one, which conforms to all the terms, conditions, and specifications of the Bid documents, without material deviation or reservation. A material deviation or reservation is one (a) which affects in any substantial way the scope, quality, or performance of the Works; (b) which limits in any substantial way, inconsistent with the Bid documents, the Employer's rights or the Bidder's obligations under the Contract; or (c) whose rectification would affect unfairly the competitive position of other Bidders presenting substantially responsive Bids.
 - 27.3 If a Bid is not substantially responsive, it will be rejected by the Employer, and may not subsequently be made responsive by correction or withdrawal of the nonconforming deviation or reservation.

28. Correction **Errors**

- of 28.1 Bids determined to be substantially responsive will be checked by the Employer for any arithmetic errors. Errors will be corrected by the Employer as follows:
 - where there is a discrepancy between the amounts in figures and in words, the amount in words will govern; and
 - where there is a discrepancy between the unit rate and the line-item total resulting from multiplying the unit rate by the quantity, the unit rate as quoted will govern, unless in the opinion of the Employer there is an obviously gross misplacement of the decimal point in the unit rate, in which case the line item total as quoted will govern, and the unit rate will be corrected.
 - 28.2 The amount stated in the Bid will be adjusted by the Employer in accordance with the above procedure for the correction of errors and, with the concurrence of the Bidder, shall be considered as

binding upon the Bidder. If the Bidder does not accept the corrected amount, the Bid will be rejected, and the Bid Security may be forfeited.

29. Currency **Bid Evaluation**

- 29.1 Bids will be evaluated as quoted in the currency of the Ghanaian Cedi.
- 29.2 The Employer reserves the right to accept or reject any variation, deviation, or alternative offer. Variations, deviations, and alternative offers and other factors, which are in excess of the requirements of the Tender documents or otherwise result in unsolicited benefits for the Employer will not be taken into account in Tender evaluation.
- 29.3 The estimated effect of any price adjustment conditions under Clause 47 of the Conditions of Contract, during the period of implementation of the Contract, will not be taken into account in Bid evaluation.

Comparison of Bids

- **30. Evaluation and** 30.1 The Employer will evaluate and compare only the Bids determined to be substantially responsive in accordance with Clause 27.
 - 30.2 In evaluating the Bids, the Employer will determine for each Bids the evaluated Bid price by adjusting the Bid price as follows:
 - making any correction for errors pursuant to Clause 27; (a)
 - excluding provisional sums and the provision, if any, for (b) contingencies in the Bill of Quantities, but including Daywork,² where priced competitively;
 - making an appropriate adjustment for any other acceptable variations, deviations, or alternative offers submitted in accordance with Clause 17; and
 - making appropriate adjustments to reflect discounts or other price modifications offered in accordance with Sub-Clause 22.5.

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¹ In lump sum contracts, delete "Bill of Quantities" and replace with "Activity Schedule". and included in the total Tender price.

F. Award of Contract

- **31. Award Criteria** 31.1 Subject to Clause 31, the Employer will award the Contract to the Bidder whose Bid has been determined to be substantially responsive to the Bid documents and who has offered the lowest evaluated Bid price, provided that such Bidder's has been determined to be (a) eligible in accordance with the provisions of Clause 3, and (b) qualified in accordance with the provisions of Clause 4.
- 32. Employer's Right to Accept any Bid and to Reject any or all Bids
- 32.1 Notwithstanding Clause 30, the Employer reserves the right to accept or reject any Bid, and to cancel the Bid process and reject all Bids, at any time prior to the award of Contract, without thereby incurring any liability to the affected Bidder or Bidders or any obligation to inform the affected Bidder or Bidders of the grounds for the Employer's action.
- 33. Notification of Award and Signing of Agreement
- 33.1 The Bidder whose Bid has been accepted will be notified of the award by the Employer prior to expiration of the Bid validity period by cable, telex, email or facsimile confirmed by registered letter. This letter (hereinafter and in the Conditions of Contract called the "Letter of Acceptance") will state the sum that the Employer will pay the Contractor in consideration of the execution, completion, and maintenance of the Works by the Contractor as prescribed by the Contract (hereinafter and in the Contract called the "Contract Price").
 - 33.2 The notification of award will constitute the formation of the Contract, subject to the Bidder furnishing the Performance Bond in accordance with Clause 33 and signing the Agreement in accordance with Sub-Clause 32.3.
 - 33.3 The Agreement will incorporate all agreements between the Employer and the successful Bidder. It will be signed by the Employer and sent to the successful Bidder, within five (5) days following the notification of award along with the Letter of Acceptance. Within five (5) days of receipt, the successful Bidder will sign the Agreement and deliver it to the Employer.
 - 33.4 Upon the furnishing by the successful Bidder of the Performance Bond, the Employer will promptly notify the other Bidders that their Bids have been unsuccessful.
- 34. Performance Security
- 34.1 Within five (5) days after receipt of the Letter of Acceptance, the successful Bidder shall deliver to the Employer a Performance

- Bond in the amount stipulated in the Contract Data and in the form (Bond) stipulated in the Bid Data.
- 34.2 The Performance Bond shall be provided by a bonding house acceptable to the Employer.
- 34.3 Failure of the successful Bidder to comply with the requirements of Sub-Clause 33.1 shall constitute sufficient grounds for cancellation of the award and forfeiture of the Bid Security.

35. Advance **Payment** and Security

- 35.1 The Employer will provide an Advance Payment on the Contract Price as stipulated in the Conditions of Contract, subject to a maximum amount, as stated in the Bid Data.
- 36. Adjudicator
- 36.1 The Employer proposes the person named in the Bid Data to be appointed as Adjudicator under the Contract, at an hourly fee specified in the Bid Data, plus reimbursable expenses. If the bidder disagrees with this proposal, the Bidder should so state in the Bid. If, in the Letter of Acceptance, the Employer has not agreed on the appointment of the Adjudicator, the Adjudicator shall be appointed by the Appointing Authority designated in the Contract Data at the request of either party.

Fraudulent Practices

- 1. 37. Corrupt or 37.1 Bidders, shall adhere to highest ethical standards, both during the Bidding process and throughout the execution of the contract. The list of definitions set forth below involves the most common types of corrupt practices, but is not exhaustive. For this reason, the Employer will also consider claims of similar nature involving alleged acts of corruption, in accordance with the established procedure.
 - (a). "Bribery" means the act of unduly offering, giving, receiving or soliciting anything of value to influence the process of procuring goods or services, selecting consultants, or executing contracts.
 - (b). "Extortion" or "Coercion" means the act attempting to influence the process of procuring goods or services, selecting consultants, or executing contracts by means of threats of injury to person, property or reputation.
 - (c). "Fraud" means the misrepresentation of information or facts for the purpose of influencing the process of procuring goods or services, selecting consultants, or executing contracts, to the detriment of the Employer/Bidder or other parties.

