



Fédération Internationale des Ingénieurs-Conseils  
International Federation of Consulting Engineers  
Internationale Vereinigung Beratender Ingenieure  
Federación Internacional de Ingenieros Consultores

# **Model Joint Venture (Consortium) Agreement Between Consultants**

AGREEMENT  
APPENDICES

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**FIDIC** is the international federation of national Member Associations of consulting engineers.

**F**IDIC was founded in 1913 by three national associations of consulting engineers within Europe. The objectives of forming the Federation were to promote in common the professional interests of the Member Associations and to disseminate information of interest to their members. Today, FIDIC membership covers some 99 countries from all parts of the globe, encompassing most of the private practice consulting engineers.

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International Federation of Consulting Engineers (FIDIC)  
World Trade Center II  
P.O. Box 311  
1215 Geneva 15  
Switzerland  
Phone +41 22 799 49 00  
Fax +41 22 799 49 01  
E-mail [fidic@fidic.org](mailto:fidic@fidic.org)  
WWW <http://www.fidic.org>

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AGREEMENT

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APPENDICES

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# MODEL JOINT VENTURE (CONSORTIUM) AGREEMENT BETWEEN CONSULTANTS

Second Edition, 2017

FEDERATION INTERNATIONALE DES INGENIEURS-CONSEILS  
INTERNATIONAL FEDERATION OF CONSULTING ENGINEERS  
INTERNATIONALE VEREINIGUNG BERATENDER INGENIEURE  
FEDERACION INTERNACIONAL DE INGENIEROS CONSULTORES



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## ACKNOWLEDGEMENTS

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The preparation of the Joint Venture Agreement was carried out by the Task Group, under the general direction of the FIDIC Contracts Committee, and approved by the FIDIC Executive Committee. This Second Edition replaces the First Edition Agreement 1992.

Drafts were commented on by members of other FIDIC Committees and Task Groups, especially Francois-Guilhem Vaissier, White & Case, France, Mike Roberts, Consultant, Whiskers LLP, UK and Vincent LeLoup, Exequatur, France. Acknowledgement of reviewers does not mean that such persons or organisations approve the wording of all clauses.

FIDIC wishes to record its appreciation of the time and effort devoted by the above people.

The ultimate decision on the form and content of the publication Model Joint Venture Agreement between Consultants rests with FIDIC.

## FOREWORD

FIDIC has developed model forms for two types of associations between services suppliers - this Model Joint Venture Agreement and a Model Sub-Consultancy Agreement.

These two model forms of agreement are compatible with the 2017 fifth edition of FIDIC's "Client/Consultant Model Services Agreement" (the White Book). FIDIC intends to publish Guides on the use of all of these Agreements.

This model Joint Venture Agreement will allow the parties to agree, on a project-specific basis, their obligations, services and rewards within the Joint Venture created among them by the effect of this Model Joint Venture Agreement. It is not intended to create a legal entity or to be used to create a more permanent non-project specific legal association.

The Joint Venture's action, capacities and internal decision making processes have been clearly structured.

One purpose of a model agreement such as this is to raise the awareness of the Members of the Joint Venture as to what should be in the Agreement to mitigate their individual risks and avoid disputes between themselves.

A second purpose is to provide the Members with a manageable agreement which establishes clear responsibilities and legal capacities to act. It is aimed to avoid disputes and deadlocks between the Members.

In countries where it is inappropriate to use the description "Joint Venture" for the type of project-specific association described above, the wording in the Joint Venture Agreement can be changed accordingly.

It must be remembered that it is the Joint Venture Members as the Joint Venture that will be contracting with the Client and therefore it is the Joint Venture Members together as the Joint Venture that will be the "Consultant" as defined in the "Client/Consultant Model Services Agreement" (the White Book), or any other form of Services Agreement.

Where for any reason it is not suitable for any of the potential Members to be in a direct contractual relationship with the Client, then the use of the Sub-Consultancy Agreement should be considered.

Users should check on a case-by-case basis the precise nature of this Agreement in light of the governing law, assuming that the lowest level of alliance is intended. This Model Joint Venture Agreement does not create a legal entity but is an agreement between parties to associate for a specific project.

In the event of doubt, it is recommended that legal advice should be obtained.

The obligations under a main Services Agreement with the Client, e.g. "Client/Consultant Model Services Agreement" (the White Book) will be borne by the Joint Venture. It is for the individual Members to agree the allocation among themselves of those same obligations and liabilities within the Joint Venture, notwithstanding the fact that towards the Client each Member will typically be jointly and severally liable for the

performance of Services under the main Services Agreement with the Client and for any breach thereof. At the same time the sharing of duties and liabilities requires the Joint Venture Members to coordinate their efforts in an effective and efficient manner.

If one, or several, of the Members cannot fulfil its/their share of the Joint Venture obligations then the remaining Member(s) will have to fulfil the obligations of the failing Member(s) between them, and this should be addressed in the Joint Venture Agreement.

At any time until completion of the Services the Joint Venture Members should agree on joint efforts with regard to changes in the scope of services and other challenges. If agreement cannot be achieved, all Members may become liable for failure to comply with their duties as a result of disagreement among the Members of the Joint Venture.

Certain issues deserve detailed attention to ensure that, when the Joint Venture is appointed, each Member undertakes its agreed tasks and obligations.

In particular, the matter of insurances and guarantees requires early attention to ensure that the professional liability of the Joint Venture is fully covered.

Individual interest cannot always prevail. In order to be successful as a Joint Venture, it is essential the Members commit to develop joint efforts in respect of the execution and completion of Services and achieving agreement in respect of any changes to the Services, and other daily matters. If the Members fail to do so, then effective contractual machinery must be available in order to avoid disadvantage or detriment for the Joint Venture and its Members.

When transfer of technology is an important part of a project, this should be set out in the written appointment and terms of the Services Agreement.

The transfer of technology should be specified in Appendix 3 [Allocation of the Obligations] in accordance with Clause 4 [*Performance of the Services*] as follows:

- The specific knowledge and skill to be transferred and how this will be done;
- The criteria to be used to determine to what degree the objective has been achieved;
- The budget to be set aside specifically for the transfer of technology which must include the provision of the required tools, such as hardware, software, technical literature, laboratory equipment, and survey equipment;
- The staff to be involved, their qualifications and experience and the amount of time to be used for training purposes. This applies to both sides of the transfer of technology - the recipient personnel as well as the teaching staff should have the availability of time required by the Services Agreement and/or this Agreement;
- The criteria to be used to measure «on the job» training; and
- The consequence of the transfer of technology programme on the project schedule.

The emphasis of the main Services Agreement, e.g. the Client/Consultant Model Services Agreement ("White Book") is on the fulfilment of obligations under that Services Agreement ("White Book"), rather than the assignment of different tasks to the Members.

One objective of the Joint Venture Agreement is therefore the promotion of an integrated team approach in order to achieve the satisfactory completion of the Services required under the main Services Agreement.

