



Konkola Copper Mines plc

Conditions of Contract for Consulting Services

KCMS 910 REV 0

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Konkola Copper Mines plc

GENERAL CONDITIONS OF CONTRACT FOR CONSULTING SERVICES

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1.0 DEFINITIONS AND INTERPRETATIONS

In these Conditions and the Contract the following words and expressions shall have the meanings hereby assigned to them unless the context otherwise requires.

1.1 Definitions

- 1.1.1 “Employer” means Konkola Copper Mines plc of Stand M/1408, Fern Avenue, Chingola, Republic of Zambia.
- 1.1.2 “Engineer” means the person appointed by the Employer to act as the Engineer for the purposes of the Contract by the Employer
- 1.1.3 “Contract” means the Contract placed by or on behalf of the Employer, which shall constitute the agreement between the Employer and the Consultant for the provision of the Services stipulated therein.
- 1.1.4 “Contract Date” means the date on which the Contract is awarded.
- 1.1.5 “Contract Price” means the sum named in or ascertainable from the Contract as the price to be paid in respect of the Services, subject to such additions to or deductions from such sum as may be made under the provisions of the Contract.
- 1.1.6 “Consultant” means the company, partnership or person with which or with whom the Contract is placed and includes the Consultant’s legal representatives, successors and permitted assigns.
- 1.1.7 “Time for Completion “ means the time for completing the services as stated in the Contract.
- 1.1.8 “Documentation” means any drawings, diagrams, calculations, designs, specifications and other pertinent documents which are to be supplied to the Engineer by the Consultant in terms of the Contract, together with any modifications to such documents as may from time to time be approved in Writing by the Engineer.
- 1.1.9 “Services” means the work to be executed in terms of the Contract.
- 1.1.10 “Laws” means all national (or state) legislation, statutes, ordinances and other laws, and regulations and by-laws of any legally constituted public authority.

1.1.11 "Head of Operations Maintenance" means the Head of Operations Maintenance of the Employer acting as the administering officer for the purpose of the Contract and shall include his authorised representatives.

1.1.12 "Technical Information" means all drawings, diagrams, calculations, designs, specifications and other documents, as may be furnished in Writing by, for, or on behalf of the Employer by the Engineer to the Consultant relevant to the services being provided.

1.1.13 "Writing" means any manuscript, typewritten or printed statement, signed by an authorised representative of either the Employer, the Engineer or the Consultant as the case may be, and any E-mail, facsimile or telegram, from one party to the other and shall include Technical Information and Documentation.

1.2 Persons

Words referring to persons shall mean and include not only natural persons, but any corporate body or partnership.

1.3 Clause Headings

Clause headings shall not be taken into consideration in the interpretation or construction of the Contract.

1.4 Documents Mutually Explanatory

The provisions of the Particular Conditions, which take precedence over the General Conditions, together shall prevail over those of any other document forming part of the Contract. Subject to the foregoing the several documents forming the Contract shall be taken as mutually explanatory of one another. If any ambiguity or discrepancy is found in the documents, the Engineer shall issue any necessary clarification or instruction.

2.0 OBJECTIVE

In consideration for the payment of the Contract Price, the Consultant undertakes to provide the Services subject to and in accordance with the Contract.

3.0 ENGINEER'S SUPERVISION AND REPRESENTATIVES

3.1 Instructions and Orders

All instructions and orders to the Consultant shall, except as herein otherwise provided, be given by the Engineer and shall be in Writing.

3.2 Engineer's Representative

The Engineer may from time to time delegate to another any of the powers, discretions, functions and authorities vested in him and may at any time revoke any such delegation. Any such delegation or revocation shall be in Writing signed by the Engineer and in the case of delegation shall specify the powers,

discretions, functions and authorities thereby delegated and the person or persons to whom the same are delegated. No such delegation or revocation shall have effect until confirmation thereof in Writing has been given to the Consultant. Any person to whom any such delegation is made shall be entitled to exercise the powers, discretions, functions and authorities so delegated to him as aforesaid.