- (d). "Collusion" is an agreement between Bidders designed to result in Bids at artificial prices that are not competitive.
- 37.2 If, in accordance with the administrative procedures of the Employer, Public Procurement Board, it is demonstrated that anyone acting on his or her behalf, and/or a Bidder in the Bid process or during the execution of the contract has committed corrupt practices, the Employer will:
 - (a). reject a proposal to award a contract and/or
 - (b). declare a firm and/or its personnel directly involved in corrupt practices, temporarily or permanently ineligible to be awarded future contracts financed from the funds of the Employer.
- 37.3 The Bidder shall disclose any commissions or fees that may have been paid or are to be paid to agents, representatives, or commission agents with respect to the Bidding process or execution of the contract. The information disclosed must include at the name and address of the agent, representative, or commission agent, the amount and currency, and the purpose of the commission or fee. The information must be included in the Tender Submission Sheet.
- 37.4 Any communications between the Bidder and the Employer related to matters of alleged fraud or corruption must be made in writing

Section II.

BID DATA SHEET

BID DATA SHEET

A. GENERAL

Construction of Pipe Culvert for Tailings Storage Facility 1.1, 14.1 Summary of Works 2 (TSF2) Name of Contract Construction of Pipe Culvert for Tailings Storage Facility II (TSF2) Identification number of the PSGL/PCTSF2 Contract 5.1 Qualification of the Bidder; As per Instructions to Bidders Clause 5.1 5.2 Qualifying criteria for Bidders: (a) average annual turnover construction work during Five million Ghana cedis (GH¢5,000,000) the last three years (b) number of projects of nature and complexity similar to the Works, One (1) executed within the last three years (c) positions and experience BSc. or HND in Building Technology/Civil Engineering Key Site manager /holder of the Minerals Commission Certificate of competence with at least 3 years post qualification Five hundred thousand Ghana cedis (GH¢500,000.00) (d) minimum liquid assets (e) Bid Security Bid Securing Declaration or Bond.

One hundred thousand Ghana Cedis (GH¢100,000.00)

B. BIDDING DOCUMENTS

9.1(d)	Additional documents forming Part of the Bid Documents	Valid Certificates from SSNIT, Works and Housing higher), mining Support Services Operating Licens Minerals Commission, PPA, Labour and IRS.
10.1	Employer's address for the purpose of clarification of BID Documents	Prestea Sankofa Gold Limited, Prestea Procurement Office
16.1 17.1	C. PREPARATION OF BIDS Period of validity of Bids Consideration of alternative Proposals	Sixty (60) days after submission of Bids Not Applicable
19.2	D. SUBMISSION OF BIDS Employer's address for the Purpose of Bid submission	Prestea Sankofa Limited Main office
20.1	Deadline for submission of Tenders	Time: 11:00 am Date: Monday 4 th August, 2025
	E. BID OPENING AND EVALU	ATION
23.1	Venue, time, and date of Bid	Prestea Sankofa Gold Limited Main office
	Opening	Immediately after close of submission
	F. AWARD OF CONTRACT	
34.1	Performance Bond Amount	1% of Contract sum

Section III GENERAL CONDITIONS OF CONTRACT

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AGREEMENT

The Employer is Prestea Sankofa Gold Limited

The Contract is the CONSTRUCTION OF PIPE CULVERT FOR TAILINGS STORAGE FACILITY II (TSF2)

The Employer desires the Construction of Pipe Culvert for Tailings Storage Facility II (TSF2) at the Mine site at Prestea in the Western Region of Ghana.

OFFER

	isted in the Appendix which forms part of this in conformity with the Contract for the sum		
Agreement and offers to execute the Works in conformity with the Contract for the su of — (in words)			
(in figures) or such other su	ım as may be ascertained under the Contract.		
	itted two signed originals, may be accepted by iginal of this document to the Contractor before		
The Contractor understands that the Employe received for the Works.	r is not bound to accept the lowest or any offer		
Signature	Date		
Name_	Capacity		
(Authorized to sign on behalf of Contractor)			

ACCEPTANCE

The Employer, has by signing below, accepted the Contractor's Bid and agrees that in consideration for the execution of the Works by the Contractor, the Employer shall pay the Contractor in accordance with the Contract. This Agreement comes into effect on the date when the Contractor receives one original of this document signed by the Employer.

Signature	Date
Name:	Capacity
(Authorized to sign on behalf of Employer)	

Appendix

This Appendix forms part of the Agreement

[Note: with the exception of the items for which the Employer's requirements have been inserted, the Contractor shall complete the following information before submitting his offer]

<u>Item</u>	Sub-Clause	<u>Date</u>
Documents forming the Con	ntract	
Listed in the order of priority	1.1.1.	
Document (delete if not Applicable	e)	Document Identification
 (a) The Agreement		
(f) The bill of quantities		
Time for Completion	1.1.9	Ten (10) Weeks
Law of the Contract	1.4	Law of Ghana
Language	1.5	English
Provision of Site	2.1	
Name and address of Employer's representative (if known)	3.2	
Performance security		1% of Contract Price
Percentage of retention	11.3	5%
Insurances	14.1	0.25% of Contract Price
Arbitration Rules	15.3	GoG Arbitration Rules
Appointing authority	15.3	President of the Ghana Institution of Surveyors

General Provisions

1.1 Definitions	In the Contract as defined below the words and expressions defined shall have the following meanings assigned to them except where the context requires otherwise:			
The Contract	1.1.1	"Contract" means the Agreement and the other documents listed in the Appendix.		
	1.1.2	"Specification" means the document as listed in the Appendix, including Employer's requirement in respect of the works to be carried out by the Contractor and any Variation to such document.		
	1.1.3	"Drawings" means the Employer's drawings of the Works as supplied by the Employer and any Variation to such drawings.		
Persons	1.1.4	"Employer" means the person named in the Agreement and the legal successors in the title to this person, but not (except with the consent of the Contractor) any assignee.		
	1.1.5	"Contractor" means the person named in the Agreement and the legal successors in title to this person, but not (except with the consent of the Employer) any assignee.		
	1.1.6	"Party" means either the Employer or the Contractor.		
Dates, Times And Periods	1.1.7	"Commencement Date" means the date 14 days after the date of Agreement comes into effect or any other date agreed between the Parties.		
	1.1.8	"day" means a calendar day.		
	1.1.9	"Time for Completion" means the time for completing the Works as stated in the Appendix (or as extended under Sub-Clause 7.3), calculated from the Commencement Date.		
Money and Payments	1.1.10	"Cost" means all expenditure properly incurred (or to be incurred) by the Contractor, whether on or off the Site, including overheads and similar charges, but does not include profit.		
Other Definitions	1.1.11	"Contractor's Equipment" means all apparatus, machinery, vehicles, facilities and other things required for the execution of the Works but does not include Materials or Plant.		
	1.1.12	"Country" means the country in which the Site is located.		
	1.1.13	"Employer's Liabilities" means those matters listed in Sub-Clause 6.1		