The details of the Joint Venture Agreement are not always available when the Joint Venture is established. The services to be performed by each Member can be agreed after the Proposal has been accepted by the Client. A less detailed agreement, a Pre-Proposal Joint Venture Agreement, can be established prior to submission of the Proposal. Such agreement should then be replaced by a final Joint Venture Agreement in case of a successful Proposal. However, the purpose of this Model Joint Venture Agreement is to establish a manageable situation allowing its Members to respond jointly to an invitation to tender, to submit a Proposal and to execute the Services using the resources of all Members in an appropriate way.

This Model Joint Venture Agreement provides for the completion of several Appendices. The examples provided at the end of the document are for guidance only. For most projects, they should be considered to be the minimum required. They should be completed as follows:

**Appendix 1** [Particular Conditions] – the Particular Conditions, Part A and B of this Appendix needs to be completed with the project specific requirements and definitions.

**Appendix 2** [Financial Administration Services] – this Appendix should stipulate as a minimum:

- the Joint Venture's accounting procedures;
- the records and accounts to be maintained by each Member;
- the process for preparation of the Joint Venture's invoices to the Client;
- which Joint Venture bank accounts will be used/opened;
- the way in which each Member will have control over the Joint Venture's funds; and
- how payments to each Member will be managed.

**Appendix 3** [Allocation of the Obligations and Services] – in this Appendix, the obligations of each Member of the Joint Venture should be specified in sufficient detail to protect the interests of the other Members:

- how the Members will take decisions which affect the responsibilities and liabilities, rights and entitlements of the Joint Venture and/or its Members;
- who shall have the authority to represent the Joint Venture in relation to the Client;
- how the Members will re-allocate and re-distribute rights and obligations arising out of the Services Agreement if there is change in the scope of services in respect of the Services Agreement;
- how Members allocate and distribute the Services and coordinate the interfaces between parts of the Services; and
- how the transfer of technology will be carried out.

**Appendix 4** [Financial Policy and Remuneration] – in this Appendix, it is suggested that the following aspects of the Joint Venture are stated as a minimum:

- how the Members will account for their own costs in making the tender submission and contract negotiating for the appointment with the Client;
- how the management of the Joint Venture will be financed;
- how funds received by the Joint Venture from the Client will be distributed to the Members;
- how Joint Venture profits and losses will be identified, allocated to the Members and distributed; and



- agreements regarding additional costs incurred by a Member but disallowed by the Client.

**Appendix 5 [Steering Committee]**

(details to be added by users as required, but it is advisable that this Appendix includes aspects such as how the Joint Venture shall be governed, including a board-like top management structure, No. of seats/votes per Member, its mandate and liability.)

**Appendix 6 [Project Director]**

(details to be added by users as required, but it is advisable that this Appendix provides a fully detailed scope of work and authority of the Project Director appointed by the Leading Member.)

**Appendix 7 [Project Manager]**

(details to be added by users as required, but it is advisable that this Appendix provides a fully detailed scope of work and authority of the Project Manager. This should include all reporting obligations on the Project Manager.)

**Appendix 8 [Cross Guarantee and Indemnity Agreement]** (details to be added by users as required.)

**Appendix 9 [Code of Conduct]**

(details to be added by users as required.)

# CONTENTS

## AGREEMENT

### GENERAL CONDITIONS

1	Definitions, Interpretations and Communication	1
2	Joint Venture	3
3	Proposal Submission	3
4	Performance of the Services	4
5	Governing Law and Language	4
6	Exclusivity	4
7	Executive Authority	5
8	Documents	7
9	Personnel	7
10	Assignment and Third Parties	8
11	Enforceability	8
12	Member in Default	8
13	Duration of the Agreement	9
14	Liability	10
15	Insurance	10
16	Promotional and Project Costs, Profits, Losses and Remuneration	10
17	Financial Administration and Accounting	10
18	Bank Accounts and Working Capital	11
19	Guarantees and Bonds	12
20	Confidentiality	12
21	Intellectual Property	12
22	Disputes and Arbitration	13
23	Notices and Other Communications	13
24	Entire Agreement and Amendments	14

### APPENDICES

1	Particular Conditions	15
2	Financial Administration Services	17
3	Allocation of the Obligations and Services	19
4	Financial Policy and Remuneration	21
5	Steering Committee	23
6	Project Director	25
7	Project Manager	27
8	Cross Guarantee and Indemnity Agreement	29
9	Code of Conduct	31

# AGREEMENT

This Agreement is made on (day/month/year), \_\_\_\_\_  
 between the following entities, each becoming under this Agreement a "Member" of the Joint Venture.

Registered Name & Address/Registration No.: \_\_\_\_\_

Registered Name & Address/Registration No.: \_\_\_\_\_

Registered Name & Address/Registration No.: \_\_\_\_\_

Registered Name & Address/Registration No.: \_\_\_\_\_

Whereas (name the Client, state its intention to proceed with a project, to invite proposals, and to appoint a Consultant to provide professional engineering and/or other services to it, or similar particulars),

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

The Members have agreed to form a joint venture to submit a proposal for and to provide these professional engineering and/or other services if appointed, and

the Members shall exercise their rights and perform their obligations in relation to the Joint Venture in accordance with this Agreement.

It is hereby agreed by the Members as follows:

## GENERAL CONDITIONS

### 1. DEFINITIONS, INTERPRETATION AND COMMUNICATIONS

#### DEFINITIONS

- 1.1 The following words and expressions shall have the meanings assigned to them, except where the context requires otherwise:
  - 1.1.1 "Client" means the person, firm, company or body named as such in Appendix 1 [Particular Conditions], its legal successors or permitted assigns;
  - 1.1.2 "Country" means the country named in Appendix 1 [Particular Conditions] where the Project or work to be carried out is located;
  - 1.1.3 "Day" means a calendar day; and "year" means a calendar year;
  - 1.1.4 "Invitation" means the Client's invitation to a Member or Members to submit a Proposal for the provision of professional engineering and/or other services for the Project;
  - 1.1.5 "Joint Venture" means the joint venture formed between the Members in accordance with this Agreement;
  - 1.1.6 "Joint Venture Agreement", hereinafter referred to as "this Agreement", comprises the document headed Agreement together with Appendices 1 to 9 attached thereto and such other documents as may be specified in Appendix 1 [Particular Conditions] to form part of this Agreement;
  - 1.1.7 "Joint Venture Shares" means the respective percentage financial interest of each Member in the Joint Venture as stated in Appendix 1 [Particular Conditions];