- 3.3** For the purpose of this Contract the Engineer's Representative shall be the Head of Operations Maintenance.

4.0 ASSIGNMENT AND SUBCONTRACTING

4.1 Assignment

The Consultant shall not, without the consent in Writing of the Engineer, assign or transfer the Contract or any part thereof or any rights or obligations therein to any other corporate body or person.

4.2 Subcontracting

The Consultant shall not subcontract the whole or any part of the Contract without the prior written consent of the Engineer, and such consent if given shall not relieve the Consultant from any liability or obligation under the Contract and he shall be responsible for the acts, defaults and neglects of any subcontractor, his agents, servants or workmen as fully as if they were the acts, defaults or neglects of the Consultant.

5.0 DOCUMENTATION AND TECHNICAL INFORMATION

5.1 Language

The Contract (including all documents forming a part thereof) shall be drawn up, construed and interpreted in English. Similarly all Documentation supplied to the Engineer by the Consultant and all correspondence shall be in English. The International System of Units (Système International d'unités) (SI) shall apply.

5.2 Documentation

The Consultant shall provide the Engineer with Documentation as required in terms of the Contract in the form and manner detailed in the Contract.

5.3 Technical Information

Where applicable, the Engineer shall provide the Consultant with the Technical Information necessary to enable him to perform the services in accordance with the provisions of the Contract. All Technical Information shall be, and remain, the property of the Employer and shall be handed over to the Engineer on demand.

5.4 Mistakes in Documentation

The Consultant shall be responsible for all discrepancies, errors, or omissions including faulty design and/or detailing in any of the Documentation whether or not such Documentation has been approved by the Engineer, provided that such discrepancies, errors, or omissions including faulty design and/or detailing are not due to discrepancies, errors or omissions in the Technical Information.

6.0 CONDUCT

The Consultant shall exercise reasonable skill, care and diligence in the performance of his obligations under the Contract.

All persons providing Services on Site in terms of the Contract shall comply with all reasonable instructions issued by the Engineer, shall perform such services faithfully and diligently and shall furthermore, comply with security and other regulations and procedures as may from time to time apply to personnel and place or places of work. This will include compliance in all respects with the Employer's Site Rules and Regulations.

Should any person providing Services commit a material breach of any applicable security or safety regulation or, in the opinion of the Engineer, misconduct himself, the Engineer will have the right to immediately have such person removed from the Site and either terminate the Contract or relevant part thereof or request the Consultant to provide a suitable replacement.

7.0 CONSULTANT TO INFORM HIMSELF FULLY

The Consultant shall satisfy himself as to all the conditions and circumstances of whatsoever nature and howsoever arising which relate to the provision of the Services which affect or may affect the Contract Price. The Consultant shall not be entitled to claim any increase in the Contract Price caused by such conditions or circumstances not taken into account by him.

8.0 TAXES AND DUTIES

The Consultant shall be solely responsible for obtaining its own information for the purposes of establishing its Contract Price with regard to any requirements in respect of taxes promulgated and regulated by the Zambian or any other such Revenue Authority.

Any additional costs resulting from the Consultant failure to take cognisance of this requirement will be for the Consultant's account.

8.1 Value Added Tax

8.1.1 Value Added Tax (Country of Registration of the Consultant)

The Contract Price is required to be exclusive of any Value Added Tax as may be legislated in the country of registration of the Consultant.

8.1.2 Value Added Tax (Republic of Zambia)

The Consultant shall be solely responsible for establishing any requirements of the Zambian Revenue Authority, including its position for the purposes of the Contract and any other tax promulgated and regulated by the Zambian Revenue Authority.

8.1.3 Tax Invoices

Value Added Tax, if applicable to the Contract in terms hereof, will be added to tax invoices for payment by the Employer. Invoices shall include a statement of the Zambian Kwacha exchange rate, as required by the Zambian Revenue Authority. Failure to do so will invalidate the invoice and delay payment until a compliant invoice is provided by the Consultant.