- 1.1.14 **"Force Majeure"** means an exceptional event or circumstance; which is beyond a Party's control; which such Party could not reasonably have provided against before entering into the Contract; which, having arisen, such Party could not reasonably have avoided or overcome; and, which is not substantially attributable to the other Party.
- 1.1.15 "Materials" means things of all kinds (other than Plant) intended to form or forming part of the permanent work.
- 1.1.16 **"Plant"** means the machinery and apparatus intended to form or forming part of the permanent work
- 1.1.17 **"Site"** means the places provided by the Employer where the Works are to be executed, and any other places specified in the Contract as forming part of the Site.
- 1.1.18 **"Variation"** means a change to the Specification and/or Drawings (if any) which is instructed by the Employer under Sub-Clause 10.1.
- 1.1.19 **"Works"** means all the work and design (if any) to be performed by the Contractor including temporary work and any Variation.
- 1.1.20 "Contract Price" means the price stated in the Acceptance Column of the Agreement Form pursuant to Clause 10.3 of the General Conditions of Contract.
- 1.2 Words importing persons or parties shall include firms and organizations. Words importing singular or one gender shall include plural or the other gender where the context requires.
- 1.3 The documents forming the Contract are to be taken as mutually explanatory of one another. If an ambiguity or discrepancy is found in the documents, the Employer shall issue any necessary instructions to the Contractor, and the priority of the documents shall be in accordance with the order as listed in the Appendix.
- 1.4 The law of the Contract is that of the Government of Ghana. Law
- 1.5 Whenever provision is made for the giving or issue of any notice, instruction, or other communication by any person, unless otherwise specified such communication shall be written in the language stated in the Appendix and shall not be unreasonably withheld or delayed.

1.6 Statutory Obligations	The Contractor shall comply with the laws of the countries where activities are performed. The Contractor shall give all notices and pay all fees and other charges in respect of the Works.

1.7 The Employer shall provide the Site and right of access thereto at times stated in Provision of Site the Appendix.

1.8 The Employer shall, if requested by the Contractor, assist him in applying for Permits and permits, licenses or approvals which are required for the Works. Licenses

The Contractor shall comply with all instructions given by the Employer in respect of the Works including the suspension of all or part of the Works. Employer's Instructions 1.9.1 No approval or consent or absence of comment by the Employer or the Employer's

representative shall affect the Contractor's obligations. Approvals

2.0 Employer's Representatives

2.1 The Employer's representative shall have authority to act for him. This authorized Employer's person shall be as stated in the Appendix, or as otherwise notified by the Employer Representative to the Contractor

3.0 The Contractor

1.9

3.1 General Obligations	The Contractor shall carry out the Works properly and in accordance with the Contract. The Contractor shall provide all supervision, labour, Materials, Plant and Contractor's Equipment which may be required. All Materials and Plant on Site shall be deemed to be the property of the Employer.
3.2 Contractor's Representative	The Contractor shall submit to the Employer for consent the name and particulars of the person authorized to receive instructions and act on behalf of the Contractor.
3.3 Subcontracting	The Contractor shall not subcontract the whole of the Works or any part of the Works without the consent of the Employer.
3.4 Performance Bond	The Contractor shall deliver to the Employer within 14 days of the Commencement Date a performance bond and form in the amount indicated in the Appendix from a bonding agency approved by the Employer.

4.0 Employer's Liabilities

4.1 Employer's Liabilities

In this Contract, Employer's Liabilities mean:

- a) war, hostilities (whether war be declared or not), invasion, act of foreign enemies, within the Country.
- b) rebellion, terrorism, revolution, insurrection, military or usurped power, or civil war, within the Country.
- c) riot, commotion or disorder by persons other than the Contractor's personnel and other employees, affecting the Site and/or the Works,
- d) ionizing radiations, or contamination by radio-activity from any nuclear fuel, or from any nuclear waste from the combustion of nuclear fuel, radio-active toxic explosive, or other hazardous properties of any explosive nuclear assembly or nuclear component of such an assembly, except to the extent to which the Contractor may be responsible for the use of any radio-active material,
- e) pressure waves caused by aircraft or other aerial devices traveling at sonic speeds,
- f) use or occupation by the Employer of any part of Works, except as may be specified in the Contract,
- g) design of any part of the Works by the Employer's personnel or by others for whom the Employer is responsible, and
- h) any operation of the forces of nature affecting the Site and/or the Works, which was unforeseeable or against which an experienced contractor could not reasonably have been expected to take precautions.
- i) Force Majeure,
- j) a suspension under Sub-Clause 2.3 unless it is attributable to the Contractor's failure,
- k) any failure of the Employer,
- physical obstructions or physical conditions other than climatic conditions, encountered on the Site during the performance of the Works, which obstructions or conditions were not reasonably foreseeable by an experienced contractor and which the Contractor immediately notified to the Employer

- m) any delay or disruption caused by any Variation,
- any change to the law of the Contract after the date of the Contractor's offer n) as stated in the Agreement,
- 0) losses arising out of the Employer's right to have the permanent work executed on, over, under, in or through any land, and to occupy this land for the permanent work, and
- Damage which is an unavoidable result of the Contractor's obligations to p) execute the Works and to remedy any defects

5.0 Time for Completion

5.1 Execution of the Works'

The Contractor shall commence the Works on the Commencement Date and shall proceed expeditiously and without delay and shall complete the Works within the Time for Completion.

5.2 Programme

Within the time stated in the Appendix, the Contractor shall submit to the Employer a programme for the Works in the form stated in the Appendix.

5.3

Subject to Sub-Clause 10.3, the Contractor shall be entitled to an extension to the Extension of Time Time for Completion if he is or will be delayed by any of the Employer's Liabilities.

> On receipt of an application from the Contractor, the Employer shall consider all supporting details provided by the Contractor and shall extend the Time for Completion as appropriate.

5.4 Late Completion If the Contractor fails to complete the Works within the Time for Completion, the Contractor's only liability to the Employer for such failure shall be to pay the amount stated in the Appendix for each day for which he fails to complete the Works.

6.0 Taking-Over

6.1 Completion The Contractor may notify the Employer when he considers that the Works are complete.

6.2 Taking-Over Notice

The Employer shall notify the Contractor when he considers that the Contractor has completed the Works stating the date accordingly. Alternatively, the Employer may notify the Contractor that the Works, although not fully complete, are ready for taking over, stating the date accordingly.