- 1.1.8 "**Leading Member**" means the Member who will take the lead in the management of the Joint Venture's affairs, the Member Representative of which, as Project Director, will represent the Joint Venture for liaison with the Client. Unless otherwise agreed by the Members, the Leading Member will provide the Project Manager for direction of the conduct of the Services;
- 1.1.9 "**Local Representative**" means the person appointed by the Member in the locality where the Member is to work, who is responsible for undertaking the obligations assigned to it by its respective Member in that locality;
- 1.1.10 "**Members**" means the entities who have agreed to enter into Joint Venture in connection with the Project and their legal successors or permitted assigns;
- 1.1.11 "**Member Representative**" means the person nominated from time to time to the Steering Committee by each Member, as set out in Appendix 1 [*Particular Conditions*];
- 1.1.12 "**Notice**" means a written communication identified as a Notice and issued under Clause 23 [*Notices and Other Communications*].
- 1.1.13 "**Project**" means the undertaking or proposed or actual works described in Appendix 1 [*Particular Conditions*] in connection with which the Client requires professional engineering and/or other services;
- 1.1.14 "**Project Director**" means the Member Representative of the Leading Member. The Project Director shall act as chairman of the Steering Committee;
- 1.1.15 "**Project Manager**" means the person appointed from time to time by the Leading Member to manage and supervise the performance of the work under the Services Agreement;
- 1.1.16 "**Proposal**" means the proposal to be prepared and submitted by the Joint Venture to the Client in response to the Invitation, and which shall include any changes agreed thereto by the Members;
- 1.1.17 "**Services**" means all the services to be performed by the Joint Venture as defined in the Services Agreement;
- 1.1.18 "**Services Agreement**" means the agreement between the Client and the Members for the provision of professional engineering and/or other services for the Project;
- 1.1.19 "**Steering Committee**" means the group of Member Representatives established under Clause 7 [*Executive Authority*] for the management of the Joint Venture.

## INTERPRETATION

- 1.2 In the Agreement, except where the context requires otherwise:
- 1.2.1 Words in the singular also include the plural and vice-versa, words indicating one gender include all genders.
- 1.2.2 Unless stated otherwise, all references to Clauses are references to Clauses numbered in this Agreement and not those in any other document.
- 1.2.3 "**shall**" means that a Member or the person referred to has the obligation under the Agreement to perform the duty referred to.
- 1.2.4 "**may**" means that the Member or the person referred to has the choice of whether to act or not in the matter referred to.
- 1.2.5 "**written**" or in "**writing**" means hand written, type written, printed or electronically made and resulting in a permanent un-editable record.

- COMMUNICATIONS** 1.3 All communications shall be made in accordance with Clause 23 [*Notices and Other Communications*].

## 2. JOINT VENTURE

- 2.1 The Members hereby establish an unincorporated joint venture under the name indicated in Appendix 1 [*Particular Conditions*] (hereinafter called the "Joint Venture" or "JV") or such other name as the Members shall unanimously agree from time to time, solely for the purposes of:
- preparing and submitting the Proposal to the Client;
  - providing any further information the Client may require, or negotiating with the Client on any matters requiring negotiation in connection with the Proposal;
  - if the Proposal is accepted, entering into the Services Agreement with the Client; and
  - performing all the Services under the Services Agreement.
- 2.2 The Leading Member shall be as stated in Appendix 1 [*Particular Conditions*]. The Members hereby appoint the Member Representative of the Leading Member as Project Director to represent the Joint Venture under Sub-Clause 7.5. The Project Director shall be the Chairman of the Steering Committee. The Members hereby confirm the addresses of the Joint Venture and the addresses of the Members respectively, as stated in Appendix 1 [*Particular Conditions*].
- 2.3 Each Member is committed to and undertakes to provide all support which is necessary to achieve the aims of the Joint Venture. To the extent unanimous decisions must be taken, each Member shall exercise its right to vote in good faith and in the spirit of mutual trust and cooperation.
- 2.4 The Members respectively agree to act (and agree that their respective Member Representatives shall act) at all times in the best interests of the Joint Venture, its Members and the Client in taking any actions relating to the Project and shall use all reasonable endeavours to settle any disputes arising between them amicably. Provided that all of this shall be done in accordance with the terms of this Agreement and the Services Agreement and in good faith.
- 2.5 Nothing in this Agreement shall create or be deemed to create a partnership between the Members and there is no relationship of principal and agent between them.
- 2.6 This Agreement shall not terminate if a Member changes its name or is taken over by, or merged with another company or partnership provided that such new name, or successor company or partnership is approved in advance by the Client and the other Members.
- 2.7 The Joint Venture Shares of the Members in the Joint Venture shall be as stated in Appendix 1 [*Particular Conditions*].
- 2.8 Each percent of the shares is equal to one vote.

## 3. PROPOSAL SUBMISSION

- 3.1 The Members shall make all reasonable endeavours to obtain from the Client the award of the Services Agreement in accordance with the conditions of the Invitation, and/or as subsequently offered by the Joint Venture in their Proposal, or such conditions as may subsequently be agreed between the Client and the Joint Venture.
- 3.2 The preparation and submission of the Proposal shall be undertaken jointly by the Members. The Leading Member shall co-ordinate the preparation of the Proposal and its submission to the Client. The Proposal shall not be submitted without the unanimous decision of the Steering Committee. The Members shall perform with all reasonable skill, care and diligence their respective functions decided by the Steering Committee until the earlier of (i) the entry into force of the Services Agreement; or (ii) this Agreement ceases to bind the Members, as provided for in Clause 13 [*Duration of the Agreement*].

- 3.3 After the Proposal has been submitted to the Client and until the Services Agreement has become effective the Members shall not make changes thereto nor should any additional information nor explanations be given to the Client without previously having obtained the unanimous decision of the Steering Committee.
- 3.4 Subject to Clause 7 [*Executive Authority*] if the Joint Venture is to be appointed, in accordance with the Proposal, or the Proposal as it may be amended subsequent to its submission by agreement between the Client and the Joint Venture, the Members shall enter into the Services Agreement.

#### 4. PERFORMANCE OF THE SERVICES

- 4.1 The Services to be performed under the Services Agreement shall be carried out in accordance with the terms and conditions of the Services Agreement and this Agreement. In the event of any inconsistency between the terms of the Services Agreement and this Agreement regarding the performance of the Services, the Services Agreement shall prevail.
- 4.2 Notwithstanding the joint and several liability of each Member to the Client for the fulfilment of the Services under the Services Agreement, as provided in Sub-Clause 14.1, each Member shall be responsible for fulfilling the obligations as allocated to such Member in Appendix 3 [*Allocation of the Obligations and services*], as the case may be in accordance with the terms of the Services Agreement, subject to Sub-Clauses 4.3 and 4.4 below.

The allocation of the Joint Venture's obligations between the Members in accordance with Appendix 3 [*Allocation of the Obligations and services*] can be amended by agreement between the Members, subject to the consent of the Client if required by the Services Agreement.

- 4.3 Any changes to the Services to be carried out under the Services Agreement shall be made only with the consent of or on the instructions of the Client in accordance with the Services Agreement. In respect to changes to the Services under the Services Agreement, responsibility for carrying out and the allocation of Joint Venture's additional obligations between the Members shall be as decided by the Steering Committee, subject to the consent of the Client if required by the Services Agreement.
- 4.4 Purchases will be made and orders placed with suppliers and sub-contractors by the Joint Venture in accordance with the procedures and delegation of authority established by the Steering Committee.

#### 5. GOVERNING LAW AND LANGUAGE

- 5.1 The governing law and ruling language of this Agreement shall be as stated in Appendix 1 [*Particular Conditions*] or, if no governing law is stated in Appendix 1, by the law of the Country
- 5.2 The communication language shall be as stated in Appendix 1 [*Particular Conditions*] or, if no language is stated in Appendix 1, in the language in which the Agreement (or most of it) is written.

