

## 1. General provisions:

General provisions mean the current general terms and conditions, sale, delivery, contracting and acceptance of business so that every purchase order sent by the purchaser regarding goods and / or services shall be subject to the standard terms and conditions for purchase as well as the terms and conditions of the purchase order.

### 1.1 Definitions:

- **Manufacturer:** Means the limited liability company with which the customer carries out its activities and employs the current general terms and conditions, and referred to hereinafter as **(the Manufacturer / Supplier)**
- **Agreement:** Means the agreement concluded between the Supplier and the Purchaser for the sale and / or purchase of goods and / or services.
- **Customer:** Means the company that submits a purchase order from the Manufacturer or the person who submits the purchase order on behalf of the company.
- **Purchaser:** Means the person who makes the purchase on behalf of the company.
- **Received Materials:** Means any of the materials, products or services referred to under the purchase order, and all materials, data and related documents including intellectual property rights that the supplier develops according to the purchase order.
- **Deliverable:** Means any product or other product or services results referred to in the purchase order, and any related materials, data and documents including any intellectual property rights developed by the supplier in accordance with the purchase order.

- **Date of Delivery:** Means the date of goods delivery or the implementation of services as specified in the purchase order.
- **Delivery Point:** Means the location that the purchaser specifies in the purchase order and at which the supplier delivers the goods and / or services, or any other delivery point that the purchaser specifies in writing.
- **Goods:** Means Goods required to be delivered by the Manufacturer under the purchase order, including all materials, component parts, packaging, and labels of these goods.
- **Purchase order:** Means the written request that the customer sends to the Manufacturer to buy and sell goods or services in accordance with the standard terms and conditions referred to thereunder.
- **Services:** Means any services provided by the supplier to the Purchaser under the purchase order.
- **Specifications:** Means the requirements, features and specifications of the goods or services mentioned in the applicable purchase order, including:
  - 1) The documents issued by the supplier related to the goods or services.
  - 2) The operational, technical and functional characteristics of the goods or services.
  - 3) Standard levels for service performance
  - 4) Requirements and Purchaser's actions that he explicitly states in the purchase order.
- **Supplier's Proposal (Quotation):** Means any approval, estimate, quotation, offer for sale, invoice, or proposal submitted by the supplier regarding the supply of goods or services to the purchaser, including any delivery in connection with the request for quotations, prices, request for proposal or similar process initiated by the Purchaser.
- **Deficit Liability Period:** Means what is related to goods or services, including:
  - 1) The guarantee period mentioned explicitly in writing provided by the supplier for goods or services.

- 2) The period that starts from the date of acceptance of the goods or services and ends after one year from the date of acceptance.
- **Force Majeure:** Means any failure not attributable to the Manufacturer which prevents the execution of the agreement permanently or temporarily, including but not limited to (Illness, illegal absence of employees, wars, threat of war or civil war, riots, strikes, work closures, transportation problem, lack of raw materials, equipment damage, theft, fires, power outages, or the interruption of the main manufacture's other facilities in relation to the non-contracted Manufacturer, storms, torrents, volcanoes, earthquakes, curfews, state-imposed emergencies, demonstrations, and strikes of workers and employees."

## **2. Applicability: -**

2.1 The current terms and conditions shall apply to all quotations, estimates and proposals submitted by the manufacturer in relation to the sale of goods in addition to all other actions and activities carried out by the Manufacturer.

## **3. Conclusion of Agreements:**

3.1 Every offer or quotation submitted by the manufacturer in any form is free from the text of the contract, and the orders and purchase orders by the customer shall be considered irrevocable.

3.2 Any agreement in which the Manufacturer is a party will enter into force and effect after signing it by the two parties, starting from the day on which it was signed, and in the event that a written order is sent from the customer and confirmed by the Manufacturer, it shall be considered an agreement between the two parties and this agreement shall enter into force from the date on

which the confirmation is sent to the customer by the Manufacturer. In the event that this does not occur; the national Manufacturer's start of actual implementation of the works shall be considered as an agreement between the two parties. This agreement is considered to be in effect and valid as of the day the Manufacturer started carrying out these works.

3.3 Manufacturer's employees who have official powers of attorney and sufficient authorities established through the commercial register are entitled to represent the Manufacturer. Any agreement concluded with the Manufacturer's employees who are not representing it shall not be considered except in the case that it is confirmed according to a written document issued by the Manufacturer. Verbal obligations are binding on the manufacturer unless confirmed by the manufacturer in writing.