The Employer shall take over the Works upon the issue of this notice. The Contractor shall promptly complete any outstanding work and, subject to Clause 9, clear the Site.

7.0 Remedying Defects

7.1 Remedying Defects

The Employer may at any time prior to the expiry of the period stated in the Appendix, notify the Contractor of any defects or outstanding work. The Contractor shall remedy at no cost to the Employer any defects due to the Contractor's design, Materials, Plant or workmanship not being in accordance with the Contract.

The cost of remedying defects attributable to any other cause shall be valued as a Variation. Failure to remedy any defects or complete outstanding work within a reasonable time of the Employer's notice shall entitle the Employer to carry out all necessary work at the Contractor's cost.

7.2 Uncovering and Testing

The Employer may give instruction as to the uncovering and/or testing of any work. Unless as a result of any uncovering and/or testing it is established that the Contractor's design, Materials, Plant or workmanship are not in accordance with the Contract, the Contractor shall be paid for such uncovering and/or testing as a Variation in accordance with Sub-Clause 10.2

8.0 Variations and Claims

8.1

Right to Vary

The Employer may instruct Variations

8.2 Valuation of Variations

Variations shall be valued as follows:

- a) at a lump sum price agreed between the Parties, or
- b) where appropriate, at rates in the Contract, or
- c) in the absence of appropriate rates, the rates in the Contract shall be used as the basis for valuation, or failing which
- d) at appropriate new rates, as may be agreed or which the Employer considers
- e) if the Employer so instructs, at Daywork rates set out in the Appendix for which the Contractor's Equipment, and of Materials used.

8.3 Early Warning

A Party shall notify the other as soon as he is aware of any circumstance which may delay or disrupt the Works, or which may give rise to a claim for additional payment. The Contractor shall take all reasonable steps to minimize these effects.

The Contractor's entitlement to extension to the Time for Completion or additional payment shall be limited to the time and payment which would have been due if he had given prompt notice and had taken all reasonable steps.

8.4

Right to Claim

If the Contractor incurs Cost as a result of any of the Employer's Liabilities, the Contractor shall be entitled to the amount of such Cost. If as a result of any of the Employer's Liabilities, it is necessary to change the Works, this shall be dealt with as a Variation.

8.5

Variation and Claim Procedure

The Contractor shall submit to the Employer an itemized make-up of the value of Variations and claims within seven (7) days of the instruction or of the event giving rise to the claim. The Employer shall check and if possible, agree on the value. In the absence of agreement, the Employer shall determine the value.

9.0 Contract Price and Payments

9.1 The Contract Price shall not be subject to fluctuation

Contract Price

9.2 Not Applicable

Contract Price Adjustment

9.3

Valuation of the

Works

The Works shall be valued on fortnightly basis, subject to Clause 10.

9.4

Payments

The Contractor shall be entitled to be paid not later than fourteen (14) days upon the issuance of the demand for payment:

The Contractor shall submit every two weeks, to the Employer, a statement showing the amounts which he considers himself entitled and the programme for the remaining works.

9.5 Interim Payments

Within fourteen (14) days of delivery of each statement, the Employer shall pay to the Contractor the amount shown in the Contractor's statement less retention at the rate stated in the Appendix, and less any amount for which the Employer has specified his reasons for disagreement. The Employer shall not be bound by any sum previously considered by him to be due to the Contractor.

The Employer may withhold interim payments until he receives the Performance Bond under Sub-Clause 4.4

9.6 Payment of First Half Retention One half of the retention shall be paid by the Employer to the Contractor within fourteen (14) days after issuing the notice under Sub-Clause 8.2

9.7 Payment of Second Half of Retention The remainder of the retention shall be paid by the Employer to the Contractor within 14 days after either the expiry of the period stated in the Appendix, or the remedying of notified defects or the completion of outstanding work, all as referred to in Sub-Clause 9.1, whichever is the later.

9.8 Final Payment Within 42 days of the latest of the events listed in Sub-Clause 11.5 above, the Contractor shall submit a final account to the Employer together with any documentation reasonably required to enable the Employer to ascertain the final contract value.

Within fourteen (14) days after the submission of this final account, the Employer shall pay to the Contractor all amount due. If the Employer disagrees with any part of the Contractor's final account, he shall specify his reasons for disagreement when making payment.

9.9 Currency Payment shall be in Ghana Cedis.

9.10 Delayed Payment

The Contractor shall be entitled to interest on delayed payment at the rate of 0.5% in excess of on-going Bank Lending rates for each day the Employer fails to pay beyond the prescribed payment period.

10.0 Default

10.1 Default by Contractor If the Contractor abandons the Works, refuses or fails to comply with a valid instruction of the Employer or fails to proceed expeditiously and without delay, or is, despite a written complaint, in breach of the Contract, the Employer may give notice referring to this sub-Clause and stating the default.

If the Contractor has not taken all practicable steps to remedy the default within 7 days after the Contractor's receipt of the employer's notice, the Employer may by a second notice given within a further 7 days, terminate the Contract. The Contractor shall then demobilize from the Site leaving behind Plant and any Contractor's Equipment which the Employer instructs in the second notice is to be used until the completion of the Works.

10.2 Corrupt or Fraudulent Practices

If the Contractor engages in corrupt or fraudulent practices in the execution of the contract, the Employer may, after giving 7 days' notice to the Contractor, terminate the Contract.

For the purpose of this Sub-Clause,

"Corrupt Practice" means the offering, giving, receiving or soliciting of anything or value to influence the action of a public official in the procurement process or in Contract execution.

"Fraudulent Practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the Employer, and includes collusive practice among Bidders (prior to or after the submission of Bids) designed to establish tender prices at artificial non-competitive levels and to deprive the Employer of the benefits of free and open competition".

10.3 Default by Employer

If the Employer fails to pay in accordance with the Contract, or is, despite a written complaint, in breach of the Contract, the Contractor may give notice referring to this Sub-Clause and stating the default. If the default is not remedied within 7 days after the Employer's receipt of this notice, the contractor may suspend the execution of all or parts of the Works.

If the default is not remedied within 7 days after the Employer's receipt of the Contractor's notice, the Contractor may by a second notice given within a further 7 days, terminate the Contract. The Contractor shall then demobilize from the Site.

10.4 Insolvency

If a Party is declared insolvent under any applicable law, the other Party may by notice terminate the Contract immediately. The Contractor shall then demobilize from the Site leaving behind, in the case of the Contractor's insolvency, any Contractor's Equipment which the Employer instructs in the notice is to be used until the completion of the Works.