8.1.4 Zambian Withholding Tax

In respect of any Consultant defined by the Zambian Revenue Authorities as a "non-resident contractor" the Employer has certain statutory obligations viz:

- a) In accordance with Regulations framed under the Zambian Withholding Tax Act the Employer is required to deduct Withholding Tax from all payments to non-resident contractors engaged in construction and or transport services and forward same to the Zambian Revenue Authorities.
- b) The amount to be deducted is calculated at the rate of 15% of the gross amount invoiced before any other deductions.
- c) The Employer shall furnish the Consultant with a formal certificate of receipt (CF81A) detailing the amount of Withholding Tax paid on behalf of the Consultant to the Zambian Revenue Authorities.

The Consultant is advised that where, in terms of any Double Taxation Agreement entered into between authorities in the country of the Consultant's registration, if not Zambia, and the Republic of Zambia and where Withholding Tax is deducted in the manner set out above, the Consultant's may be entitled to claim relief from the Revenue Services in the country of the Consultant's registration against any Tax payable. The Consultant will be deemed to have established the relevant facts.

It shall be the Consultant's duty to ascertain his status and obtain any directives, prior to any payments being made by the Employer.

8.2 Customs and Import Duties

The Employer has entered into an agreement with the government of the Republic of Zambia to the effect that goods and services imported by contractors/agents/suppliers for the purpose of implementing the Approved Program of Mining and Metal Treatment Operations shall enjoy the benefit of KCM's exemption from Customs and Excise Duties under Section 97 of the Act – such benefit to be strictly limited to the Approved Program of Mining and Metal Treatment Operations.

The Consultant shall:

- a) Obtain his own information in respect of and shall administer all permits and licences which are necessary to enable him to fulfil his obligations in terms of the Contract.
- b) Be deemed to have satisfied himself regarding his liabilities under the regulations governing the granting of permits and licences.

The Consultant shall apply for and bear the expense of obtaining import licences (in the Employer's name) which are necessary for the importation of the any goods.

The Employer will render all reasonable assistance to the Consultant with regard to applications for import and export licences.

9.0 INTELLECTUAL PROPERTY RIGHTS

9.1 The Consultant indemnifies and shall keep indemnified the Employer against all losses and costs (including legal costs as between attorney and client) and all other expenses whatsoever that the Employer may incur as a result of any action, proceeding or claim made against the Employer arising from the acquisition and/or use of hardware and/or software provided by the Consultant or of any documents appertaining to such hardware and/or software constituting an infringement of any patent rights, registered designs, registered trade marks, copyright or other protected rights ("Intellectual Property Rights").

9.2 It is a condition of this indemnity that the Employer shall give the Consultant prompt notice of any action, proceeding, claim or threat instituted or made against him. Promptly after the giving of such notice the parties shall consult together about the subject of the notice and the Employer may at his option either:

9.2.1 permit the Consultant at his expense to conduct any litigation that may ensue and all negotiations for a settlement of such litigation or claim with the proviso that the Consultant shall keep the Employer informed of all steps that are taken and of the outcome;

or

9.2.2 conduct any litigation that may ensue and all negotiations for a settlement in consultation with the Consultant with the proviso that the Consultant shall not be liable for costs incurred outside the normal course of litigation and of which the Consultant does not approve.