#### **4. Prices:**

4.1 Unless otherwise agreed upon according to a written consent, all prices shall be in UAE AED, and in the event that prices are not agreed upon; the reasonable price shall be considered payable, and in the context of determining this price, the prices imposed by the Manufacturer at the time of the conclusion of this agreement will be taken into consideration

4.2 The manufacturer has the right to amend the quotation and / or the agreed upon prices accordingly. The manufacturer shall notify the customer of this, and the customer shall notify the Manufacturer of its decision.

4.3 The manufacturer has the right to charge the customer the price for the additional work.

4.4 The Manufacturer shall issue the invoices on the specified dates, and all those invoices shall meet all the requirements of the customer, and shall as a minimum, mention the purchase order number.

**5. Payment:**

- 5.1 Unless otherwise expressly agreed under a written consent, all due amounts shall be paid according to the Manufacturer's choice, either in cash upon delivery or current date cheque or Through bank transfer
- 5.2 Customer can request for Credit period through fill Credit Form Application and submit with legal document, to be verify by Finance and Legal department. Company has right to reject or approved any application according to Verification.
- 5.3 The customer shall not be entitled to apply any deductions, suspend payment, or deduct claims, or retain manufacturer's property.
- 5.4 In the case that the customer places a purchase order, and part of the order amount is paid in advance and the customer cancels this order according to a written notice sent to the manufacturer, the down payment paid to the Manufacturer's account shall be non-refundable.
- 5.5 The manufacturer has the right at all times to request guarantees and / or to ship goods against obtaining cash upon exclusive delivery to ensure the fulfillment of payment obligations.
- 5.6 In the event that lots of invoices, costs, or interest amounts are due for payment, the Manufacturer shall be first entitled to settle any potential costs, then settlement of any potential interest, then settlement of the first due invoice from the received amounts regardless of the provisions specified by Customer to pay. "
- 5.7 In the event that the customer does not pay within the applicable period, he is deemed to be in breach according to the law and as of the day following the last day of the validity period, he shall pay the legal interest in accordance with the laws in force in the UAE.
- 5.8 All debts owed to the Manufacturer account by the client shall become payable immediately in the event of the client's bankruptcy, suspension of payments, liquidation or closure of the client's business and establishment, its insolvency

or placing his establishment under receivership, and if the precautionary custody imposed on the customer is not cancelled, it shall be at its expense within a reasonable period of time.

## **6. Agreement Execution by the Manufacturer:**

6.1 During Agreement implementation by the manufacturer, and the nature of the production methods used by the Manufacturer as well as the nature and quality of the materials and resources used in the implementation of this agreement have not been agreed upon according to an explicit written document, this shall be determined by the manufacturer.

6.2 Simple amendments, deviations from the agreed differences and / or measurements, capacities and / or results of the goods agreed to be executed by the manufacturer, and / or the actions or orders agreed to be executed by the manufacturer, shall not be considered as a defect in agreement Execution by the Manufacturer. "

6.3 The Manufacturer has the right to carry out the agreement through partial delivery and / or partial execution, unless expressly agreed otherwise under written document, and in the event of partial delivery or partial execution, the Manufacturer has the right to prepare an invoice for the partial delivery and / or partial mentioned execution

## **7. Delivery of Goods / Services:**

7.1 It is considered that the goods have been delivered immediately as they are ready for shipment after notifying the customer of this according to a written document, and then the execution processes that do not include the delivery / supply of the goods shall be considered to have been completed after work completion, and the Manufacturer agrees, according to a purchase order sent

by the customer, to deliver Goods or the supply of services in accordance with those terms and conditions stipulated under this agreement. The manufacturer shall, at his own expense, prepare, ship, and deliver the goods to the delivery point, and risk and title shall transfer to the customer as soon as he receives the goods at the delivery point, unless the customer agrees to the contrary in writing. The customer is not obligated to provide goods insurance while those goods are on their way during their journey from the manufacturer or supplier to the delivery point.

7.2 The manufacturer shall determine the packing method unless otherwise agreed upon according to a written document. The packages may be returned only if the manufacturer desires so.

#### **8. Execution time:**

8.1 The time of execution by the manufacturer shall be considered as agreed upon with the manufacturer, or as stipulated in the Quotation submitted to the customer by the manufacturer, and the said execution time shall be applied at all times approximately, unless the two parties expressly agree in accordance with a written document on a specific date or deadline

8.2 The time of execution shall be based on the conditions existing at the time of agreement conclusion and based on the signature for the immediate and full execution of the third parties obligations with the Manufacturer. In the event of delays occurring as a result of changes in the aforementioned circumstances and / or due to the failure to deliver the execution processes necessary to carry out this agreement by the subcontractors on time; the specified time of execution shall extend when required

8.3 Without prejudice to the provisions and conditions mentioned in the abovementioned part, the execution time shall be extended by the amount of the delay that occurred and which the Manufacturer incurred as a result of the client's failure to carry out some of the obligations arising from the agreement

or as a result of non-cooperation by the client regarding the execution of the agreement

**9. Secondary Commitment to Work security and safety against hazards:**

9.1 The customer shall bear the risk of the goods immediately after delivery, and after leaving the goods at the Manufacturer site in any other case except in the event that these damages are due to intentional or gross negligence of the manufacturer.