10.5 Payment upon Termination

After termination, the Contractor shall be entitled to payment of the unpaid balance of the value of the Works executed and of the Materials and Plant reasonably delivered to the Site, adjusted by the following:

- a) any sums to which the Contractor is entitled under Sub-Clause 10.4,
- b) any sums to which the Employer is entitled,
- c) if the Employer has terminated under Sub-Clause 12.1, 12.2 or 12.4, the Employer shall be entitled to a sum equivalent to 20% of the value of those parts of the Works not executed at the date of the termination,
- d) if the Contractor has terminated under Sub-Clause 12.3 or 12.4, the Contractor shall be entitled to the Cost of his suspension and demobilization together with a sum equivalent to 10% of the value of those parts of the Works not executed at the date of termination.

The net balance due shall be paid or refunded within 28 days of the notice of termination.

11.0 Risk and Responsibility

The Contractor shall take full responsibility for the care of the Works from the Contractor's Care Commencement Date until the date of the Employer's notice under Sub-Clause 8.2.

Of the Works'

Responsibility shall then pass to the Employer. If any loss or damage happens to the Works during the above period, the Contractor shall rectify such loss or damage so that the Works conform with the Contract.

Unless the loss or damage happens as a result of an Employer's Liability, the Contractor shall indemnify the Employer, the Employer's contractors, agents and employees against all loss or damage happening to the Works and against all claims or expense arising out of the Works caused by a breach of the Contract, by negligence or by other default of the Contractor, his agents or employees.

11.2 Force Majeure

If a Party is or will be prevented from performing any of its obligations by Force Majeure, the Party affected shall notify the other Party immediately. If necessary, the Contractor shall suspend the execution of the Works and, to the extent agreed with the Employer, demobilize the Contractor's Equipment.

If the event continues for a period of 84 days, either Party may then give notice of termination which shall take effect 28 days after the giving of the notice.

After termination, the Contractor shall be entitled to payment of the unpaid balance of the value of the Works executed and of the Materials and Plant reasonably delivered to the Site, adjusted by the following:

- a) any sums to which the Contractor is entitled under Sub-Clause 10.4,
- b) the Cost of his suspension and demobilization,
- c) any sums to which the Employer is entitled.

The net balance due shall be paid or refunded within 28 days of the notice of termination.

12.0 Insurance

12.1 Extent of Cover

The Contractor shall, prior to commencing the Works, effect and thereafter maintain

Insurance in the joint names of the Parties

- a) for loss and damage to the Works, Materials, Plant and the Contractor's Equipment,
- b) for liability of both Parties for loss, damage, death or injury to third parties or their property arising out of the Contractor's performance of the Contract, including the Contractor's liability for damage to the Employer's property other than the Works, and
- c) for liability of both Parties and of any Employer's representative for death or injury to the Contractor's personnel except to the extent that liability arises from the negligence of the Employer, any Employer's representative or their employees.

12.2 Arrangements

All insurances shall conform to all requirements detailed in the Appendix. The policies shall be issued by Insurers and in terms approved by the Employer. The Contractor shall provide the Employer with evidence that any required policy is in force and that the premiums have been paid.

All payments received from Insurers relating to loss or damage to the Works shall be held jointly by the Parties and used for the repair of the loss or damage or as compensation for loss or damage that is not to be repaired.

12.3 Failure to Insure

If the Contractor fails to effect or keep in force any of the insurances referred to in the previous Sub-Clauses, or fails to provide satisfactory evidence, policies or receipts, the Employer may, without prejudice to any other right or remedy, effect Insurance for the cover relevant to such default and pay the premiums due and recover the same as a deduction from any other monies due to the Contractor

13.0 Resolution of Disputes

13.1 Adjudication

Unless settled amicably, any dispute or difference which arises between the Contractor and the Employer out of or in connection with the Contract, including any valuation or other decision of the Employer, shall be referred by either Party to adjudication in accordance with the attached Rules for Adjudication ("the Rules"). The adjudicator shall be any person agreed by the Parties. In the event of disagreement, the adjudicator shall be appointed in accordance with the Rules.

13.2 Notice of Dissatisfaction

If a Party is dissatisfied with the decision of the adjudicator or if no decision is given within the time set out in the Rules, the Party may give notice of dissatisfaction referring to this Sub-Clause within 14 days of receipt of the decision or the expiry of the time for the decision. If no notice of dissatisfaction is given within the specified time, the decision shall be final and binding on the Parties. If notice of dissatisfaction is given within the specified time, the decision shall be binding on the Parties who shall give effect to it without delay unless and until the decision of the Adjudicator is revised by an Arbitrator.

13.3 Arbitration

A dispute which has been the subject of a notice of dissatisfaction shall be finally settled by a single arbitrator under the rules specified in the Appendix. In the absence of agreement, the arbitrator shall be designated by the appointing authority specified in the Appendix. Any hearing shall be held at the place specified in the Appendix and in the language referred to in Sub-Clause 1.5.

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les of Adjudication

Referred to in Sub-Clause 13.1

General

- 1 Any reference in the Conditions of Contract to the Rules for Adjudication shall be deemed to be a reference to these Rules.
- 2 Definitions in the Contract shall apply in these Rules
- The Parties shall jointly ensure the appointment of the Adjudicator. The Adjudicator shall be a suitably qualified person.

Appointment of Adjudicator

If for any reason the appointment of the Adjudicator is not agreed at the latest within 14 days of the reference of a dispute in accordance with these Rules, then either Party may apply, with a copy of the application to the other Party, to the appointing authority named in the Contract to appoint an Adjudicator, and such appointment shall be final and conclusive.

The adjudicator's appointment may be terminated by mutual agreement of the Parties. The Adjudicator's appointment shall expire when the Works have been completed or when any disputes referred to the Adjudicator shall have been withdrawn or decided, whichever is the later.

Terms of Appointment

- 6 The Adjudicator is to be, and is to remain throughout his appointment, impartial and independent of the Parties and shall immediately disclose in writing to the Parties anything of which he becomes aware which could affect his impartiality or independence.
- 7 The Adjudicator shall not give advice to the Parties or their representatives concerning the conduct of the project of which the Works form part other than in accordance with these Rules.
- 8 The Adjudicator shall not be called as a witness by the Parties to give evidence concerning any dispute in connection with, or arising out of, the Contract.
- 9. The Adjudicator shall treat the details of the Contract and all activities and hearings of the Adjudicator as confidential and shall not disclose the same without the prior written consent of the Parties assign or delegate any of his work under these Rules or engage legal or technical assistance.
- 10 The Adjudicator may resign by giving 28 days' notice to the Parties. In the event of resignation, death or incapacity, termination or a failure or refusal to perform the duties of Adjudicator under these Rules, the Parties shall agree upon a replacement Adjudicator within 14 days or Rule 4 shall apply.
- 11 The Adjudicator shall in no circumstances be liable for any claims for anything done or omitted in the discharge of the Adjudicator's duties unless the act or omission is shown to have been in had faith.
- 12 If the Adjudicator shall knowingly breach any of the provisions of Rule 6 or act in bad faith, he shall not be entitled to any fees or expenses hereunder and shall reimburse each of the Parties for any fees and expenses properly paid to him, if as a consequence of such breach any proceedings or decisions of the Adjudicator are rendered void or ineffective.