#### 6. EXCLUSIVITY

- 6.1 Unless otherwise agreed by the Steering Committee, no Member shall engage in any activity related to the Project, other than as a Member of the Joint Venture and in accordance with this Agreement. Each Member warrants that its affiliates will comply with this requirement.
- 6.2 Each Member agrees not to engage staff employed by any other Member and/or not to enter into any agreement with staff employed by another Member for the duration of this Joint Venture, unless mutually accepted by and between the Members concerned. This provision shall only apply to staff employed by a Member directly in connection with the Project.

## 7. EXECUTIVE AUTHORITY

- 7.1 Except as provided under Sub-Clause 7.5, Sub-Clause 7.6 and Sub-Clause 8.2 no Member or Member Representative shall have authority to bind or to make any commitment on behalf of the Joint Venture or on behalf of any other Member unless such authority is expressed in writing by the Steering Committee.
- 7.2 The Member Representatives constitute the Steering Committee of the Joint Venture. From the date of entry into force of the Services Agreement, decisions on the management and procedures, as established in Appendix 5 [*Steering Committee*], of the Joint Venture shall be vested in the Steering Committee. The Joint Venture Agreement may only be amended in accordance with Sub-Clause 24.1.
- 7.3 The Steering Committee shall determine the Joint Venture management procedures in accordance with this Agreement and with due regard to all relevant circumstances. Unless otherwise agreed the Steering Committee shall take decisions by majority.
- 7.4 The Leading Member shall take the lead in the management of the Joint Venture's affairs.
- 7.5 The Member Representative of the Leading Member, the Project Director, shall be the representative of the Joint Venture for the purpose of correspondence and discussions with the Client on matters involving the negotiation of the Services Agreement and changes to the Proposal, the interpretation of the Services Agreement and alterations to its terms and to the Services to be performed.
- 7.6 Upon the signature of this Agreement, each of the Members shall grant a power of attorney in favour of its Member Representative, as designated in Appendix 1 [*Particular Conditions*].

Under the power of attorney granted to it, the Member Representative shall thereby have authority to sign the Proposal and the Services Agreement on behalf of and in the name of that Member. The signature of its Member Representative shall bind the Member in respect of all duties and obligations assumed under this Agreement.

Upon the signature of this Agreement, each Member Representative shall grant a power of attorney in favour of the Member Representative of the Leading Member, the Project Director, who shall make use of it in accordance with the procedures set out by the Steering Committee.

The Project Director, shall not make use of its power of attorney in relation to any matter unless and until a decision of the Steering Committee in respect to that matter has been given in accordance with this Agreement.

If the Steering Committee has given a decision in accordance with this Agreement on any matter the Project Director shall proceed with due expedition to make use of the power of attorney as provided in the decision. None of the Members has the right to revoke or withdraw the power of attorney in favour of the Project Director in respect of any decision taken by the Steering Committee.

- 7.7 Each Member shall provide Notice of the identity of its Member Representative to the other Members and shall give advance Notice of any change in such appointment, temporary or otherwise.
- 7.8 The Project Director as Chairman of the Steering Committee shall ordinarily convene the meetings of the Steering Committee and may invite others whom he or she wishes to attend, in order to inform or advise the Member Representatives, or to record the proceedings of the Committee. The invitees shall not be entitled to vote.
- 7.9 In the event of there being disagreement amongst the Steering Committee, and its members' opinions are equally divided, the Chairman of the Steering Committee shall be entitled to a casting vote, unless in accordance with this Agreement a unanimous decision is required.

- 7.10 Meetings of the Steering Committee shall take place at least as frequently as prescribed in Appendix 1 [*Particular Conditions*], unless otherwise agreed by the Members. A Member Representative may convene a meeting of the Steering Committee at any time by giving at least 14 days' Notice in writing to the Members and shall give Notice of the matters to be discussed.
- 7.11 Minutes of all meetings of the Steering Committee shall be kept by the Chairman of the Steering Committee in the language for communications stated in Appendix 1 [*Particular Conditions*], and copies of all such minutes shall be circulated to the Members within 7 days of a meeting taking place. The frequency of meetings shall be as stated in Appendix 1 [*Particular Conditions*].
- 7.12 Each Member may appoint a Local Representative in each locality of the Project where that Member is to work. The Local Representative of a Member shall be responsible for the obligations to be undertaken by that Member in the said locality and for performance of its responsibilities in that locality under this Agreement.
- 7.13 Each Member shall give advance Notice to the other Member of the appointment of any Local Representative and responsibilities assigned to it and shall give advance Notice of any change in such appointments or assignments of responsibilities.
- 7.14 Unless otherwise agreed by the Steering Committee, a Project Manager shall be appointed by the Leading Member. The Steering Committee may ask for the Project Manager to be replaced in the event that the Steering Committee considers that such replacement is in the best interests of the Joint Venture.
- 7.15 The Project Manager shall manage, coordinate and supervise the performance of the work under the Services Agreement in accordance with the directions of the Steering Committee, and shall report to the Steering Committee on the performance and progress of the Services as and when required by that Committee. The Project Manager shall not be authorised to undertake any of the duties under Sub-Clause 7.5 or Sub-Clause 7.6 unless the Steering Committee so determines.
- 7.16 The Local Representatives shall work under the direction of the Project Manager.
- 7.17 In the performance of obligations under this Agreement, the Members and their agents and employees shall comply with all applicable laws, rules, regulations and orders of any applicable jurisdiction including without limitation those relating to bribery and corruption. The Members shall also comply with the standards found in the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.

Each Member hereby represents, warrants and covenants that:

- a) it will not participate, directly or indirectly in bribery, extortion, fraud, deception, collusion, cartels, abuse of power, embezzlement, trading in influence, money laundering, use of insider information, the possession of illegally obtained information or any other criminal activity; and
- b) it will neither receive nor offer, pay nor promise to pay either directly or indirectly, anything of value to a "Public Official" in connection with any business opportunities, which are the subject of this Agreement. Furthermore, a Member shall notify the other Members immediately in writing with full particulars, in the event that the Member receives a request from any Public Official requesting illicit payments.

In this context, "Public Official" means:

- a) any official or employee of any government agency or government owned or controlled enterprise;
- b) any person performing a public function;
- c) any official or employee of a public international organization including without limitation donor or funding agencies or the Client;
- d) any candidate for political office; or
- e) any political party or an official of a political party.



- 7.18 Notwithstanding any other provision of this Agreement, each Member shall indemnify, defend and hold harmless the other Members to the fullest extent permitted by law from and against any claim, loss, damage, penalty, liability, expense, legal fees and costs of whatever nature arising out of, or related to or connected with the Member's failure to comply with the provisions of Sub-Clause 7.17.

Each Member shall demonstrate to the satisfaction of the other Members and/or the Client, that it adheres to a documented code of conduct and ethics and associated compliance programme or to similar documents (if any), developed for the Joint Venture and attached to this Agreement as Appendix 9 [*Code of Conduct*]. As a minimum each Member shall comply with the FIDIC code of ethics and Integrity Management system available at [www.fidic.org](http://www.fidic.org).