**9.2 The transfer shall be in all cases at the expense and under the responsibility of the customer, and when using prepaid shipments or returned shipments, and in the event that the customer does not obtain or receive any goods (on time), the customer shall bear responsibility for settling the additional costs incurred by the Manufacturer as a result of that.**

9.3 The customer shall bear responsibility for damages to goods as a result of damaged packages.

**10. Agreement Suspension and Termination:**

10.1 The Manufacturer has the right to suspend the execution of the agreement for a maximum period of six months, and the Manufacturer has the right to terminate the Agreement partially or totally or purchase order as appropriate by the Manufacturer without prior notification or notice of breach, and without the Manufacturer being responsible for paying any penalties in the following cases :

- a) In the event that the customer does not fulfill any of its agreement obligations concluded with the Manufacturer or any other agreements related to this in the specified time or correct manner, or if there is a



fear that the customer will not be able to fulfill its obligations under the contract towards the Manufacturer.

- b) In general, including but not limited to, the cases referred to in Clauses 5 and 6

## **11. Inspection, Acceptance and Rejection:**

11.1 All goods and services shall be subjected to the customer's right of inspection, and the customer shall be granted a period of 90 days (the inspection period), starting from the date of receiving the goods at the point of delivery or the execution of the services due to the customer's undertaking to inspect. Once the customer performs the inspection, he shall be entitled to reject or accept those goods or services by sending a written notice to the Manufacturer during the inspection period of any rejected goods or services, provided that the reasons for rejection shall be indicated, and in the event that the customer does not send a rejection notice to the Manufacturer during the inspection period, the customer shall be deemed to accept those goods or services.

It is also added that the customer has the right to reject goods exceed the required quantity, and to reject damaged, defective or non-conforming specifications or any of the terms of the agreement. He is also entitled to return the rejected goods to the Manufacturer at the expense of the manufacturer and all these goods shall be registered as credited goods or refund the sums paid by the customer to the Manufacturer for those rejected goods. The title of the rejected goods that are returned to the Manufacturer shall be transferred once they are returned, and the customer has the right to replace those rejected goods after submitting a written replacement request to the Manufacturer.

11.2 After the execution of the terms and conditions contained in article 6 , any complaint regarding the apparent defects shall be submitted within a period of

eight days after receiving the goods or completion of works or orders submitted regarding any complaint related to post completion of the delivery procedures within two days from the date of good receipt according to an exclusively registered letter to the Manufacturer. In the event that this period of time expires, any right of the customer regarding these defects and any liability or guarantee on the Manufacturer shall expire, and any complaint regarding any part of the goods that is delivered does not give the customer the right to reject full shipment.

11.3 Any complaint related to hidden defects that are not apparent shall be submitted immediately upon their discovery and within the warranty period stipulated in Clause 14-2 after receiving the goods or completing the works or related orders only under a registered letter to the Manufacturer address exclusively. In the event that this period of time lapses, the validity of any right of the customer regarding these defects or any liability or warranty on the part of the manufacturer shall lapse

11.4 The procedures related to the defects shall start within a period of 6 months after the date of submitting the aforementioned complaint on the specified date, provided that the penalties shall interrupt validity expiration

11.5 The defects in which a complaint was filed shall be legally addressed on the specified date at the expense of the manufacturer within a reasonable period of time after the date of submitting the complaint. However, the manufacturer has the right to completely or partially terminate the agreement in which the complaint was submitted, and the Manufacturer is only obligated to refund the amount paid, in whole or in part, as well as not paying any penalties.

11.6 The customer shall not be entitled to make any claims regarding defects arising in whole or in part due to the following:

- A) The customer's failure or its affiliated third party to comply with the instructions issued by the manufacturer regarding the use of the supplied goods or the expected normal use.
- B) The normal wear and tear
- C) Application of any law by the relevant authorities with regard to the nature or quality of the modified materials.
- D) The materials and means of production used in consultation with the customer or the goods or materials and means of production that were known to the customer or that were applied according to its instructions
- E) The materials or goods delivered by or on behalf of the customer.