Payment

- 13 The Adjudicator shall be paid the fees and expenses set out in the Adjudicator's Agreement.
- 14 The retainer fee, if applicable, shall be payable in full for:

- (a) being available, on 7 days' notice, for all hearings and Site visits;
- (b) all office overhead expenses such as secretarial services, photocopying and office supplies incurred in connection with his duties;
- c) all services performed hereunder except those performed during the days referred to in Rule 15.
- 15 The daily fee shall be payable for each working day preparing for or attending Site visits or hearings or preparing decisions including any associated traveling time.
- 16 The retainer and daily fees shall remain fixed for the period of tenure of the Adjudicator.
- All payments to the Adjudicator shall be made by the Contractor who will be entitled to be reimbursed half by the Employer. The Contractor shall pay invoices addressed to him within 28 days of receipt. The Adjudicator's invoices for any monthly retainer shall be submitted quarterly in advance and invoices for daily fees and expenses shall be submitted following the conclusion of a Site visit or hearing. All invoices shall contain a brief description of the activities performed during the relevant period. The Adjudicator may suspend work if any invoice remains unpaid at the expiry of the period for payment, provided that 7 days prior notice has been given to both Parties.
- 18 If the Contractor fails to pay an invoice addressed to it, the Employer shall be entitled to pay the sum due to the Adjudicator and recover the sum paid from the Contractor.

Procedure for Obtaining Adjudicator's Decision

- A dispute between the Parties may be referred in writing by either Party to the Adjudicator for his decision, with a copy to the other Party. If the Adjudicator has not been agreed or appointed, the dispute shall be referred in writing to the other Party, together with a proposal for the appointment of an Adjudicator. A reference shall identify the dispute and refer to these Rules.
- The Adjudicator may decide to visit the Site. The Adjudicator may decide to conduct a hearing in which event he shall decide on the date, place and duration for the hearing. The Adjudicator may request that written statements from the Parties be presented to him prior to, at or after the hearing. The Parties shall promptly provide the Adjudicator with sufficient copies of any documentation and information relevant to the Contract that he may request.

- The Adjudicator shall act as an impartial expert, not as an arbitrator, and shall have full authority to conduct any hearing as he thinks fit, not being bound by any rules or procedures other than those set out herein. Without limiting the foregoing, the Adjudicator shall have power to:
 - (a) decide upon the Adjudicator's own jurisdiction, and as to the scope of any dispute referred to him,
 - (b) make use of his own specialist knowledge, if any,
 - (c) adopt an inquisitorial procedure
 - (d) decide upon the payment of interest in accordance with the Contract,
 - (e) open up, revise and revise any opinion, instruction, determination, certificate or valuation, related to the dispute,
 - (f) refuse admission to hearings to any persons other than the Employer, the Contractor and their respective representatives, and to proceed in the absence of any Party who the Adjudicator is satisfied received notice of the hearing.
- All communications between either of the Parties and the Adjudicator and all hearings shall be in the language of the Adjudicator's Agreement. All such communications shall be copied to the other Party.
- No later than the fifty-sixth day after the day on which the Adjudicator received a reference or, if later, the day on which the Adjudicator's Agreement came into effect, the Adjudicator shall give written notice of his decision to the Parties. Such decision shall include reasons and state that it is given under these Rules.

Adjudicator's Agreement

lentification of Project:			
(the "Project")			
Name and address of the	Employer:		
(the "Employer")			
Name and address of Co	ntractor		
(the "Contractor")			

(the "Adjudicator") Whereas the Employer and the Contractor have entered into a contract ("the Contract") for the execution of the Project and wish to appoint the Adjudicator to act as adjudicator in accordance with the Rules for Adjudication ["the Rules"]. The Employer, Contractor and Adjudicator agree as follows: The Rules and the dispute provisions of the Contract shall form part of this 1 Agreement. 2 The Adjudicator shall be paid: A retainer fee of ______per calendar month (where applicable) A daily fee of Expenses (including the cost of telephone calls, courier charges, faxes and telexes incurred in connection with his duties all reasonable and necessary travel expenses, hotel accommodation and subsistence and other direct travel expenses). Receipts will be required for all expenses. 3 The Adjudicator agrees to act as adjudicator in accordance with the Rules and has disclosed to the Parties any previous or existing relationship with the Parties or others concerned with the Project. This Agreement shall be governed by the law of_____ 4 5 The language of this Agreement shall be SIGNED BY For and on behalf of the Employer in the presence of Witness Name

Address _____

Name and address of Adjudicator:

Date
SIGNED BY
For and on behalf of the Contractor in the presence of
Witness
Name
Address
Date
SIGNED BY
For and on behalf of the Adjudicator in the presence of
Witness
Name
Address
Date

SECTION IV

METHOD OF MEASUREMENT FOR THE WORKS

METHOD OF MEASUREMENT

Amendments to Standard Method of Measurement (6th Edition Metric) used in the preparation of these Bills of Quantities and as referred to in the conditions of contract.

1 EXCAVATION AND EARTHWORK

Ref. S.M.M. Clause

The prices for excavation and filing shall include for:

a) Leveling, grading to falls, grading to cambers and compacting the surface of the ground or filling. (N.B. compacting by specific means to be so described).

D17 (a), D22 (e)

b) Trimming sides of cuttings and sides of embankments to slope. D17 (d)

c) Keeping excavations free from general water. D19 (b)

d) Planking and strutting. D20, D21

e) Hand packing hardcore to form vertical or battering face and hand packing to form sink-ins. D22 (f) and (g)

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SECTION V

TECHNICAL SPECIFICATIONS FOR THE WORKS

SPECIFICATIONS

1.0 GENERAL

The Technical specifications are intended to be descriptive only and not restrictive. The bidder may substitute alternative standards, brand names and/or catalogue numbers in its bid, providing it demonstrates to the employer's satisfaction that the substitutions are substantially equivalent or superior to those designated in the technical specifications.