## 8. DOCUMENTS

- 8.1 All documents produced by a Member or the Members in connection with the Project which are made available to persons other than the Members shall bear the name of the Joint Venture.
- 8.2 All documents prepared by the Members in connection with the performance of Services shall be fully co-ordinated and integrated as between engineering or other disciplines prior to being signed and submitted by the Project Manager. If they concern the interpretation of the Services Agreement or alteration to its terms or Services to be performed, they shall be signed by the Project Director subject to approval by the Steering Committee, unless otherwise agreed by the Members.
- 8.3 Each Member shall have unrestricted access to any documents, files or records produced or presented by the Members in connection with the Project.
- 8.4 Copies of all documents submitted to the Client by or on behalf of the Joint Venture by the Project Manager or the Project Director shall be available for all Members, and upon request be circulated as soon as reasonably practicable following such request.

## 9. PERSONNEL

- 9.1 Each Member shall assign a sufficient number of its employees to the Project so that the provisions of this Agreement are complied with, and the Services are carried out in accordance with the Services Agreement.
- 9.2 Each Member shall ensure that its employees assigned to the Project are suitable, skilled, qualified and trained in relation to the requirements of this Agreement and the Services Agreement.
- 9.3 Each Member shall be responsible for all actions of its staff and shall continue to be responsible in all ways for its own obligations as the employer of its employees.
- 9.4 Notwithstanding the foregoing provisions of this Clause, each Member may allow any affiliate over which it exercises management control to fulfil any of its obligations under this Agreement provided that the responsibility for the performance of those obligations shall at all times remain vested in that Member.
- 9.5 Each Member shall be entitled to appoint, subject to the approval of the Client (if required) and with the prior agreement of the Steering Committee, sub-consultants to carry out any, but not all, of that Member's obligations, provided that the control of and responsibility for the performance of those obligations shall at all times remain vested in that Member.
- 9.6 The engagement of sub-consultants by the Joint Venture shall be subject to the prior approval of the Steering Committee and the provisions of Sub-Clause 7.6.

## 10. ASSIGNMENT AND THIRD PARTIES

- 10.1 No Member shall sell, assign, mortgage, pledge, transfer or in any way dispose of any rights or interests under this Agreement, or its interests in any sums payable by the Client other than by a charge in favour of its bankers, of any monies due or to become due under the Agreement, without the prior written unanimous approval of the Steering Committee.
- 10.2 This Agreement is exclusively for the benefit of the Members. Nothing in the Agreement shall create or shall be deemed to create third party rights for the benefit of the Client, and it shall not be construed as conferring, either directly or indirectly, any rights or causes of action upon third parties.

## 11. ENFORCEABILITY

- 11.1 If any part of any provision of this Agreement is found by an arbitrator or court or other similar competent authority to be void or unenforceable, such part of the provision shall be deemed to be deleted from this Agreement and the remainder of such provision and the remaining provisions of this Agreement shall continue in full force and effect.
- 11.2 Notwithstanding the foregoing, the Members shall thereupon negotiate in good faith in order to agree the terms of a mutually satisfactory provision to be substituted for the part of the provision found to be void or unenforceable. If the Members fail to agree on a mutually satisfactory provision, the matter shall be settled under Clause 22 [*Disputes and Arbitration*].

## 12. MEMBER IN DEFAULT

- 12.1 If a Member fails to fulfil its obligations in whole or in part under this Agreement the other Member may by Notice require this Member to make good the failure and to remedy it within a specified reasonable time.
- 12.2 A Member that delays or fails to fulfil its obligations in whole or in part under this Agreement for non-excusable reasons shall indemnify the other Members in respect of the consequences.
- 12.3 A Notice from the Client that the performance of obligations under the Services Agreement is unsatisfactory or that the continued involvement of a Member is no longer required in whole or in part shall, for the purposes of this Clause, mean that the Member concerned is in default unless otherwise agreed by the Steering Committee.
- 12.4 If the default of a Member is such that the Steering Committee decides that the Member in question is in material breach of its obligations, the other Members shall be entitled to reassign the work concerned.
- 12.5 Any actions taken by the other Member(s) against the defaulting Member pursuant to this Clause shall be without prejudice to any rights to which any Member may be entitled at law against each other.
- 12.6 If a reassignment of work under the Services Agreement is made in accordance with Sub-Clause 12.4:
  - the defaulting Member shall not obstruct the Member(s) who undertake the reassigned work and shall provide access to all documents, files and information together with a licence in respect of any relevant intellectual property rights necessary for the proper performance of the reassigned work; and
  - the defaulting Member shall upon request do all in its power to transfer or assign the benefit of any relevant sub-contract to the other requesting Member(s).
- 12.7 From any sums received by the Joint Venture in payment for any Member's obligations already undertaken a retainer in the amount or percentage indicated in Appendix 1 [*Particular Conditions*] shall be withheld until the entire Services have been completed successfully.

Any sums received but not yet forwarded on by the Joint Venture in payment for the defaulting Member's obligations already undertaken shall be used to compensate any loss or damage resulting from the default of that Member. The defaulting Member shall remain responsible for maintaining any guarantees and/or bonds still in force covering the work allocated to that Member prior to its reassignment under Sub-Clause 12.4, and without prejudice to Clause 14, shall remain liable to the Joint Venture and its Members for any losses arising from its default until completion of the Services and final settlement of all accounts relating to the Services and Services Agreement.

12.8 If all of the defaulting Member's obligations are reassigned, the other Member(s) shall be entitled to and shall:

- carry on and complete the performance of the Services without the participation of the defaulting Member, its successors, receivers or other legal representatives and continue to act in accordance with this Agreement (as amended to take account of the non-participation of the defaulting Member); and
- retain all equipment and materials purchased for the performance of the Services and all assets owned by the Joint Venture at the time of the default by the defaulting Member until the completion of the Services. The defaulting Member, its successors, receivers or other legal representatives shall execute all documents and do all things necessary to enable the said equipment and materials to continue to be so used and to enable the Joint Venture to continue without the defaulting Member's involvement.

12.9 Upon completion or earlier termination of the Services Agreement and receipt of all amounts due from the Client, the remaining Member(s) shall settle accounts with the Member in default as soon as reasonably practicable. In assessing the amount due to, or due from the defaulting Member the remaining Member(s) shall take account of:

- a) the amount due, or that would be due, to the defaulting Member under the Agreement for that proportion of the defaulting Member's services properly completed, less
- b) amounts already paid to the defaulting Member, less
- c) additional costs, loss and damage incurred or suffered by the remaining Member(s) arising directly or indirectly from the default of the defaulting Member.

In assessing the amount due, or that would be due to the defaulting Member under the Agreement, the remaining Members shall take proper account of the effect of, without limitation:

- any working capital loaned by the defaulting Member to the Joint Venture,
- retention monies,
- the defaulting Member's share of the total net profit or loss in accordance with its Joint Venture Share, incurred by the Joint Venture in the execution of the Services Agreement, and
- any liabilities to others arising out of the default of the defaulting Member.