- 9.3 The Consultant hereby authorises the Employer to reproduce any documentation which is made available by the Consultant to the Employer in connection with the Contract and to publish such reproduction. The indemnity given in terms of Clause 9.1 hereof applies to any action, proceeding or claim for infringement by third parties of Intellectual Property Rights in connection with such reproductions or their publication. In so far as the Consultant has any copyright protection of items that are reproduced, the Consultant hereby grants a license to the Employer to so reproduce and publish.
- 9.4 The Consultant shall keep the Employer informed of any demands or claims made against him in respect of the infringement of Intellectual Property Rights by virtue of the Consultant's obligations undertaken in terms of the Contract.
- 9.5 In the event that any claim or action is successfully made against either the Consultant or the Employer in terms of the Contract, the Consultant shall in addition to the foregoing and at the Consultant's expense, either:
- 9.5.1 procure for the Employer the right to continue using the hardware and/or software and/or documentation, or part thereof, as applicable; or
 - 9.5.2 replace the hardware and/or software and/or accompanying documentation, as applicable with non-infringing material; or
 - 9.5.3 modify the hardware and/or software and/or accompanying documentation, as applicable so that same become non-infringing.
- 9.6 The rights and obligations contained in this clause shall survive the termination of the Contract and shall continue in full force and effect for a period of 5 years.

10.0 RESTRICTED INFORMATION

The Consultant undertakes to maintain the confidentiality of all Technical Information and other information which is communicated to the Consultant, both during the term of this agreement and after the termination thereof, irrespective of how such termination comes about, and undertakes not to use any such information for his own purposes nor to disclose any portion thereof to any third party.

11.0 CONSULTANT'S DEFAULT

Should the Consultant fail or neglect to provide the Services with due diligence and expedition, or refuse or neglect to comply with any reasonable orders given to him in writing by the Engineer in connection with the Services, or be in breach of any of the provisions of the Contract, the Employer may give notice in writing to the Consultant to make good the failure, neglect, refusal or breach. Should the Consultant fail to demonstrate compliance with the notice within seven days from the date of receipt of such notice, the Employer will be entitled to terminate the Contract or part thereof forthwith by giving written notice to the Consultant.

Such termination shall be without prejudice and in addition to any other rights which the Employer may have in law to claim damages for breach of the agreement by the Consultant.

12.0 INSOLVENCY

Should the Consultant become insolvent or commit an act of insolvency or pass a resolution for winding up, (not being a member's voluntary winding up for the purpose of reconstruction or amalgamation) or be subject to a winding up order of the Court (whether provisional or final), or be placed under provisional or final judicial management, the Employer shall be at liberty either:

12.1 to terminate the Contract forthwith by notice in Writing to the Consultant or to the liquidator or judicial manager or to any person in whom the Contract may become vested and upon such termination the provisions of Clause 13.0 (Termination) hereof shall become effective

or

12.2 to give such liquidator or judicial manager or other person the option of carrying out the Contract subject to his providing a guarantee to an amount to be agreed for the due and faithful performance of the Contract.

13.0 TERMINATION

13.1 Effect of Termination under Clause 11.0 or Clause 12.0

In the event of termination of the Contract or part thereof in terms of Clause 11.0 (Consultant's Default) or Clause 12.0 (Insolvency) then at the request of the Employer, the Consultant shall, as far as may be possible, forthwith assign to the Employer any subsisting sub-contracts. The Consultant shall ensure that all agreements with sub-consultants contain a provision for such eventuality.

13.2 Termination by the Employer

13.2.1 The Employer shall have the right to terminate the Contract or any discrete portion thereof by written notice at any time. If such termination shall not have been caused by one of the grounds specified in Clauses 11.0 (Consultant Default) or 12.0 (Insolvency), the Employer will pay to the Consultant compensation for all expenditure and liabilities properly incurred by the Consultant, and the Consultant shall not be entitled to any further or other payment. In the event of termination under this clause, the Consultant shall, at the request of the Employer, forthwith assign to the Employer all subsisting sub-contracts. The Consultant shall ensure that all agreements with sub-contractors contain a provision for such eventuality.

13.2.2 In the event of termination of the Contract by the Employer as provided for in this Clause 13.2, the Consultant shall, immediately upon receipt of the notice of termination or on such later date as may be specified in the said notice deliver to the Employer or its nominees all documentation prepared by the Consultant up to the date of receipt of the said notice and all technical information supplied to the Consultant by or on behalf of the Employer.