- 1.1 Interpretation of Terms
- 1.2 In the following specifications unless the context otherwise requires the following expressions shall have the meanings hereby assigned to them:
- 1.3 "Employer" Sankofa Gold Ltd. Prestea
- 1.4 "Contractor" means the party whose Bid has been accepted by the Employer.
- 1.5 "Consultant" means the authorized representative of Building and Road Research Institute (BRRI) Kumasi.
- 1.6 "Works" means the intended erection in accordance with the Contract, and includes all labour, materials, supplies, plant and equipment, and other items necessary for the performance, and the maintenance of all work to be executed under the contract.
- 1.7 "Drawings" means all drawings, plans sketches, and maps issued to the Contractor and such other drawings as may from time to time be provided or approved by the Consultant
- 1.8 "Site" means the land upon which is o be constructed the facilities shown and delineated on the contract drawings.
- 2.0 EARTHWORK
- 2.01 Visit to the Site
- 2.02 The contractor is advised to visit the site and satisfy himself as to the nature of the soil to be excavated and the level of the water table.

2.03 The contractor's price for excavation shall include for excavating in any type of ground (except rock as defined hereunder).

2.1 Excavation

- 2.1.1 Excavation for foundation and trenches shall be carried out to the lines and levels shown on the drawings or as may be required by the Consultant. The excavation shall be taken out to the minimum beyond the lines and levels as shown so as to reduce the amount of backfill required, due allowance to be made for working space and all necessary timbering.
- 2.1.2 Excavation over 1800mm deep shall be properly supported to prevent collapse. Slips which occur as a result of the contractor's failure to take due precautions will be taken out and made good at the contractor's own expense.
- 2.1.3 Where loose soil or weak pockets occur below the intended foundation level, they shall be taken out to the satisfaction of the Consultant and made up in mass concrete or other materials as shall be directed by the Consultant.
- 2.1.4 Where the excavation is exceeded, the levels are to be made up in mass concrete or other material as specified by the Consultant and at the Contractor's expense.
- 2.1.5 Excavation, backfilling and compaction by mechanical means will be permitted only where it is reasonably practicable and will not endanger or damage other structures or property.
- 2.1.6 The Contractor shall take all steps to keep the excavations free of water and give due regard to the possibility of floods and provide all pumps, timbering, sheet piling and other equipment necessary for the correct execution thereof.

2.2 Rock Excavation

- 2.2.1 The term "rock" were, used in the Bills of Quantities shall be deemed to be geological formation which in the opinion of the Consultant can only be removed by means of pneumatic drills or similar mechanical plant or explosives.
- 2.2.2 The contractor's rates for excavation in rock shall include the getting out and disposal of extra material arising from such excavation and for backfilling with approved material to the lines and levels shown on the drawings.
- 2.2.3 Where excavation is in rock, the contractor shall cut back to the required inclination, trim, remove or support all projections as instructed by the Consultant.

2.3 Use of Explosives

- 2.3.1 The Consultant's express permission must be given for the use of explosives for this purpose. If permission is given, the contractor will be held responsible to ensure that charges are not excessive, that charge boreholes are adequately protected before being fired and that proper precautions are taken for the protection of the works, persons employed on the works, members of the public and adjoining property.
- 2.3.2 Should the presence of rock be such that foundation excavation or concrete foundation be unnecessary to the extent of the requirement stated on the drawings, the Consultant's approval must be given for any such omission.

2.4 Disposal of Materials

- 2.4.1 Excavated material which is suitable for re-use shall be stacked on site at such places as agreed with the Consultant.
- 2.4.2 All excavated material not required for re-use shall be removed from site to such places of disposal as shall be previously agreed with or indicated by the Consultant.

2.5 Backfilling

- 2.5.1 No backfilling is to commence until permanent works have been inspected and passed as correct by the Consultant, otherwise the drawings shall be used to compute the quantities of any hidden work.
- 2.5.2 The material used as backfill shall be free from vegetable and other deleterious matter. It shall be of such quality as to be free of excessive voids when watered and compacted and should not contain rocks or lumps over 100mm in greatest dimension.

2.6 Placing and Compacting

- 2.6.1 The backfilling material shall be spread in layers not exceeding 3000mm before compaction. The contained water shall be distributed uniformly through the soil and the water content shall be that which will permit proper compaction.
- 2.6.2 The contractor's attention is drawn to the fact that the volume of fill has been measured net and that allowance should be made for loss in bulk that will occur due to consolidation, etc.

3.0 ROADS, RAISE AND ACCESSES

3.1 Definitions

As used herein "provided" shall be understood to mean complete in place", i.e. "furnished and installed".

3.2 Lines and Grades

3.2.1 The Consultant will establish all required center lines and center line grades at 6.00m intervals only. Contractor shall lay out all work from established center lines and grades, shall furnish and place all additional stakes, templates, and bench marks necessary for marking and maintaining points, lines and elevations, and shall be totally responsible for the accuracy of all lines and grades established by his employees.

3.3 Grading and Excavation

- 3.3.1 Grading includes all excavation and the construction of fill required to grade the site, roadways and walkways to elevations and slopes indicated on the drawings or established in the field. Cuts and fills shall be finished to grades, slopes and lines indicated with a plus or minus tolerance of 60mm, which shall not result in any low un-drained areas or sharp ridges. Final finish for roadways and crest of the raise shall be cut to a smooth uniform surface with a grader blade.
- 3.3.2 Before each stage of grading commence, the contractor shall satisfy himself as to the correctness of all elevations shown on the drawings and shall agree to the same elevations with the Consultant. If the contractor is not satisfied with accuracy of the elevation shown on the drawings, he must give written notice thereof; otherwise no claim shall be entertained in this respect.

3.4 Excavation

- 3.4.1 All excavation shall be accurately and neatly cut to lines, sections, and grades shown on the drawings or established in the field. All suitable materials excavated shall be used as far as practicable in forming the embankments and at such other places as directed. No excavated material shall be wasted unless so ordered.
- 3.4.2 Excavation carried below the depths indicated, without specific directions, shall be refilled to the proper grade with thoroughly compacted suitable fill. Where excavation is in rock, the contractor shall cut back to the required inclination, trim and remove or support all projections as instructed by the Consultant.