12.10 Further to the assessment under Sub-Clause 12.9 any amounts due to the defaulting Member or due from the defaulting Member to the remaining Member(s) shall be paid promptly.

### 13. DURATION OF THE AGREEMENT

13.1 If it has been established by the Steering Committee that the Proposal will not be accepted by the Client or if it has not been accepted by the Client within the period allowed for acceptance in accordance with the Proposal or any extension of that period subsequently agreed between the Client and the Joint Venture, this Agreement shall terminate forthwith.

13.2 If the Proposal is accepted by the Client, this Agreement shall continue to have full force and effect and shall continue to bind the Members so as to allow the Members to comply with the Services Agreement entered into with the Client.

13.3 This Agreement shall continue to bind the Members to such extent and for so long as may be necessary to give effect to the rights, liabilities and obligations of the Members and the application of any relevant laws of the Country.

## 14. LIABILITY

- 14.1 Unless otherwise agreed under this Agreement and the Services Agreement the Members shall be jointly and severally liable for the full and proper performance of all their respective obligations and liabilities under the Services Agreement, and under any other contract or agreement relating to the Services, of which the Members as a Joint Venture are parties.
- 14.2 Each Member warrants that it will indemnify and hold harmless the other Members and the Joint Venture against all liabilities arising out of or in connection with the performance of its obligations under the Services Agreement or any other contract or agreement in relation to the Project of which the Joint Venture or the Members as a Joint Venture are parties.
- 14.3 If a Member alleges that any liability is attributable to one or more of the other Members, the Steering Committee shall endeavour to reach agreement on the liabilities to be borne by each of the Members. In the event of the Steering Committee failing to so agree, liability shall be determined by the Steering Committee in accordance with Sub-Clause 7.9. This determination shall be binding unless and until revised in accordance with Clause 22 [*Disputes and Arbitration*].

## 15. INSURANCE

- 15.1 The Leading Member shall make all reasonable efforts to obtain and maintain insurance cover on behalf of the Joint Venture in the amounts stated in Appendix 1 [*Particular Conditions*] for all liabilities of the Joint Venture Members arising out of or in connection with the Services Agreement. The resulting expenditure shall be shared proportionately as indicated in Appendix 1 [*Particular Conditions*].
- 15.2 Unless the Leading Member on behalf of the Joint Venture has taken out insurance cover in accordance with Sub-Clause 15.1, and unless the Client has not requested differently, then each Member shall obtain and maintain insurance cover at its own cost in the amounts stated in Appendix 1 [*Particular Conditions*] for professional indemnity insurance and public/third party liability insurance and any other insurance necessary to comply with the Services Agreement.
- 15.3 Each Member covenants and warrants that it will disclose all material circumstances known to it in order to ensure that all material circumstances within the Member's knowledge are disclosed to insurers.

## 16. PROMOTIONAL AND PROJECT COSTS, PROFITS, LOSSES AND REMUNERATION

- 16.1 If not otherwise agreed by the Members, each Member shall bear the costs and expenses incurred by it in connection with the promotion, preparation, submission and negotiation of the Proposal, as prescribed in Appendix 4 [*Financial Policy and Remuneration*].
- 16.2 Each Member shall only be compensated for its work, personnel or equipment in accordance with Clause 16 [*Promotional and Project Cost, Profits, Losses and Remuneration*], Clause 17 [*Financial Administration and Accounting*] and Appendix 4 or as otherwise determined by the Steering Committee.

## 17. FINANCIAL ADMINISTRATION AND ACCOUNTING

- 17.1 Each Member shall be responsible for keeping its own accounts in respect of payments due to it and for its own financial affairs generally. Each Member shall be responsible for dealing with its own tax and social security affairs wherever arising, and for accounting according to the applicable standards and laws.
- 17.2 The Leading Member shall be responsible for provision of Financial Administration Services of the Joint Venture as set out in Appendix 2 [*Financial Administration Services*].
- 17.3 Unless agreed otherwise each Member shall be liable for its own costs of legal advice taken in the preparation of this Agreement.

- 17.4 If any costs of legal advice are to be borne by the Joint Venture in respect of the Services or the Services Agreement, then the Members shall contribute to these costs to the extent of their respective Joint Venture Share as recorded in Appendix 1 [*Particular Conditions*] or as otherwise determined by the Steering Committee.
- 17.5 The Steering Committee shall decide on any possible public registration of the Joint Venture for tax purposes.
- 17.6 The Project Manager shall arrange for the establishment and keeping of full and proper books of account and records relating to the Services Agreement, to comply with the Client's requirements and all relevant regulations. The books of account and records shall be available at all reasonable times for inspection by the Steering Committee. The Members shall have the right to make copies or to take extracts from these documents on a confidential basis.
- 17.7 Once each year until the expiry of this Agreement in accordance with Clause 13 [*Duration of the Agreement*], an account shall be taken of the assets and liabilities of the Members arising out of the Joint Venture, and a balance sheet and profit and loss account along with proposed possible distribution of revenue to the Members shall be prepared, which shall then be issued to each Member. Within three months of issue, the Members shall be entitled to make objections. If any objection is found by a majority of the Steering Committee to be justified, the balance sheet and/or profit and loss account shall be rectified. After rectification, or if no objection has been raised, the balance sheet and profit and loss account shall be final and binding upon the Members.
- 17.8 Once each year and at the expiry of this Agreement, all books of account and records, and other relevant financial documents, shall be audited by qualified accountants appointed by the Steering Committee. Any dispute between the Members regarding the accounts, including a dispute as to any assessment under Sub-Clause 12.9, shall be settled by these accountants acting as experts and not as arbitrators. The decision of the accountants shall be binding unless any Member, within 14 days of receipt of a decision, refers such decision as a dispute for resolution under Clause 22 [*Disputes and Arbitration*].
- 17.9 On payment to the Joint Venture by the Client of all monies due under the Services Agreement, and after the realisation of all assets of the Members arising out of the Joint Venture and the settlement of all outstanding obligations and liabilities, the Steering Committee shall arrange for a final account to be prepared. This final account shall show the total net profit earned or loss incurred by the Joint Venture as well as the current balance of assets and liabilities. When this account has been approved by the Steering Committee, each Member shall receive from or pay to the Joint Venture its Joint Venture Share in the net profit or loss of the Joint Venture.
- 17.10 The total net profit (or loss) shall be the resulting sum after deducting from the total of all monies received by the Joint Venture all costs properly incurred, including but not limited to:
- (a) administrative charges in relation to the Joint Venture approved by the Steering Committee and paid in accordance with agreed terms;
  - (b) all taxes or duties levied on the Joint Venture;
  - (c) amounts expressly agreed by the Steering Committee prior to their being incurred which are paid to third parties for services in connection with the preparation of the Proposal or the performance of the Services Agreement;
  - (d) payments in relation to the settlement of claims from third parties and/or the Client arising under the Services Agreement;
  - (e) amounts paid to Members or others under Appendix 4 [*Financial Policy and Remuneration*];
  - (f) any other amounts paid out by the Joint Venture as decided unanimously by the Steering Committee; and
  - (g) any depreciation of the assets of the Members arising out of the Joint Venture needed according to local accounting standards and practices.