14.0 NO WAIVER

No act of relaxation, indulgence or grace on the part of the Employer and/or the Engineer acting as his behalf shall in any way operate as or be deemed to be a waiver by the Employer of any of its rights in terms of the Contract or a novation thereof.

15.0 FORCE MAJEURE

15.1 In this Clause, "Force Majeure" means an exceptional event or circumstance:

- (a) which is beyond a party's control,
- (b) which such party could not reasonably have provided against before entering into the Contract,
- (c) which, having arisen, such party could not reasonably have avoided or overcome, and
- (d) which is not substantially attributable to the other party.

Force Majeure may include, but is not limited to, exceptional events or circumstances of the kind listed below, so long as conditions (a) to (d) above are satisfied.

- (i) war, hostilities (whether war be declared or not), invasion, act of foreign enemies,
- (ii) rebellion, terrorism, revolution, insurrection, military or usurped power, or civil war,
- (iii) riot, commotion, disorder, strike or lockout by persons other than the Contractor's personnel and other employees of the Contractor and subcontractors,
- (iv) munitions of war, explosive materials, ionising radiation or contamination by radio-activity, except as may be attributable to the Contractor's use of such munitions, explosives, radiation or radio-activity, and
- (v) natural catastrophes such as earthquake, hurricane, typhoon or volcano activity.

15.2 If the party is or will be prevented from performing any of its obligations under the Contract by Force Majeure, then it shall give notice to the other party of the event or circumstances constituting the Force Majeure and shall specify the obligations, the performance of which is or will be prevented. The notice shall be given within 14 days after the party became aware, or should have become aware, of the relevant event or circumstance constituting Force Majeure.

The party shall, having given notice, be excused performance of such obligations for so long as such Force Majeure prevents it from performing them.

Notwithstanding any other provision of this Clause, Force Majeure shall not apply to obligations of either party to make payments to the other party under the Contract.

- 15.3 Each party shall at all times use all reasonable endeavours to minimise any delay in the performance of the Contract as a result of Force Majeure. A party shall give notice to the other party when it ceases to be affected by the Force Majeure.
- 15.4 If by virtue of the provisions detailed herein either party shall be excused the performance or punctual performance of any material obligation for a continuous period of 84 (eighty four) days, or for multiple periods which total more than 140 days then either party may, at any time thereafter and provided such performance or punctual performance is still excused, terminate the Contract by notice in Writing one to the other.

16.0 COMPLIANCE WITH LAWS

The Consultant shall comply with all applicable Laws. The Consultant shall give all notices, pay all taxes, duties and fees, and obtain all permits, licences and approvals as required by the Laws in relation to the execution of the Contract and the Consultant shall indemnify and hold the Employer harmless against and from the consequences of any failure to do so.

17.0 LAW OF THE CONTRACT

The Contract shall be governed, construed and interpreted in accordance with the law of the Republic of Zambia. Where other laws are expressly stated for specific purposes, then such clauses shall be subject to such laws (refer Scope of Services).

18.0 ARBITRATION

- 18.1 If at any time any question, dispute or difference shall arise between the Employer and the Consultant in connection with the Contract, either party shall, as soon as reasonably practicable, give to the other notice in writing of the existence of such question, dispute, or difference, specifying its nature and the point at issue, and the same shall be submitted to arbitration. Such submission shall be made to a panel of three arbitrators, of which one arbitrator shall be appointed by each the Employer and the Consultant, and the two arbitrators appointed shall jointly select an umpire. This submission shall be made and the arbitration proceedings conducted in accordance with the Rules of The Chartered Institute of Arbitrators of 1 Angel Gate London England. The relevant proceedings shall take place in English at an agreed venue in the Republic of Zambia.
- 18.2 The award of the arbitrators shall be final and binding on the parties. Upon every or any such submission, the costs of and incidental to the submission and award respectively shall be at the discretion of the arbitrators, who shall be directed to determine the amount thereof or the basis on which the same shall be ascertained.
- 18.3 Performance of the Contract shall continue during arbitration proceedings unless the Engineer orders the suspension thereof or of any part thereof. If any suspension is ordered by the Engineer the justification for such suspension shall form part of the arbitration proceedings and unless the arbitrators find that the Engineer was justified in ordering such suspension, then the reasonable expenses of the Consultant occasioned by such suspension shall be payable by the Employer to the Consultant. No

payments due or payable by the Employer to the Consultant shall be withheld on account of a pending arbitration.