11.7 In the event that the customer does not legally comply in the specified time with any obligation arising from the agreement concluded with the manufacturer or any agreement related to the manufacturer; the customer shall not be entitled to submit its claims regarding this agreement

## **12. Violation and Breach of the Manufacturer:**

12.1 The Manufacturer shall not be considered in breach at all before the customer submits evidence of the the manufacturer's failure according to a written document and before submitting a request to remedy this breach within a reasonable period of time and that this period has elapsed.

12.2 The Manufacturer shall not be considered in breach at all when the breach of its obligations is due to the mentioned force majeure, including but not limited to, what is stipulated in force majeure definition at Clause 1 - 1.

12.3 The Manufacturer is not considered to be in breach at all because of defects that appear during the period in which the Manufacturer has the opportunity to remedy these defects in accordance with Clause 12, taking into account clause No. 2-6.

### **13. Guarantee for products and / or services:**

- 13.1 The manufacturer shall guarantee that the goods delivered by him are of high commercial quality, and suitable for their intended purposes - unless the customer agrees otherwise - and that they are free from manufacturing and material defects, and shall conform to specifications and standards, and that they shall be identical to any samples submitted by the Purchaser and to fulfill all laws, regulations and municipal standards. In the event that there are any defects in these goods, the Manufacturer shall ensure that these defects shall be repaired or the goods shall be replaced. After provide sample to QC to be decide to be fixed or replaced. The Manufacturer shall carry out and supply all services while exercising all degrees of professionalism, skill, due diligence, precaution and safety expected from a service provider with high end skill and experience in accordance with those circumstances similar to those services provided for herein, or taking back goods with the Manufacturer returning the value of the invoice without VAT after receiving the original contract notice and the guarantee form with full data according to the manufacturer's only choice and discretion
- 13.2 The period of this guarantee shall be 12 months for Line 1 and 06 month for Line 2, after delivering goods to the customer, provided that the production date shall not be within a period exceeding 12 months before the purchase is postponed, and in some cases the production date shall not be before the end user submission of a complaint to the customer or the manufacturer within a period of time more than two months after the conclusion of this purchase. "
- 13.3 **This guarantee shall not give the customer the right to initiate any repair or replacement of goods**, and that every guarantee or obligation to pay compensation by the manufacturer shall expire in the event that the

customer does not enable the Manufacturer to process, replace or retrieve the goods according to the only choice and discretion of the Manufacturer

13.4 This guarantee shall not cover any defects that occur as a result of the following, in whole or in part

- Failure to observe the user's instructions or perform any other use other than the standard and specified use by the manufacturer
- Tear and wear
- Assembly / repair by third parties and the customer.
- As a result of applying any governmental regulation regarding the nature or quality of the applied materials or other manufacturing options.
- As result of using non-conforming materials or goods in consultation with the customer
- As a result of parts purchased by the manufacturer from third parties as long as this third party does not provide any guarantee to the manufacturer.
- As a result of processing the goods by the customer
- As a result of environmental or climatic conditions or other external effects (whether natural or human)
- The Manufacturer hereby waives to the customer all manufacturing guarantees for the goods that the Manufacturer did not manufacture. The manufacturer will take all necessary and required steps requested by other manufacturers (third parties) to enforce and activate these guarantees for the benefit of the customer.

**14. The manufacturer's Responsibility:**

14.1 With the exception of what is stipulated in the terms and conditions of Clause 12/13/14, the customer shall be not entitled to file any claim against the manufacturer on the basis of defects related to the goods that were delivered and / or the services provided by the Manufacturer.

14.2 The manufacturer shall not be considered obligated to pay compensation when the total compensation value exceeds the net value of the calculated invoice without VAT and costs."

- 14.3 The customer shall not be entitled to obtain compensation in the event that the Manufacturer is not in breach or in the event that the Manufacturer is no longer in breach during the relevant period.
- 14.4 The Manufacturer shall not be considered obligated at any time to pay compensation for penalties related to the following:
- a. Violations of patents and third party's rights as a result of using the information provided by or about the customer.
  - b. Damages or losses regardless of their cause, including raw materials, semi-finished products, models and tools available by the customer.
  - c. The unacceptable nature or inadequacy of the materials, methods and production processes applied at the request of the customer.
- 14.5 Any consultations, information or declarations provided by the manufacturer regarding the capabilities / performance of the delivered goods or the performed activities shall be deemed free of any liabilities and provided through non-binding information, and the manufacturer is not entitled to provide any guarantee regarding this.