## 18. BANK ACCOUNTS AND WORKING CAPITAL

- 18.1 As soon as necessary after acceptance of the Proposal by the Client (or signature of the Services Agreement, whichever is sooner) the Joint Venture shall open one or several bank accounts in the name of the Joint Venture (or, as the case may, in the name of the Members) with such bankers and at such places as the Steering Committee may direct ("the Joint Venture bank accounts").
- 18.2 The Joint Venture bank accounts shall be operated as directed by the Steering Committee.
- 18.3 The Services Agreement shall provide that all payments which become due under the Services Agreement shall be paid directly into the Joint Venture bank accounts. All sums received by a Member in connection with the Services Agreement shall be paid immediately into the Joint Venture bank accounts and all monies to be paid to the Members shall be paid from these accounts. No payments shall be made or monies withdrawn from the Joint Venture bank accounts except for the purposes of the Services Agreement and this Agreement.
- 18.4 Subject to a decision of the Steering Committee the Members shall pay to the credit of the Joint Venture bank accounts in the proportion of their Joint Venture Shares such sums as shall from time to time be necessary to provide working capital for the performance of the Services Agreement, according to the procedures established by the Steering Committee.

## 19. GUARANTEES AND BONDS

- 19.1 If the Client requires guarantees and/or bonds from the Joint Venture, their terms shall be agreed by the Leading Member subject to approval by the Steering Committee. The terms shall clearly and irrevocably cover the joint and several liability of each Member as appropriate.
- 19.2 Any guarantees, bonds or letters of credit required from financial institutions by reason of the terms and conditions of the Proposal or Services Agreement shall be issued against indemnities provided and paid for by the Members in the proportions of their respective Joint Venture Shares.

## 20. CONFIDENTIALITY

- 20.1 The Joint Venture and each Member shall treat the details of the Project as private and confidential, except to the extent necessary to carry out its obligations under this Agreement and the Services Agreement. The Joint Venture or its Members shall not publish, permit to be published, or disclose any particulars of the Project in any trade or technical paper or elsewhere without the Client's prior written approval or as otherwise provided for under the Services Agreement.
- 20.2 Each Member shall keep in strict confidence all information relating to the Project and which by its nature is confidential, whether disclosed to the recipient Member in writing, orally or by any other means, before or after the date of this Agreement.

## 21. INTELLECTUAL PROPERTY

- 21.1 The intellectual property (including but not limited to patents, copyright, design right, know-how and trade marks) in the designs and documents produced by a Member in relation to the Services shall remain with the Member, (the "Member Owned Intellectual Property"). Each Member hereby grants an irrevocable royalty free license to the other Members to use and reproduce such designs and documents contained in the Member Owned Intellectual Property but only for the purposes of the Services and the Project. Subject to Sub-Clause 21.6 any restrictions on the use of any Member Owned Intellectual Property shall be stated in Appendix 1 [*Particular Conditions*].
- 21.2 Each Member shall indemnify and hold harmless the other Members against and from any claim which arises out of or in relation to the infringement of third party intellectual property rights in relation to any design or document for which the Member is responsible.

- 21.3 All intellectual property (including but not limited to patents, copyright, design right, know-how and trade marks) which may be acquired or created jointly by the Members and which relates to the Services shall become the joint property of the Joint Venture (the "Jointly Owned Intellectual Property") and shall not be used by any Member (other than solely for the purpose of the Services and the Project) without the prior written permission of the other Members and upon such terms, conditions and indemnity provisions as may be agreed between them. Any Member may enforce the rights in the Jointly Owned Intellectual Property against third parties without reference to the other Members provided that it undertakes to be solely responsible for the costs thereby incurred.
- 21.4 Where a defaulting Member is excluded from or transfers its interest in the Joint Venture in accordance with Clause 12 [*Member in Default*] then the defaulting Member shall be deemed to have surrendered its interest in all Member Owned Intellectual Property and Jointly Owned Intellectual Property to the continuing Members for the purposes of the Services and the Project at no cost and shall take all necessary steps at its own cost to vest its interest in the Member Owned Intellectual Property and Jointly Owned Intellectual Property to the continuing Members.
- 21.5 Notwithstanding Sub-Clauses 21.3 and 21.4 nothing in this Agreement shall give any Member any rights in respect of any systems, procedures or other intellectual property of the other Members provided by any of them for the purposes of the Services and the Project other than to use the same solely for the said purposes and the Members hereby agree that they shall not acquire any other rights or licence in respect thereof.
- 21.6 Notwithstanding anything contained in this Agreement each Member agrees that it shall comply with and be bound by the provisions in relation to intellectual property rights in the Services Agreement.

## 22. DISPUTES AND ARBITRATION

- 22.1 If any dispute arises out of or in connection with this Agreement, the concerned Member Representative(s) and/or the Leading Member on behalf of the Joint Venture with authority to settle the dispute shall, within 14 days of a written request from one Member to the other or from the Joint Venture to any Member or from any Member to the Joint Venture, meet in a good faith effort to resolve the dispute amicably. If the dispute is not resolved at that meeting, the concerned Member(s) and/or the Leading Member on behalf of the Joint Venture (for the purpose of this Clause 22, «the parties») shall attempt to settle it by mediation in accordance with Sub-Clause 22.2 .
- 22.2 In the event that any dispute arising out of or in connection with this Agreement cannot be settled amicably under Sub-Clause 22.1 then the parties shall first refer the dispute to proceedings under the International Chamber of Commerce Mediation Rules. If the dispute has not been settled pursuant to the said Rules within 45 days following the filing of a request for mediation or within such other period as the parties may agree in writing, such dispute shall thereafter be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules of Arbitration. Hearings shall be conducted in the ruling language stated in Appendix 1 [*Particular Conditions*]. The place of arbitration shall be the place designated in Appendix 1 [*Particular Conditions*].
- 22.3 The requirement to wait 45 days, or any other agreed period, following the filing of a request for mediation, before referring the dispute to arbitration shall not prevent the parties from making an application, prior to expiry of those 45 days or other agreed period, for Emergency Measures under the Emergency Arbitrator Provisions in the Rules of Arbitration of the International Chamber of Commerce.

## 23. NOTICES AND OTHER COMMUNICATIONS

- 23.1 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 Appendix 1 [*Particular Conditions*] and shall not be unreasonably withheld or delayed.

- 23.2 Notices to be served under this Agreement shall be in writing and delivered by hand sent by mail or courier, or transmitted by any form of agreed system of electronic transmission (all modes of delivery shall be performed against receipt), stated in Appendix 1 [*Particular Conditions*]; and will take effect from receipt at the addresses stated in Appendix 1 [*Particular Conditions*].
- 23.3 The official address of the Joint Venture to be included on all documentation signed in the name of the Joint Venture shall be as designated in Appendix 1 [*Particular Conditions*] or such other address as shall be agreed from time to time by the Members, subject to the requirements of the Services Agreement.