19.0 DOMICILIUM AND NOTICES

19.1 Domicilium

Each party chooses domicilium citandi et executandi at its respective registered office or at such alternative address which it may notify from time to time to the other in Writing.

19.2 Notices

Any communication or notice required to be given or made under the Contract between the parties shall be in Writing and shall be deemed:

19.2.2 to have been duly made or given if either sent by prepaid registered post or telegram or hand delivered to the addresses of the parties given in the Contract, by e-mail or facsimile to the appropriate numbers thereof of the parties, or such other address as notified in terms of Clause 19.1 hereof;

19.2.2 to have been received by the intended recipient for all purposes here under:

19.2.2.1 if delivered by hand or transmitted by facsimile, or telegram, on the day of normal business following the date of despatch of such communication or notice; and

19.2.2.2 notice made by e-mail or facsimile shall only be a valid notice in terms of the Contract if confirmed in Writing by an original signed document forwarded by registered post or telegram or hand delivered within 10 days of the communication by e-mail or facsimile.

19.2.2.3 shall be in Writing

20.0 ENTIRE AGREEMENT

The Contract constitutes the entire agreement between the parties thereto and may be amended or varied only by an amendment to the Contract issued by the Procurement Manager.

Particular Conditions

1.0 CONTRACT PRICE AND CURRENCY OF PAYMENT

The currency of the Contract is and the same shall be the currency of payment of the Contract.

The estimated Contract Price shall be adjusted on completion of the Services to reflect the value of the Services actually performed and shall not be exceeded without the prior written consent of the Head of Operations Maintenance.

2.0 CONTRACT PRICE ADJUSTMENT

The rates shall be fixed, firm and not subject to any price escalation including variations in exchange rates, as detailed elsewhere in this Contract.

3.0 INSURANCE

The Consultant shall remain fully responsible for effecting in the joint names of itself and the Employer in the form of and with an insurance company approved by the Employer insurance of any risks on behalf of itself, its subcontractors and its suppliers including insurance for the following:

- a) Employer common law liability insurance.
- b) For any own hired and/or operated by it plant machinery equipment tools tackle etc., for the full replacement value thereof.
- c) Motor vehicle insurance.
- d) Materials intended to be incorporated into the Works until such time as incorporated.

The Consultant shall remain fully responsible for effecting in the form of and with an Insurance company approved by the Employer insurance of any other risks on behalf of itself its subcontractors and its suppliers including insurance for the following:

- e) Insurance required under any applicable Workmen's Compensation Acts and Regulations.
- f) Medical Insurance for its employees.
- g) Insurance required in terms of any applicable regulation including statutory obligations of the Consultant.

The Employer will accept no responsibility for any deductible in terms of the above insurances.

When called upon so to do by the Engineer from time to time the Consultant shall produce such evidence as the Engineer may require proof of such insurances being in full force and effect.

4.0 TERMS OF PAYMENT

Payment with respect to Services rendered will be made to the Consultant prior to the end of the month following the month during which Services were carried out in terms of the Contract, to the satisfaction of the Client's Representative.

Payment will be conditional to the relevant invoices, stating the Contract number, being received by the Client by not later than the 25th day of the month during which Services have been carried out and provided that the Consultant's obligations, including the provision of Documentation as may be required, have been fulfilled in terms of the Contract.

