

STANDARD PURCHASE ORDER TERMS AND CONDITIONS

BUYER AND SELLER SHALL ABIDE BY THE FOLLOWING TERMS AND CONDITIONS

1. FORMATION

1.1 These Terms and Conditions are the only Conditions upon which the Buyer deals with the Seller and shall administer the Purchase to the entire segregation of any other conditions. Any other conditions shall not be relevant unless expressly agreed upon in writing by both parties (Buyer and Seller).

2. DEFINITIONS

- a) "Buyer" shall represent Dubai Airport Free Zone in the RFQ (Request for Quotation) (as the case may be).
- b) "Seller" shall represent the person, firm, company, or any other entity or supplier to whom the purchase order is issued.
- c) "Delivery Date" means the date or dates specified in the Purchase Order by which the Supplier is required to deliver the Work
- d) "Condition" states the Terms and Conditions set out herein which shall be binding on both parties (Buyer and Seller).
- e) "Intellectual Property Rights" shall mean without limitation all copyright, all other rights in relation to inventions, registered and unregistered trademarks (including service marks), registered and unregistered designs, circuit layouts and all other rights resulting from intellectual activity in the industrial, scientific, literary and artistic fields.
- f) "Order" signifies the Buyer's purchase order to which Terms and Conditions herein shall apply.
- g) "Work" signifies any goods, services and/or equipment or part thereof to be provided under the Order.
- h) "RFQ" stands for the Request for Quotation issued by the Buyer in respect of the Work.
- i) "Price" stands for all amounts payable to Seller in consideration of the Work performed or supplied thereby.

The headings herein are for convenience only and shall not affect the interpretation of these Conditions.

2. ORDER ACCEPTANCE

3.1 Seller shall acknowledge receipt of the Order or/and any Change order by completing the Buyer's acknowledgement form and returning it to Buyer within five (5) working days of receipt.

3.2 Seller's acknowledgement under Sub-clause (3.1) shall constitute Seller's agreement to acknowledge receipt of the Order under Sub-clause (3.1) commencement of performance of the Work shall constitute Seller's acceptance of and agreement to comply with these Conditions.

3.3 Any other terms and conditions of purchase to which Seller may refer and any acknowledgement other than Buyer's returnable acknowledgement form are expressly excluded.

4. WARRANTIES

4.1 The Seller warrants that the Work shall:

4.1.1 Conform to requirements, specifications, drawings, quality or any other descriptions outlined in the RFQ and the Order.

4.1.2 Prove to be of sound materials and workmanship capable of any standard of performance specified in the Order.

4.1.3 Be without defects and fit for its intended purposes for which the Order is placed.

4.2 The Seller warrants that the work shall be carried out by suitably competent personnel and equipment supplied shall be in safe operation condition.

Seller shall replace as soon as practicable any such equipment or personnel at Seller's Cost and Risk in case they are not adequate to the Buyer.

4.3 The Seller warrants that the work will at no time infringe any Intellectual Property Rights or any other right relating to any Third Party.

5. DEFECTS

5.1 Seller shall provide a warranty period of twelve (12) months or as stated within the contract as of the date that Work is put into service by the Seller (the Warranty Period)

5.2 The Seller shall be responsible for remedying at its expenses any defects that may arise from the work during the warranty period. Seller shall guarantee for a further period of twelve (12) months or as assigned in the contract all remedial work carried out under this Warranty. Where a defect arises within the Warranty Period but does not become apparent until the Warranty Period has expired, Seller's liability shall not cease merely because Buyer has been unable to give notice of the defect to Seller within the said Warranty Period. If any defects which Seller is obliged to remedy under this Clause are not remedied within a reasonable time or circumstances render it impracticable for Seller to do the same, Buyer may do so himself or authorize others to do the same, and Seller shall reimburse Buyer for all costs arising therefrom. This warranty and Buyer's remedies hereunder are in addition to Buyer's other rights and remedies existing under the Order or at law.

5.3 Seller shall keep Buyer indemnified in full against all direct, indirect or consequential liability loss, damage, injury, costs and expenses incurred by the Buyer as a result of or in connection with:

5.3.1 Any infringement or alleged infringement of any Intellectual Property Rights caused by the use, manufacture or sale of the Work: where Work is supplied to the Buyer's specification.

5.3.2 Any negligence by the Seller, its employees, agents or subcontractors in supplying, delivering or installing the Work.

5.3.3 Any claim made against the Buyer in respect of any Loss sustained by the Buyer's employees or agents or by any customer or third party to the extent that such Loss was caused by, relates to or arises from the Work.

6. TERMS OF PAYMENT

6.1 Unless otherwise stated in the Order, payment shall be made within thirty (30) days from the date of invoice provided that the Buyer receives a correct and valid invoice and provided that the work is correctly delivered or properly performed and the Buyer accepted the Work.

