ATTACHMENT 1

Definitions and Abbreviations

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# Definitions

The following definitions and abbreviation do refer to the Conditions of Contract, all EXHIBITS and attachments. The words and expressions established as definitions and abbreviations shall have the meaning as assigned to them.

**AFFILIATED COMPANY/COMPANIES** means a company or companies that owns or controls or is owned or controlled by a PARTY to the CONTRACT, through owing or controlling 50% (fifty per cent) or more of the voting stock of such company or PARTY, respectively, either directly or indirectly through a chain of ownership or control of 50% (fifty per cent) or more of the voting stock in each tier of such chain.

**AS-BUILT DOCUMENTATION** means all final documentations, including quality records, reflecting the installed and completed part of the WORK.

**AS-BUILT MEASUREMENT** means the quantity of WORK determined by the rules of measurement and permanently left on SITE by CONTRACTOR but excluding TEMPORARY SITE FACILITIES. TEMPORARY SITE FACILITIES installed by CONTRACTOR but left on SITE at the DELIVERY DATE shall be excluded from the measurement.

**BILL OF QUANTITY(IES) (BOQ)** means the quantity of WORK obligations per chapter with its corresponding rates and prices as described in detail in EXHIBIT A – SCOPE OF WORK.

**CLIENT** means the contractual party of COMPANY, which takes over the PLANT.

**COMMISSIONING** means the testing and adjustment of an assembly, system or part-system, and will comprise of preparation activities such as drying of refractory, boil out of steam drum, filling of methanol, electrical equipment ready for operation, etc. and subsequent operational testing with design medium or simulated conditions to ensure that it meets all applicable rules, regulations, codes and standards, and fulfils its intended duty and its ready for START-UP and feedstock introduction.

**COMPANY** shall mean the PARTY so defined in art. 1.

**COMPANY GROUP** means the COMPANY, each of the participants therein, their AFFILIATED COMPANIES, COMPANY’S contractors and their contractors and subcontractors, in as much as the above mentioned are involved in the project, and the employees of the aforementioned companies and others whose services are used by COMPANY.

**COMPANY PROVIDED ITEMS (CPI)** mean all items to be supplied by COMPANY according to EXHIBIT G – COMPANY PROVIDED ITEMS. COMPANY PROVIDED ITEMS will always remain the property of COMPANY.

**COMPANY’S REPRESENTATIVE** means the person who at any time is appointed in accordance with art. 3 to act on behalf of COMPANY.

**COMPLETION OF WORKS** means when the WORK is completed in accordance with the CONTRACT, all A and B punch items are cleared, and the final AS-BUILT DOCUMENTATION has been accepted by COMPANY. COMPLETION OF WORKS shall not include other punch items than A and B to be cleared, CONTRACTOR’s commissioning assistance (if any), demobilisation of the TSF, reinstatement of the SITE and any other activity typically to be performed to finalise CONTRACTOR’s WORKS.

**COMPLETION OF WORKS CERTIFICATE** means the certificate to be issued by COMPANY in accordance with the requirements of art. 19.

**Construction Engineering** means all the engineering activities and processes which CONTRACTOR is obliged to carry out under the CONTRACT, and which are necessary according to the state-of-the-art to execute all construction and installation activities necessary to complete the WORK.

**CONTEMPORARY RECORDS** mean records that are prepared or generated at the same time, or immediately after, the event or circumstance giving rise to the VARIATION ORDER REQUEST.

**CONTRACT** means the Conditions of Contract and all EXHIBITS and all the attachments as stated in art. 2.

**CONTRACT NETWORK SCHEDULE** means the level 4 schedule as defined in art. 5 and in EXHIBIT D – ADMINISTRATION REQUIREMENTS as approved by COMPANY.

**CONTRACT SCHEDULE** means the level 3 schedule mentioned in EXHIBIT K – COMPANY AND CONTRACTOR INFORMATION.

**CONTRACT SUM** means the total original value of the WORK as specified in the Contract, additionally considering all adjustments to the BILL OF QUANTITY due to re-measurement and based on the accepted AS-BUILT DOCUMENTATION, approved VARIATION ORDERS and performed DAYWORKS.

**CONTRACTOR** means the PARTY so defined in art. 1.

**CONTRACTOR GROUP** means Contractor, its Affiliated Companies participating in the WORK, its Subcontractors, participating companies in an enterprise established for the performance of the WORK, and the personnel of the afore mentioned companies.

**CONTRACTOR’S REPRESENTATIVE** means the person who at any time is appointed in accordance with art. 3 to act on behalf of contractor.

**CRITICAL PATH** means the longest set of activities that must be completed on time in order for the WORK to be completed on time. An activity on the critical path cannot be started until its predecessor is complete. Activities on the critical path have no float.

**DAY(S)** mean a calendar DAY or consecutive calendar DAYS(S) according to the Gregorian calendar unless otherwise stated.