## **15. Claims Filed by Third Parties**

- 15.1 The customer shall be deemed obligated to compensate the manufacturer for the due claims and compensation because of all compensation claims submitted by third parties, including liability claims for the product and in connection with the execution of the agreement by the manufacturer, regardless of the reason for this, and shall compensate them for any arising costs because of the manufacturer.
- 15.2 In the event that the workers are seconded by the Manufacturer, the customer shall be deemed obligated to indemnify the Manufacturer for the claims and compensation provided on the basis of the claims submitted by

these workers as a result of the accidents they suffered at work outside the scope of the Manufacturer's work activities and on the basis of all claims submitted by third parties based on mistakes made by these employees outside the scope of the Manufacturer's work activity.

#### **16. Materials Availability:**

16.1 In the event that the customer places the goods at the Manufacturer's disposal for processing, repairing, inspecting purposes or for any other purpose; these goods shall be kept with the Manufacturer at the expense and the responsibility of the customer except in the case of gross or intentional negligence of the manufacturer, and the customer shall personally get sure of providing insurance for these goods properly. "

16.2 The customer shall be obligated to pay the rent to the manufacturer's account in exchange for the materials available to the customer by the manufacturer, unless it is expressly agreed otherwise under a written document."

#### **17. Industrial and Intellectual Property:**

17.1 All proposals / quotations submitted by the manufacturer as well as the contracts and agreements to which the Manufacturer is a party, in addition to any drawings, accounts, notices, descriptions, models or tools, shall remain the exclusive property of the Manufacturer regardless of whether an invoice has been prepared for them or not. The manufacturer also undertakes to the customer that all goods and services shall at all time, including documents, do not violate any of the third party's intellectual property.

17.2 The intellectual and industrial property rights related to all goods manufactured by the Manufacturer for the account of the customer or

supplied to the customer (including any of the copyright related to the design of these goods) shall be considered the exclusive property of the manufacturer, and the customer shall provide its full cooperation regarding formalities (such as signing Assignment Contract) which is necessary for the purpose of ensuring the Manufacturer's eligibility to obtain these rights based on the first request submitted by the manufacturer.

**17.3 Information that is the basis for manufacturing process and construction methods and products** shall remain the exclusive property of the manufacturer, regardless of whether an invoice has been made for them or not.

**17.4 The customer undertakes that the information stipulated in clauses 17-1 and 17-2 will never be reproduced, disclosed to others in any form other than for the execution of this agreement** without obtaining the manufacturer's written consent.

**18- Additional Provisions:**

- 18-1 The Manufacturer has the right to deduct the debts owed by the customer or the companies affiliated with the customer's group against the Manufacturer's claims filed against the customer or subsidiaries of the customer's group.
- 18-2 The customer is not entitled to waive any rights or obligations arising from agreements and contracts concluded with the Manufacturer in whole or in part for the account of third parties without referring to the Manufacturer and obtaining a prior written approval therefrom.
- 18-3 If one or more of the provisions of any agreement and or of the current general terms and conditions have become invalid or not enforceable, or if it is not possible to request the implementation of this provision for any reason, the rest of the provisions mentioned in this agreement or in the current general terms and conditions must remain fully valid and enforceable. The two parties then consult with each other on the best way to implement the meaning of the text in question on the basis of the customer's commitment to the Manufacturer to reach an



agreement regarding the possibility of implementing any of the non-applying items that are consistent with the relevant text as much as possible in terms of content and impact on the plant.

- 18-4 The Manufacturer has the right to apply the provisions of any agreement or the provisions of the current general terms and conditions if you do not apply them in the previous cases, what has not been applied previously shall not be considered a waiver on his part.
- 18-5 The Manufacturer shall not be considered obligated to accept follow-up orders or pay compensation if the customer fails to do so.
- 18-6 All quotations, proposals and / or agreements, contracts and other legal relationships concluded with the Manufacturer are exclusively subject to the applicable laws in the United Arab Emirates and the jurisdiction shall be given to Emirate of Abu Dhabi courts.
- 18-7 The Arabic-English version of the terms and conditions shall apply and shall be acted upon accordingly.

Taxes: "Unless otherwise indicated in the quotations, all other prices and entitlements in the quotation and purchase orders shall be tax-free, provided that the Manufacturer states all applicable taxes for each invoice separately, and also indicates in each invoice the tax registry number. The customer shall pay all the taxes due to the Manufacturer by the maturity date of those invoices".