6.2 If the Work is not correctly delivered or performed or the Buyer has not accepted the work, the invoice shall be paid after thirty (30) days following the date when the discrepancy is corrected to the Buyer's satisfaction.

6.3 Payment invoices should be shown to the Accounts Office and not to any individual person. Unless it has been specified in the contract.

6.4 Seller shall sustain all Taxes, import fees and the like related to the performance of Work.

7. DELIVERY

7.1 The date of delivery or commencement of Work shall be as per the date specified in the Order and shall be completed within the period specified in the Order as well, failing which the Buyer shall be entitled to terminate the Order or any part thereof. Failure to meet the delivery as agreed upon shall be considered a breach of these Conditions and the Seller shall be responsible to pay penalty and damages imposed upon or incurred by the Buyer (if any) for failure of Seller to deliver work according to the Order. Furthermore, the Seller shall bear the cost of packing, loading and carriage of the Work unless otherwise agreed upon between both parties hereto (Buyer and Seller).

7.2 If the Work is delivered to the Buyer in excess of the quantities ordered the Buyer shall not be bound to pay for the excess and any excess will be and will remain at the Seller's risk and will be returnable at the Seller's expense.

7.3 Buyer will not take in any responsibility for loss of goods, without any delivery note shown.

8. INSPECTION & TESTING

Seller agrees to permit the Buyer to inspect and test the work any time prior to acceptance or delivery as the case may be.

Buyer shall have the rights without prejudice to any other right which the Buyer may have against the Seller to reject any work performed or delivered by the Seller if such work is defective or in non-compliance with the Terms and Conditions herein.

Any work so rejected shall immediately be replaced or corrected as required by Buyer at Seller's expense. Seller shall re-submit the re-performed Work for re-inspection and re-testing. Such replacement or remedy shall not relieve the Seller from any liability due to defects subsequently found in the Work in terms of materials and/ or workmanship.

A notice not less than five (5) calendar days shall be given to Buyer in order to inspect and test the Work.

9. SET OFF

9.1 Buyer shall be entitled at all times to set off any amount owing from Seller against any amount payable at any time in connection with the Order.

10. CHANGE ORDERS

10.1 Seller shall perform any changes to the Work required by Buyer which may include additions to, or reductions in, the quantity and quality of Work. Buyer shall give notice of such changes to Seller in writing who shall promptly advise Buyer in writing of their reasonable effect on Price and delivery date. Subject to Sub-clause (10.2), no change shall be accepted by Buyer unless authorized by written instruction and confirmed by Change Order.

10.2 In the event that the parties are unable to agree on the reasonable effect on Price and delivery date, Buyer shall nevertheless have the right to require Seller to proceed with the change forthwith.

10.3 No variation in the Price nor extra charges can be made (whether on account of increased material, labor or transport cost, or fluctuation in rates of exchange or otherwise) without the former written consent of the buyer.

11. ASSIGNMENT AND SUB-CONTRACTING

11.1 Seller shall not assign or sub-contract any part of the Work without buyer's prior written consent. No assignment or sub-contract shall relieve Seller of any of its obligations under the Order. Seller shall ensure that these Conditions will be applied in all sub-contracts entered into by Seller.

12. SAFETY OBLIGATIONS

12.1 Any Work supplied or installed shall be so formulated, designed, constructed, finished and packaged as to be safe and without risk to health and all Work shall be supplied with full instructions for its proper use maintenance and repair and with any necessary warning notices clearly displayed.

12.2 Seller shall provide Buyer in writing with such information as is necessary relating to the use of any goods and/or equipment supplied and/or used and its design, testing and use, relating to any conditions necessary to ensure it will be safe and without risk to health when properly handled, stored, transported and used. Failing to do so, Seller will be responsible for any damage incurred by the Buyer, its employees or customer.

12.3 Seller shall abide by all applicable laws, regulations, customs and good practice and where appropriate shall comply with Buyer's Safety Requirements for Contractors.

13 SUSPENSION AND TERMINATION

13.1 Buyer may terminate or suspend the Order in respect of the Work to be delivered in whole or in part any time by giving written notice to Seller. Such notice shall store the effective of such termination and, upon the receipt of such notice Seller shall comply with the directions pertaining to Work stoppage in such event the Buyer's liability will be limited to pay Seller for all Work

satisfactorily performed up to date of termination or suspension specified in such notice unless it is agreed in writing between both parties (Buyer and Seller) to pay cancellation charges.

13.2 Buyer shall be entitled to terminate or suspend the Order by giving notice to Seller at any time if -

(a) Seller is in default of any obligations hereunder, including without limitation compliance with any delivery date. Or

13.2.1 In case the Seller becomes bankrupt or insolvent, or has a receiver or administrative receiver appointed over it or over any part of its undertaking or assets, or passes a resolution for winding-up (otherwise than for the purposes of a bona fide scheme of solvent merge or reconstruction), or if a court of competent jurisdiction makes an order to that effect, or if the other party becomes subject to an administration order or enters into any voluntary arrangement with its creditors or ceases or threatens to cease to carry on business.