**DAYWORK** means WORK performed by CONTRACTOR based on the UNIT RATES as per BILL OF QUANTITY chapter 810 to 830.

**DELIVERY PROTOCOL(S)** means the document to be concluded by both PARTIES in accordance with art. 19.

**DENIED PARTY** means a natural or legal person, entity or body, to whom COMPANY (i) cannot sell to, (ii) cannot directly or indirectly provide an economic resource to, and / or (iii) cannot otherwise deal with according to EMBARGO. A legal person, entity or AFFILIATED COMPANY, who is directly or indirectly majority-owned and / or otherwise directly or indirectly controlled by a DENIED PARTY according the aforementioned sentence, shall itself also be considered as DENIED PARTY.

**DIRECT PERSONNEL** mean all personnel from foremen and below.

**EFFECTIVE DATE** means the date on which this CONTRACT became effective according to art. 1.

**EMBARGO** mean any LAW or regulation that directly or indirectly prohibits or restricts certain activity, export, re-export and/ or direct and indirect transactions or dealings with certain persons or entities.

**EXCUSABLE DELAY** means either the late delivery of COMPANY PROVIDED ITEMS, FORCE MAJEURE events according to art. 34, suspension of the WORK according to art. 18 or any cause for delay solely attributable to COMPANY.

**EXHIBIT** means all exhibits and all the attachments as listed under art. 2.2.

**FORCE MAJEURE** means an occurrence as per art. 34, an act of god such as flood, fire, earthquake, hurricane, war, revolution, rebellion, civil war, riot, terrorist attack, seizure or act of sabotage, landslide, quarantine restrictions, entry and / or exit restrictions, epidemics, pandemics, imposition by a governmental authority of sanctions, embargo or breaking off of diplomatic relations by a governmental authority, provided that neither PARTY could not reasonably have foreseen such occurrence at the time of entering into the CONTRACT and could not reasonably have avoided or overcome it or its consequences.

**GOVERNING LAW** means the law stipulated in art. 40 to which this CONTRACT shall be subject and in accordance to which it shall be construed.

**HAND-OVER SYSTEM (HOS)** means a practical scope of work unit within a system or subsystem for COMMISSIONING, constituting a functional unit which can be tested to confirm its technical suitability.

**HEALTH, SAFETY AND ENVIRONMENT (HSE)** means all activities to prevent harm to people and the natural environment.

**INDIRECT PERSONNEL** mean all construction personnel above foremen, and administrative personnel such as technical assistants, clerks, secretaries, medical services, etc.

**LAW(S)** means statutes, ordinances, rules, decrees, requirements, or regulations of any governmental authority or agency, whether national, supranational, state, municipal, local or other government subdivision.

**LINDE FACTOR(S)** mean the factors stated in the factor lists in EXHIBIT E – SPECIFICATIONS.

**LIQUIDATED DAMAGES (LDs**) shall mean the sum(s) agreed between the PARTIES representing a genuine pre-estimate of the loss the non-breaching PARTY would suffer and to be paid by the PARTY in breach as specified in the CONTRACT.

**LIQUIDATED DAMAGES MILESTONE(S)** mean MILESTONES that CONTRACTOR shall meet to avoid paying LIQUIDATED DAMAGES for delay in accordance with the Conditions of Contract, EXHIBIT C – CONTRACT MILESTONES and EXHIBIT B - COMPENSATION. The LIQUIDATED DAMAGES MILESTONES are marked with "LD".

**LOSSES** mean losses of any nature or kind, howsoever arising, including any and all (i) losses, damage, injuries, (ii) loss of or damage to any property, real or personal, (iii) costs and expenses (including legal fees), and (iv) costs for COMPANY’S additional supervision, support, monitoring and control activities arising out of or in connection with CONTRACTOR’S performance or non-performance of the CONTRACT or the WORK.

**LUMP SUM(S) (LS)** mean a fixed total amount for an item in the BILL OF QUANTITY.

**MECHANICAL COMPLETION (MC)** means all checking, verification and testing of the fabrication, construction and installation work performed to confirm that applicable rules, regulations, codes and standards are being met, and that the project requirements are fulfilled.

**MECHANICAL WARRANTY PERIOD** means the period stated in art. 25.2.

**MILESTONE(S)** mean significant and important milestones as defined in EXHIBIT C – CONTRACT MILESTONES, which CONTRACTOR must comply to avoid a delay in the progress and to fulfil the CONTRACT.

**NON-CONFORMITY(IES)** mean the non-fulfilment of specified requirements in the CONTRACT.

**NOTIFIED BODY** means an inspection body or an independent certified THIRD- PARTY inspection company effecting inspection services as per the requirements of the CONTRACT.

**Ow or Oi** means an optional item which rate is reflected in the total of the prices in the BILL OF QUANTITY. An optional item is an item which describes additional WORK, to be performed by CONTRACTOR only at the request of COMPANY. CONTRACTOR has no right for compensation in case COMPANY is not executing optional items.

**Oo** means an optional item which rate is not reflected in the total of the prices in the BILL OF QUANTITY. An optional item is an item which describes additional WORK, to be performed by CONTRACTOR only at the request of COMPANY. CONTRACTOR has no right for compensation in case COMPANY is not executing optional items.

**PARTY(IES)** means either or both PARTIES having signed the CONTRACT, i.e. COMPANY and CONTRACTOR or both.

**PLANT** means the facility to be erected by COMPANY in <location> as part of the <project name> for CLIENT; excluding the TEMPORARY SITE FACILITIES.