3.5 Blasting

- 3.5.1 No explosives are to be used without the written permission of the Consultant. The use transport and storage of the explosive shall be subject to the prior approval of the Consultant and shall comply with all legislation governing the use, transport and storage of explosives. The contractor shall provide, store and transport all explosives and other materials, stores and equipment required for the blasting operation.
- 3.5.2 The contractor shall, at his own expense, provide safety means and take all other necessary precautions for the protection of any person in the vicinity.
- 3.5.3 Full arrangements for blasting and blasting hours shall be agreed in writing with the Consultant before the commencement of such operations.
- 3.6 Test for Quality of Materials, Thickness and Control of Construction
- 3.6.1 Before any section of raise works is commenced and during the construction, tests as required by the Consultant shall be carried out in order to determine the quality of materials, the required degree of compaction in the fills, sub-grade, and pavement, and the required total thickness of the pavement. The Consultant may make use of the following tests:
 - 1. Plasticity index tests
 - Grading tests
 - 3. Moisture content tests
 - 4. In-situ dry density measurement
 - 5. Compaction tests
 - 6. In-situ and laboratory C.B.R.
- 3.6.2 Tests 1, 2, 3 and 4 shall be carried out in accordance with B.S. 1377 & 1961, the sand replacement method being used for the measurement or dry density in-situ.
- 3.6.3 The compaction shall be carried out in a mould 150mm internal diameter and 125mm internal height. The mould shall be filled in five equal layers, each layer being (Ghana Compaction Standard) Modified AASHTO Compaction Rammer).
- 3.6.4 The conditions of tests for the laboratory C.B.R. test shall be agreed with the Consultant before the commencement of the works. Failing this, laboratory C.B.R. test shall be carried out on materials compacted to the maximum dry density and at the optimum moisture content given by the compaction tests. The C.B.R. tests shall be compaction repeated on similar specimens after 24 hours repeated on soaking in the case of sub-base and base materials and after 48 hours in the case of sub-grade materials.

3.6.5 Concrete Tests

The following test will be conducted on concrete and steel at the frequency indicated in the table below

Test	Standard	Frequency
Concrete Compressive Strength	ASTM C39 / BS EN 12390	Every 50m length of the
		culvert
Tensile Strength of Steel	ASTM A615 / BS 4449	Per steel batch

3.7 Compaction

- 3.7.1 Compaction shall be carried out at a moisture content as directed by the Consultant, for fills, embankments and sub-grades, the imported material shall be dug, spread and compacted with a minimum of delay so that the material is compacted at its natural moisture content without being allowed either to dry or wet up.
- 3.7.2 For sub-base material, the moisture content for compaction shall be the optimum content as determined by the laboratory compaction test under test 5 at Clause 15.6.1. Where it is necessary to add water to adjust the moisture content of the material before compaction, the water shall be added by a water cart fitted with an approved sprinkler and the water shall be mixed into the full depth of the loose material by means of a blade grade or other mixing equipment approved by the Consultant. During compaction, additional water shall be added to the surface where necessary to prevent excessive drying out.
- 3.7.3 Compaction shall, be carried out by means approved by the Consultant. Irrespective of compaction carried out by special equipment, the maximum use shall be made of all construction traffic to assist in the compaction of all earthworks. All construction equipment must operate over the whole area to ensure uniform compaction. All filling shall be deposited in layer of not greater than 225mm loose depth. Longitudinal and transverse joints in any two successive layers shall be staggered by a minimum distance of 3000mm.
- 3.7.4 For base materials the state of compaction to be obtained shall be 100% of the maximum dry density as measured in the compaction test. For all other materials 95% of the maximum dry density measured in the laboratory compaction test shall be obtained.

3.8 Sub-grade

3.8.1 In cuttings, except rock cuttings, the subgrade shall be compacted for a depth of not less than 150mm below the finished level, or as required by the Consultant. Where the sub-grade is a heavy clay, a light roller only should be used to smooth the surface of the clay, such soils cannot be compacted beyond their normal state of compaction and rolling with a heavy roller would only result in the remolding and consequent weakening of the soil.

3.9 Services

3.9.1 Where possible, all services, etc. shall be laid prior to the construction of the road base, and all trenches backfilled to the approval of the Consultant.

3.10 Sub-base and Base

3.10.1 The sub-base and base material shall be compacted separately to the specified state of compaction. In addition, the CBR value of the sub-base (in-situ test) shall not normally be less than 40% and the CBR value of the base measured in-situ shall not be less than 80%. When the materials are tested in the laboratory at the maximum dry density these values shall be normally obtained after 24 hours soaking. Rolling shall be carried out with a 10-12-ton roller but shall not be continued to the point where the stone aggregate becomes unduly rounded or crushed.

3.11 Material for subbase and base

3.11.1 The sub-base shall be of gravel or other approved material. The base shall be constructed of gravel or of crushed rock, and its quality and grading shall be approved by the Consultant. Where the base material is gravel, it shall normally comply with the conditions of grading and plasticity given below.

B.S. SIEVE	PERCENTAGE PASSING		
Nominal	75mm	38mm	18mm
Maximum Size			
75mm	100	-	-
38mm	80 - 100	100	-
18mm	60 - 80	80-100	100
10mm	56-65	55-80	80-100
5mm	30-50	40-60	50-75
No.7	-	30-50	35-60
No.14	-	-	-
No.25	10-20	15-30	15-35
No.52	-	-	-
N0.200	0-10	0-10	0-10

Note

- (i) Not less than 10% should be retained between each successive pair of sieves specified for use, except the large pair.
 - (ii) The material passing the No.36 sieve shall have the following characteristics (B.S. 1377: 1961):
 - (a) Liquid limit not exceeding 25%
 - (b) Plasticity index not exceeding 10%

The grading of crushed rock is not critical but when laid, it shall be such that there is minimum of voids present in the compacted layer. The maximum size of the stone used shall be 50mm. Crusher –run materials will normally be found to be deficient in fine material when laid, and during compaction, stone fines 5mm to dust shall be fed into the surface until the whole layer is choked and a close well knit surface obtained. During the final part of the compaction, water shall be added as directed by the Architect.

3.12 Provision of Road Shoulders

- 3.12.1 Well compacted shoulders of sub-base material with vertical face for the full depth of the base shall be prepared in advance of spreading the base or sub-base so as to permit the roller to overlap at least one-half width of the rear wheel when rolling the edge of the work.
- 3.13 Spreading of Base and Sub-base Material
- 3.13.1 The base and sub-base material shall be spread longitudinally in a uniform layer to produce the correct finished thickness. It shall, where possible, be spread by a mechanical spreader of approved type and care shall be taken to ensure that no segregation occurs. Loads of aggregate should be dumped outside the areas on which it is spread.
- 3.14 Precautions During Rains
- 3.14.1 Adequate measures are to be taken by the Contractor during periods of rains to protect all work, providing drainage of all exposed surfaces of earthworks and to limit erosion. No placing of fill will be permitted until the surface on which the fill is to be laid is acceptably dry. Eroded areas shall be made good and where necessary the top layer of previous work shall be harrowed to the required depth and re-compacted. The sub-base is to be laid as soon as possible after the C.B.R. and density of the sub-base has been measured and found adequate. In no case shall the sub-base or base be laid if the previous surface has been affected by rain until it has recovered or been made good to the satisfaction of the Consultant.

SECTION V1 DESIGN DRAWINGS