5.0 INVOICES AND STATEMENTS

The original tax invoice in the format of Annexure 'A' attached hereto, accompanied by a statement, shall be addressed to:

Konkola Copper Mines plc
Group Supply Department - Capital Projects
Private Bag KCM (C) 2000
Fern Avenue
CHINGOLA
Republic of Zambia

Attention: The Head – Operations Maintenance

Separate tax invoices shall be submitted for:

- the value of the Services provided under the Contract
- the value of Services provided under amendments to the Contract
- the value of Services provided under CVI's or call-off instructions

Failure to submit invoices in accordance with this clause will invalidate the invoice and delay payment until a compliant invoice is submitted by the Consultant.

6.0 DOCUMENTATION

All Documentation required in terms of the Contract shall be forwarded to :-

The Document Controller
Group Supply Department – Capital Projects
Konkola Copper Mines plc
Private Bag KCM (C) 2000
Fern Avenue
CHINGOLA
Republic of Zambia

ANNEXURE A

IN ORDER TO ENSURE PROMPT PAYMENT, FORWARD THIS DRAFT TAX INVOICE TO YOUR ACCOUNTS DEPARTMENT

DRAFT

TAX INVOICE

To be issued in accordance with your Revenue Authority Requirements

INVOICE NO: _____ **DATE:** _____

ACCOUNT NO: _____

ACCOUNT TO:
KONKOLA COPPER MINES plc
Private Bag KCM (C) 2000
Fern Avenue
Chingola
ZAMBIA

DELIVERED TO:
(Refer to correct address details as per contract – see “INVOICES & STATEMENTS”)

Attention: Senior Cost Controller

Contract No:

Amendment No.

Description of the Works:

Proj. No.	Area No.	Facility No.	Job No.	Item No.	Flag No.

ITEM	DESCRIPTION	QTY	UNIT	RATE	TOTAL US\$
1	(To be detailed as per Contract				
2					
3					
4					
5					
6					
7					
8					

LESS				SUB-TOTAL	
Zambian Kwacha Exchange Rate:				RETENTION	
Refer to note 4				VAT as applicable	
* As applicable in accordance with the Contract.				*TOTAL DUE US\$	

- Notes:
- 1) Separate tax invoices shall be submitted for additional work as set out in Clause 4 Terms of Payment of the Particular Conditions.
 - 2) To ensure prompt payment invoices must be accompanied by statements.
 - 3) VAT and Company registration number should be on invoice.
 - 4) Zambian Companies shall state the exchange rate used on the invoice to enable KCM to recover the VAT from ZRA.
Applicable Kwacha exchange rate must be obtained from Mr Davies Simbaya of Konkola Copper Mines plc. Telephone number +260 2 350-478 Fax number +260 2 351-235 and E-mail: simbayad@kcm.co.zm

SCHEDULE OF COSTS

Schedule of Costs

1. PREAMBLE TO SCHEDULE OF COSTS

1.1 GENERAL

- 1.1.1 The General Conditions of Contract, the Particular Conditions, the Scope of the Services and any Technical Information shall be read in conjunction with the Schedule of Costs.
- 1.1.2 Although the Consultant was at liberty to insert a rate of his own choosing for each item in the schedule, his attention is drawn to the fact that the Consultant has the right, under various circumstances, to payment for additional Services provided and that the Engineer is obliged to base his assessment of the rates to be paid for such additional Services on the Costs inserted in the schedule by the Consultant.
- 1.1.3 Descriptions in the Schedule of Costs are abbreviated but, should any of the terms of the schedule conflict with any requirement given in a specification, the requirement of the specification shall prevail.
- 1.1.4 The prices and rates to be inserted in the Schedule of Costs shall be the full inclusive prices to the Employer for the Services described under the several items. Such prices shall cover all costs and expenses that may be required in and for the provision of the Services described, and shall cover the cost of all general risks, liabilities, and obligations set forth or implied in the documents on which the Contract is based.
- 1.1.5 All rates in this schedule shall exclude Value Added Tax.
- 1.1.6 A price or rate shall be entered against each item in the Schedule of Costs. An item against which no price is entered will be considered to be covered by the other prices or rates in the schedule.