Hazardous Materials: "Upon the customer's request, and to his satisfaction, the Manufacturer shall agree to provide all applicable laws regulating the use of hazardous materials, whether in the form of:

- A) All the necessary documents explaining the components of the materials, on the basis of each material separately, which include the quantities used in each material, related to any of the materials and / or any process used to manufacture, assemble, use, maintain or process the goods.
- B) All necessary documents that show and confirm that the goods and / or any of the materials and processes used to manufacture, assemble, use, maintain or process the

goods. The services do not also require the use of any of the hazardous materials that the customer identifies.

The ((Confidentiality)) clause shall be added as follows: "The Manufacturer shall protect and preserve any confidential information related to the customer that he obtained or were provided by the Purchaser in connection with the agreement. He will only use this information for the purposes of fulfilling his obligations under the agreement".

The following shall be added thereto: "The customer is also obligated to observe the confidentiality of all the company's information and product information related to the Manufacturer, which the customer can expect from the Manufacturer to request keeping it confidential.

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### **Terms and Conditions of the Purchase Order**

Every purchase order submitted by the Purchaser for goods or services shall be subject to these standard purchase terms and the applicable purchase order terms. It shall be conditional on the supplier's agreement to these terms. The supplier is deemed to have agreed to be bound by these terms by accepting the purchase order, delivery of goods, and / or performing services.

1- **The Agreement:** The agreement consists only of:

A- These standard terms of purchase.

B- The applicable purchase order.

C- Any other specifications or documents expressly mentioned in the purchase order.

Any reference in the purchase order to any proposal of suppliers is solely for the purpose of merging the descriptions and specifications of the goods and / or services included in the proposal only to the extent that the supplier's offer terms do not conflict with the descriptions and specifications stated in the purchase order. The Purchaser's acceptance of or payment for the price of goods and / or services shall not constitute the Purchaser's acceptance of any additional or

different terms in any of the supplier's proposals, unless otherwise accepted by the Purchaser in writing if there is any conflict or inconsistency between the documents that make up the agreement.

**2- Handover of Goods and Services: -**

- A- The supplier shall agree to supply the goods, deliver them to the Purchaser and perform the services, as appropriate, in accordance with the conditions set forth in this agreement.
- B- The supplier must, at his own expense, pack and load the goods and hand them over to the delivery point and according to invoices, terms of delivery, shipping, packaging and other instructions printed on the face of the purchase order or otherwise provided by the supplier in writing to the Purchaser. No charges for shipping, transportation, insurance, loading, storage, handling, demurrage, transportation, packaging or any similar charges are permitted, unless specified in the applicable purchase order or agreed upon by the Purchaser in writing.
- C- Time is of essence in terms of delivering goods and performing services. Goods must be delivered and services performed by the applicable delivery date. The supplier must notify the Purchaser immediately if it is likely that the supplier will not be able to fulfill the delivery date. At any time before the handover date, the Purchaser may, based on a notice to the supplier, cancel or change the purchase order, or any part thereof for any reason, including, but not limited to, for the convenience of the Purchaser or due to the supplier's failure to comply with this Agreement, unless otherwise stated.
- D- The ownership and risk of loss or damage shall be transferred to the Purchaser upon receipt of the goods at the point of delivery, unless the Purchaser agrees otherwise in writing. The Purchaser is not obligated to obtain insurance while transporting the goods from the supplier to the point of delivery.

**3- Rejection, Acceptance and Inspection:**

A- All shipments of goods and the performance of services are subject to the Purchaser's right for inspection, as the Purchaser has ninety (90) days for the inspection period after goods have been delivered at the point of delivery or services have been performed to carry out such inspection. Based on this inspection, the Purchaser must either accept or reject the goods or services and the Purchaser has the right to refuse any goods that were delivered in excess of the required quantity, damaged or defective. In addition, the Purchaser has the right to refuse any goods or services that do not comply with the specifications or any condition of this agreement. The transfer of ownership to the Purchaser of the goods shall not constitute the Purchaser's acceptance of those goods, and the Purchaser must provide notice to the supplier during the inspection period, for any goods or services that were rejected, in addition to the reasons for this rejection. If the Purchaser does not provide the supplier with any notice of rejection during the inspection period, the Purchaser will be deemed to have given consent for these goods or services. The Purchaser's examination, testing, acceptance or use of goods or services under this agreement shall not result in restricting or affecting the supplier's warranty obligations under this agreement in relation to goods or services. These guarantees must remain in effect after inspection, testing, acceptance and use of the goods or services.