13.3 Without prejudice to Buyer's other rights on suspension or termination, Buyer shall be entitled to enter Seller's premises or any place where the Work is situated and take possession of the whole or any part of the Work.

14 TITLE AND RISK

14.1 Title in the Work shall pass to Buyer on either:

14.1.1 Payment for the Work (when title shall pass in proportion to the payments made therefore).

14.1.2 Acceptance of the Work by Buyer at the specified delivery point, whichever occurs first.

14.2 Notwithstanding passage of title (in whole or in part) on the occurrence of Sub-clause (14.1.1) above, risk shall remain with Seller until delivery or until acceptance of the Work by Buyer in accordance with the provisions of the Order whichever shall be the later.

14.3 All materials or equipment to be incorporated in the Work the title of which has passed to Buyer shall be clearly marked as Buyer's property and shall be stored separately from Seller's property.

15 INDEMNITIES

15.1 Seller shall indemnify, defend and hold harmless Buyer against any action, liability, cost, or expense whatsoever arising by reason of:

15.1.1 the breach of any applicable provision of these Conditions;

15.1.2 any infringement or alleged infringement of the Intellectual Property Rights of any person other than the Buyer relating to the Work;

15.1.3 injury to, or death of, any persons caused or contributed to be the negligence or breach of these Conditions or other legal duty of Seller or, irrespective of the negligence or breach of duty of Buyer, loss or damage to any property; and

15.1.4 all consequential or indirect losses (whether foreseeable or not) incurred by Seller, irrespective of the negligence or breach of duty of Buyer.

15.2 Seller shall maintain insurance cover

15.2.1 against the liabilities referred to in Clause (15.1.3); or

15.2.2 otherwise required in relation to the supply of the Work;

and shall provide to Buyer on demand valid certificates of insurance in respect thereof.

16 FORCE MAJEURE

16.1 The Buyer reserves the right to defer the date of delivery or payment or to cancel the Order or reduce the volume of the Work ordered if it is prevented from or delayed in the carrying on of its business through any circumstances beyond its reasonable control.

16.2 Without prejudice to the generality of condition (16.1) the following shall be included without limitation as causes beyond the Buyer's reasonable control:

16.2.1 governmental actions, war or threat of war, national emergency, riot, civil disturbance, sabotage;

16.2.2 Act of God, fire, explosion, flood, epidemic or accident;

16.2.3 import or export regulations or embargoes;

17 LIENS AND CLAIMS

17.1 Seller agrees to pay, discharge and hold Buyer harmless from all liens, claims (including legal fees and other expenses incidental thereto), judgments and awards which may arise out of or in connection with the Order. Seller shall at Buyer's request, furnish proof satisfactory to Buyer that all such liens, claims, suits, judgments and awards have been satisfied or released. Buyer shall also have the right to make payment direct to any holder of such line or claimant such payments to be reimbursed by Seller on demand.

17.2 Seller agrees to waive any right to exercise a lien, to make a claim or seek enforcement of a judgment or award against the Work at any time and acknowledges that its sole right in the event of any failure by Buyer to perform any of its obligations under the Order is to seek financial relief in respect thereof.

18 INTELLECTUAL PROPERTY RIGHTS

18.1 Seller irrevocably assigns its entire right, title and interest to any Intellectual Property Rights it may have at any time in the Work (the "Seller Intellectual Property Rights") to Buyer, including the right to initiate court or other proceedings or to take any other action against any person for infringement of the Seller Intellectual Property Rights.

18.2 All patterns, tools, drawings or documents, whether in hard copy or otherwise, supplied by Buyer shall remain Buyer's property and shall not be used by Seller in the service of any other company. All such items shall be returned to Buyer upon completion of the Work or at Buyer's instruction.

19 ERRORS

19.1 Seller shall immediately notify Buyer in writing of any error, omission, deficiency, ambiguity or contradiction in the Order and shall not commence or continue with performance of the Work until written clarification from Buyer has been obtained.

20 GOVERNING LAW AND JURISDICTION

20.1 The Order and Conditions herein shall be construed and interpreted in accordance with the laws of Dubai, UAE without regard to any conflicts-of-laws rules or principles that might refer the governance or construction to any other jurisdiction. Any dispute arising in relation to these Conditions shall be referred to Dubai Court.

21 NOTICES

21.1 Notices shall be validly given if sent by facsimile, Telex or recorded delivery post to the respective addresses of the parties stated in the Order or to any address subsequently notified in writing by one party to the other.

22 ENTIRETY

22.1 These Conditions incorporates the entire agreement between the parties hereto with respect to the subject matters covered herein and supersedes all prior agreements and understanding written or oral any amendment hereto shall be mutually agreed upon in writing.

23 WAIVER

23.1 Any failure of Buyer to enforce at any time or for any period of time, any of the provisions of these Conditions shall not constitute a waiver of such provisions.