**Pre-Commissioning** means the activities, testing and adjustment of an assembly, system or part-system and subsequent commissioning activities to confirm that all applicable rules, regulations, codes and standards are being met and fulfils its intended duty and is ready for COMMISSIONING.

**PROVISIONAL SUM(S) (PS)** means all sums which are subject to changes due to actual values compared to the estimated preliminary values and which finally will form the definite sum for the specific task.

**SITE** means the place(s) where WORK is performed.

**START OF THE WORK ON SITE** means the first activity on SITE by CONTRACTOR taking place after the EFFECTIVE DATE.

**Start-up** means the start-up of the PLANT, or parts thereof, to operating conditions, in a defined sequence introducing process feedstock to meet the product qualities and production rates. START-UP activities typically comprise feedstock introduction at low rates with respect to constraints of equipment turndown at specified operating conditions, adjustment of the operating conditions to design feedstock rate until on-specification production is achieved.

**SUBCONTRACT** means an agreement between CONTRACTOR and a SUBCONTRACTOR for the supply of goods or services in connection with the WORK.

**SUBCONTRACTOR** means a company and their contractors and subcontractors, participating companies in an enterprise established for the performance of the WORK, and the personnel of the afore mentioned companies who have entered into an agreement with CONTRACTOR for the supply of goods or services in connection with the WORK.

**TEMPORARY SITE FACILITY(IES) (TSF**) means the SITE and all property, offices, computer hardware, accommodation, WORKING EQUIPMENT, pre-fabrication and fabrication shops, warehouse, TEMPORARY WORKS, and things of whatsoever nature provided by CONTRACTOR for the performance of the WORK.

**TEMPORARY WORKS** means all temporary structures or items that may be necessary to enable CONTRACTOR to fabricate, install, transport and complete the WORKS.

**THIRD-PARTY** means any party other than COMPANY and CONTRACTOR.

**UNIT RATE(S)** means the agreed rate(s) for an item in the BILL OF QUANTITY.

**VARIATION ORDER** means a variation to the WORK, MILESTONES, specifications, drawings and COMPANY PROVIDED ITEMS made in accordance with the provisions of art. 14 to art. 17.

**VARIATION ORDER REQUEST** means a request submitted by CONTRACTOR in accordance with art. 14.3.

**WITHOUT UNDUE DELAY** means within an appropriate period normally needed by an experienced executing party to fulfil its task without endangering the achievement of any contractual fixed date. Such period shall not exceed 2 (two) weeks from the time the reason for such notification has become or ought to have become known to either PARTY.

**WORK(S)** means work, supply of goods and services and documentation to be provided by CONTRACTOR as specified in the CONTRACT.

**WORK BREAKDOWN STRUCTURE (WBS)** means the process of subdividing project deliverables and project work into smaller, more manageable components. The work breakdown structure organizes and defines the total scope of the WORK. The planned work is contained within the lowest level of components, which are called work packages. A work package can be scheduled, cost estimated, monitored, and controlled.

**WORKING EQUIPMENT** means items required by CONTRACTOR for the performance of the WORK, including all tools, consumables, hand tools, personnel protection equipment, construction equipment and machinery, temporary systems, scaffolding, lighting, software, procurement and transport activities and any other items not provided by COMPANY including the achieving of all necessary permits and approvals as well as all customs related formalities.

# Abbreviations

The following abbreviations shall have the meanings hereby assigned to them:

AFC = Approved for Construction (same as IFC)

ANSI = American National Standards Institute

API = American Petroleum Institute

ASME = American Standard of Mechanical Engineering

ASNT = American Society for Non-destructive Testing, Inc.

ATEX = Atmosphère explosible

BL = Battery Limit

CAD = Computer Aided Design

CE = Comunitée Européenne

CoG = Centre of Gravity

DIN = German Industry Standards

DCS = Distributed Control System

DoC = Declaration of Conformity

EN = European Norm

ENS = Engineering Numbering System

ESD = Emergency Shut Down

EU = European Union

FGS = Fire and Gas System

HAZOP = Hazard and Operability Analysis

HVAC = Heating, Ventilation and Air-Condition

IEC = International Electro-technical Standards

IFC = Issued for Construction (same as AFC)

ISO = International Standardisation Organisation

IT = Information Technology

ITP = Inspection & Test Plan

LoA = List of Attachments

LS = Linde Standards

MMS = Machine Monitoring System

MTO = Material Take Off

N.A or N/A = Not applicable

NPS = Nominal Pipe Size

P&ID = Piping and Instrument Diagram

PCDA = Process Control and Data Acquisition

PED = Pressure Equipment Directive 97/23/EC

PESS = Programmable Emergency Shutdown System

PFD = Process Flow Diagram

PFP = Passive Fire Protection

PQR = Procedure Qualifications Record

PWHT = Post Weld Heat Treatment

QA = Quality Assurance

QC = Quality Control

SIL = Safety Integrity Level

SIS = Safety Instrumented System

TPI = Third Party Inspection Agency

WPS = Welding Procedure Specification