**24. ENTIRE AGREEMENT AND AMENDMENTS**

- 24.1 This Agreement is as specified in Sub-Clause 1.1.6 and is the sole agreement between the Members and supersedes any previous agreements between them relating to the Proposal and the Services. Amendments and addenda may be made to this Agreement, including the admission of new Members to the Joint Venture, by written instrument in a form to be agreed by all Members, which shall be effective upon being signed by all Members, provided that if a Member is considered by the other Members to be in default pursuant to Clause 12 [*Member in Default*] its agreement and signature is not required.
- 24.2 The Members shall not alter the composition or legal status of the Joint Venture without the agreement of the Client, if required. Any change to the shareholders or ownership of any Member or the name of any Member of the Joint Venture shall not be construed as an alteration of the composition or legal status of the Joint Venture.

AUTHORISED SIGNATURES OF MEMBERS

Member Name \_\_\_\_\_

Signed and dated \_\_\_\_\_

Signed on behalf of (name of Member) \_\_\_\_\_

Member Name \_\_\_\_\_

Signed and dated \_\_\_\_\_

Signed on behalf of (name of Member) \_\_\_\_\_

Member Name \_\_\_\_\_

Signed and dated \_\_\_\_\_

Signed on behalf of (name of Member) \_\_\_\_\_

Member Name \_\_\_\_\_

Signed and dated \_\_\_\_\_

Signed on behalf of (name of Member) \_\_\_\_\_



# APPENDICES

## APPENDIX 1 PARTICULAR CONDITIONS

### Part A. References from Clauses in the General Conditions

- Sub-Clause 1.1 The Client is *(name and address of Client)*  
The Project is *(name of Project)*  
The Country where the Project is located is *(name of Country)*  
Other documents incorporated in this Agreement are *(list, if any)*  
Member Representatives  
*(names of Representatives)*
- Sub-Clause 2.1 The name of the Joint Venture is  
*(State name)*
- Sub-Clause 2.2 Leading Member  
The Leading Member of the Joint Venture is *(name of Leading Member)*  
The address of the Joint Venture is *(address of Joint Venture)* \_\_\_\_\_  
\_\_\_\_\_  
The address of each Member is *(Member Name and address)* \_\_\_\_\_  
\_\_\_\_\_  
*(Member Name and address)* \_\_\_\_\_  
\_\_\_\_\_  
*(Member Name and address) etc* \_\_\_\_\_  
\_\_\_\_\_
- Sub-Clause 2.7 Member Name \_\_\_\_\_ %  
Member Name \_\_\_\_\_ %  
Member Name \_\_\_\_\_ % etc
- Sub-Clause 5.1 The law which is to govern this Agreement shall be the laws of *(state country or other jurisdiction)*  
The language of this Agreement shall be *(state language)*
- Sub-Clause 7.2 The Member Representatives authorised by their respective Member to sign the Proposal and the Services Agreement are as follows:  
*(name of first Member) (name of Member Representative) (name of second Member) (name of Member Representative) etc.*
- Sub-Clause 7.11 Frequency of meetings of the Steering Committee shall be *(state interval, i.e., bi-monthly, quarterly etc.)*
- Sub-Clause 12.7 Retainer Percentage is *(state percentage)*
- Clause 15 Insurances shall be in the amount of cover stated below:  
Professional liability: *(state amount)*.  
Public/Third Party Liability: *(state amount)*.  
Expenditure shall be shared proportionately as follows *(indicate proportions)*.

Sub-Clause 21.1 Add any special copyright protection required by the Members

Sub-Clause 22.3 The arbitral tribunal shall be composed of three Members/one Member *(delete as appropriate)*  
*The arbitration hearings shall be conducted in \_\_\_\_\_ [state language]*  
*The place of arbitration shall be \_\_\_\_\_ [insert name of city and country].*

Sub-Clause 23.1 The communication language shall be \_\_\_\_\_.

Sub-Clause 23.2 Add any special communication provisions *(like email communication etc.)*.

## **Part B. Additional or Amended Clauses**

**Any additions or amendments to the General Conditions in this Part B of Appendix 1 shall take precedence over the General Conditions**

*Members are to include in this section any additions, amendments or omissions to the General Conditions*

## APPENDIX 2

### FINANCIAL ADMINISTRATION SERVICES

*[The following is given as a guide to the compilers of the Joint Venture agreement]*

- (a) Definition of non-reimbursable/recoverable costs for each Member
- (b) Recording and reporting requirements for allowable costs and fees (and whether overheads or profit included)
- (c) Provision of intended expenditure/costs/work activities reports at regular intervals
- (d) Submission of invoices to the Client
- (e) Schedule of expected payments from Client
- (f) Principles and mechanism for remuneration re-payments received from Client
- (g) Actions where non-payment from Client
- (h) Interim payments of profits and/or dividends to Members
- (i) Payment for administrative services
- (j) Contributions of working capital
- (k) Prosecution of claims and negotiations of amendments under the Services Agreement



**APPENDIX 3**  
**ALLOCATION OF THE OBLIGATIONS AND SERVICES**



APPENDIX 4  
FINANCIAL POLICY AND REMUNERATION





## APPENDIX 5 STEERING COMMITTEE

### 1. General

- (a) The Steering Committee shall be the forum for the Members to review the status of the Services and the Services Agreement, the relationship between the Members, the terms and conditions.
- (b) Unless otherwise stated in this Appendix, the Agreement shall determine policy and actions for all matters relating to the Joint Venture, the Proposal and the Services Agreement.

### 2. Specific Functions and Powers

Notwithstanding paragraph 1(b) above, the Steering Committee has the following functions and powers:

*(INSERT details as required)*



## APPENDIX 6 PROJECT DIRECTOR

### 1. Duties and Functions of Project Director

Unless the Steering Committee directs otherwise, the Project Director has the following functions and duties:

*(INSERT (for example)*

- (a) executing the decisions of the Steering Committee*
- (b) representing Joint Venture in dealings with Client*
- (c) reporting to Steering Committee on progress of Services Agreement and performance under Services Agreement*
- (d) liaising with, supervising and instructing the Project Manager)*



## APPENDIX 7 PROJECT MANAGER

### 1. Duties and Functions of Project Manager

Unless the Steering Committee directs otherwise, the Project Manager has the following functions and duties:

*(INSERT (for example)*

- (a) liaising between the Members on the performance of the Services Agreement*
- (b) coordination, management and supervision of the performance of the work under the Services Agreement*
- (c) general day to day management of the Services and compliance with the Services Agreement*
- (d) invoicing*
- (e) reporting to Steering Committee on progress of Services Agreement and performance thereunder*
- (f) functions/powers in an emergency)*



APPENDIX 8  
CROSS GUARANTEE AND INDEMNITY AGREEMENT





APPENDIX 9  
CODE OF CONDUCT





**International Federation of Consulting Engineers (FIDIC)**

World Trade Center II

PO Box 311

1215 Geneva 15

Switzerland

Telephone: +41 22 799 49 00

Fax: +41 22 799 49 01

E-mail: [fidic@fidic.org](mailto:fidic@fidic.org)

WWW: <http://www.fidic.org>