B- The Purchaser has the right to return rejected goods to the supplier at the expense of the supplier and risk of loss, based on the Purchaser's choice either:

- (1) Full credit or refund of all sums paid by the Purchaser to the supplier for the rejected goods;
- (2) Replacement of goods to be received within the time period specified by the Purchaser. Ownership of rejected goods that are returned to the supplier must be transferred to the supplier upon this delivery. These goods may not be exchanged by the supplier except on written instructions from the Purchaser. The supplier may not deliver goods previously refused on the grounds of non-compliance with this agreement, unless the Purchaser agrees in advance to deliver these goods, and it shall be accompanied by a written disclosure of the Purchaser's previous refusal.

#### **4- Price / Payment Terms:**

The prices of the goods or services will be specified in the applicable order. Price increases or fees not expressly provided for in the purchase order shall not be valid unless previously agreed upon in writing by the Purchaser, as the supplier issues all invoices in a timely manner. All invoices delivered by the supplier must meet the Purchaser's requirements, and must at least refer to the applicable purchase order with payment terms as agreed.

#### **5- Taxes:**

Unless otherwise stated in the purchase order, all other prices or payments mentioned in the purchase order shall not include any taxes. The supplier must break down all applicable taxes separately on each invoice and refer to the tax registration number(s) applied to each invoice. The Purchaser is obligated to pay all applicable taxes to the supplier when the applicable invoice is due.

#### **6- Hazardous Materials:**

Upon the Purchaser's request to fulfill any applicable laws governing the use of any hazardous materials, the supplier shall agree to provide any of the following:

- A- All documents reasonably necessary to verify the composition of the material, on the basis of the material, including the amount used from each material and / or any commodity and / or any process used to manufacture or collecting, using, maintaining or repairing any goods.
- B- All documents reasonably necessary to verify that any goods and / or any process used to manufacture, assemble, use, maintain or repair any goods that does not contain, nor does the services require the use of any particular hazardous materials specified by the Purchaser.

#### **7- Legal Compliance and Safety in the Workplace:**

The supplier must be registered at all times with the Workplace Safety and Insurance Council of the Abu Dhabi Occupational Safety and Health Center (OSHAD). He must maintain his workers compensation accounts in good standing, and provide the Purchaser with reputable evidence on request. The supplier must obtain all applicable

permits, licenses, exemptions and approvals required for the supplier to manufacture, deliver goods and perform services.

- A- **Product Guarantees:** The supplier shall guarantees to the Purchaser that during the goods warranty period, all goods provided under this agreement must be: (1) Of commercial quality; (2) Suitable for the intended purposes unless otherwise agreed by the Purchaser, (3) Free from defects in design, material and workmanship; (4) In strict compliance with the specification; (5) Free from any privileges, burdens on property right whatsoever; (6) Consistent with any samples provided to the Purchaser, (7) Compliant with all municipal laws, regulations, standards and rules.
- B- **Service Guarantees:** The supplier must perform all services, provided that he must exercise that degree of professionalism, skill, diligence, care, prudence, judgment and integrity that can reasonably be expected from a skilled and experienced service provided in the same or similar circumstances like the services under this agreement.
- C- Dear Refaat,
- D-
- E- Importing Or Exporting terms, if you're importing or Exporting goods outside UAE.
- F- This clause will be valid only if you're doing business Inside UAE. Otherwise, you have to mention this clause only for Local Customers. The Terms And condition clause No 5.7.
- G- In the event that the customer does not pay within the applicable period, he is deemed to be in breach according to the law and as of the day following the last day of the validity period, he shall pay the legal interest in accordance with the laws in force in the UAE.
- H-
- I- **Intellectual Property Guarantee:** The supplier shall also guarantee to the Purchaser that at all times, all goods and / or services, including any outputs, shall not violate any intellectual property rights of any person.
- J- **Manufacturer Warranties:** The supplier must assign to the Purchaser all guarantees of the Manufacturer for the goods that have not been manufactured

by or for the supplier, and he must take all necessary steps as required by external manufacturers to implement the assignment of these guarantees to the Purchaser.

**8- Guarantee Compensation:**

- A- In the event of breaching any of the guarantees mentioned in Section A and B of Clause 7, without prejudice to any other right or compensation available to the Purchaser, including the Purchaser's compensation rights under this agreement, at the Purchaser's request and at the supplier's expense, the supplier shall refund purchase price, correct or replace the damaged goods, or re-perform the affected services within 10 days after the Purchaser notifies the supplier of a breach of warranty. The supplier shall bear all associated costs, including re-performance costs, inspection costs for goods and / or services, transportation of goods from the Purchaser to the supplier, return shipping to the Purchaser and costs resulting from supply chain disruptions. If goods are corrected, replaced or services re-performed, the guarantees in Section 7A) shall continue being valid with regard to corrected or replaced goods for the other goods warranty period starting from the date on which the Purchaser accepts the corrected or replaced goods. If the supplier fails to repair or replace the product within the above required periods, the Purchaser may repair or replace the goods at the supplier's expense.
- B- If any goods provided by the supplier to the Purchaser are subject to a claim or allegation of infringement of a third party's intellectual property rights, the supplier shall, at his choice and at his own expense, without prejudice to any other right or compensation of the Purchaser, including the Purchaser's compensation rights under this Agreement, promptly provide the Purchaser with a commercially reasonable alternative, including the Purchaser's purchase of the right to continue to use the goods in question, or the replacement of these goods with a non-infringing and Manufacturer replacement for the Purchaser, or modification of these goods without affecting the job to making it non-infringing.

**9- Confidentiality:**

The Supplier shall maintain the confidentiality of any and all information relating to the Purchaser obtained or provided by the Purchaser in connection with this agreement. It shall only use this information for the purposes of carrying out its obligations under this agreement.

**10-Insurance:**

The supplier acknowledges and guarantees to the Purchaser that he has insurance with reputable companies such as insurance policies with coverage amounts to be held by a prudent supplier of goods and services similar to the goods and services provided below, including, as applicable, professional errors and omissions, liability insurance and comprehensive commercial public liability insurance, including product liability coverage, contractors' equipment all-risk insurance and motor liability insurance. In addition, the supplier shall take and retain, at his own expense, the insurance policies and covers which the Purchaser may reasonably require from time to time. The supplier shall promptly deliver to the Purchaser, upon request, written proof of this insurance. Moreover, upon request, the Purchaser shall be designated as an additional insured under any of these policies.

**11-Compensation:**

The Supplier shall indemnify and defend the Purchaser, its subsidiaries, officers, directors, employees, consultants, and agents, (the "the Purchaser's Indemnified Parties") from and against any claims, fines, losses, procedures, damages, expenses, and legal fees and all other liabilities raised or incurred by the Purchaser's indemnified parties or any of them arising from:

- A- Death, bodily injury, loss or damage to real or material personal property resulting from use, any act or alleged defect in goods or services, or from failure of goods or services to comply with the guarantees listed below.
- B- Any claim that the goods or services infringe or violate the intellectual property rights or other rights of any person.
- C- Any intentional or unlawful act, negligence or omission on the part of the supplier or any of its subsidiaries or sub-contractors.



- D- The supplier's breach of any of his obligations under this agreement.
- E- Any privileges or burdens related to any goods or services.

## **12- Termination:**

- A- We are entitled to terminate all of the purchase order or any part thereof at our convenience, without any reason and at any time by giving you ten (10) days' written notice. In such a situation, you must immediately cease all work and terminate of all orders and contracts, and we will be liable to you only for your reasonable actual costs as a direct consequence of termination that cannot be recovered or mitigated, such as the purchased materials, labor and costs incurred prior to receiving notice of termination. Further, you will notify us in writing of these costs within thirty (30) days of termination. The foregoing shall constitute our sole responsibility towards you for the termination without cause.
- B- If you default on payment, we may terminate all or any part of the purchase order without any liability to you by sending you a notice.
- C- Failure to perform within the time period specified in the purchase order.
- D- Therefore, you fail to make progress that would make the purchase order performance susceptible to termination.
- E- Failure to comply with applicable laws and regulations according to which you conduct business.
- F- Failure to comply with the compliance requirements described here, and we may terminate this purchase order upon default if you do not remedy the default within ten (10) days and / or any longer period that we allow in writing after you have received our written notice of the default. Additionally, if we determine that any of your representations, warranties, certificates, or declarations are incorrect, we will have the right to terminate this purchase order immediately without additional compensation to you and you must indemnify us for any losses incurred as a result of your declarations, warranties, certificates, or your breach of invalid undertakings. Default also occurs if you fail to fulfill your financial obligations when they are due. If a lawsuit is filed against you under bankruptcy or insolvency laws, a court receiver is appointed for you, or when you make a

referral in favor of your creditors, if the purchase order is terminated due to your default, without prejudice to any other legal or equitable compensation available to us, we will have the right to a) refuse to accept delivery of any and all products, b) return unused products that have already been accepted and refund the amounts paid for these products and for our shipping, storage and other expenses, c) refund any prepayments to you for products / services that have not been delivered or returned, d) purchase the products / services elsewhere and charge you with any losses arising therefrom, including, but not limited to, incidental or consequential damages incurred that are attributable to your default and e) acquire ownership and possession of any portion of the work that was not previously handed over under this purchase order.

Sincerely,