



LAMPRELL ENERGY LTD GENERAL CONDITIONS OF PURCHASE OF PRODUCTS

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1. INTERPRETATION

- 1.1. "Affiliate" means a company, partnership or other legal entity which controls a Party, or is controlled by a Party, or which is controlled by an entity which controls a Party. A company shall be deemed to control another company if such company possesses, directly or indirectly, the power to (i) vote fifty percent (50%) or more of the stock having ordinary voting power for the election of directors of such company, or (ii) direct or cause the direction of the management and policies of such company, whether through the ownership of stock, common members of board of directors, by contract or otherwise.
- 1.2. "Authorised Representatives" has the meaning assigned to it in Clause 30.
- 1.3. "Buyer" means LAMPRELL ENERGY LTD, whose registered office is at 15 – 19 Athol Street, Douglas, Isle of Man, IM1 1LB.
- 1.4. "Confidential Information" has the meaning assigned to it in Clause 26.1 below.
- 1.5. "Consequential Loss" means any indirect losses and/or damage, including, but not limited to, loss of production, loss of product, loss of use, loss of revenue or profit or anticipated revenue or profit, loss of savings, economic loss and loss of business opportunities (including all costs and expenses arising out of any action, claim, suit, demand or judgment resulting from or arising out of any of the foregoing) and overhead costs, howsoever arising, under contract, tort, equity, breach of duty (statutory or otherwise).
- 1.6. "Contract" has the meaning assigned to it in Clause 3.2 below.
- 1.7. "Delivery Date" has the meaning assigned to it in Clause 6.1 below.
- 1.8. "Force Majeure" has the meaning assigned to it in Clause 18.1 below.
- 1.9. "General Conditions of Purchase" means the terms and conditions contained herein.
- 1.10. "Material Safety Data Sheet or MSDS" means a form completed by the Product manufacturer containing data regarding the hazardous, health, environmental and safety properties of the Products and the procedures for the safe handling and use thereof, including, but not limited to, physical data (e.g., melting point, boiling point, flash point, etc), toxicity, health effects, reactivity, storage, disposal, protective equipment.
- 1.11. "Order" means the Buyer's purchase order received by the Seller corresponding to these General Conditions of Purchase.
- 1.12. "Order Number" means the Buyer's purchaser order number stated on the face of its Order received by the Seller.
- 1.13. "Party" means the Buyer or the Seller individually.
- 1.14. "Parties" means the Buyer and Seller collectively.
- 1.15. "Products" means those goods or materials ordered by the Buyer from the Seller as detailed on the face of the Order in accordance with the terms and conditions of the Contract.
- 1.16. "Seller" means the company named in the Order.
- 1.17. "Statement of Account" means a statement of the Seller's prevailing outstanding invoices for payment relating to all Orders received from the Buyer.

2. APPLICATION AND ACKNOWLEDGEMENT OF ORDER

- 2.1. Subject to any variation under Clause 2.4 below, these General Conditions of Purchase are the only conditions upon which the Buyer is prepared to deal with the Seller and they shall govern the Contract to the entire exclusion of all other terms or conditions.
- 2.2. Each Order for Products by the Buyer from the Seller shall be deemed to be an offer by the Buyer to buy Products subject to these General Conditions of Purchase and no Order shall be accepted until the Seller either expressly by giving notice of acceptance, or impliedly by fulfilling the Order, in whole or in part accepts the offer in accordance with Clause 2.7 below.
- 2.3. No terms or conditions endorsed upon, delivered with or contained in the Seller's quotation, acknowledgement or acceptance/acknowledgement of order, specification or similar document shall form part of the Contract and the Seller waives any right which it otherwise might have to rely on such terms and conditions.

- 2.4. These General Conditions of Purchase apply to all the Buyer's purchases and any variation to these conditions shall have no effect unless expressly agreed in writing and signed by the Group Procurement and Supply Chain Manager of the Buyer.
- 2.5. To purchase Products, the Buyer shall each time it elects to do so, submit an Order to the Seller. The Order shall set out the type, quantity, price and required date of delivery of the Products, and other relevant information. Orders may be submitted by fax, post or personal email of the individual submitting the Order or hand delivered. Each Order shall be governed by these General Conditions of Purchase.
- 2.6. The Buyer will not be obligated to purchase and pay for any Products unless the purchase is submitted on the Buyer's printed Order form and duly signed by an authorised representative for and on behalf of the Buyer.
- 2.7. Subject to Clause 3 below, acknowledgement of this Order must be made in writing by return of post to the Buyer's Procurement and Supply Chain Department at P.O. Box 6941, Sharjah, United Arab Emirates or by email quoting the relevant Order Number to OrderAcknowledgement@lamprell.com. Acceptance of the Order entails acceptance of the Contract and in the event of such Contract conflicting with any conditions or instructions of the Seller then Seller's conditions and instructions shall be deemed to have no application whatsoever and the Contract shall prevail. Failure by the Seller to acknowledge the Order within Seven (7) days from the date of the Order shall be deemed as automatic acceptance by the Seller of the Contract without limitation.

3. FORMATION AND CONTENT OF CONTRACT

- 3.1. Notwithstanding Clause 2 above, commencement of any design, manufacture, delivery, start of invoicing or supply of the Products implies acceptance of the Order by the Seller under these General Conditions of Purchase.
- 3.2. The Buyer's Order shall consist of the following items and the order of precedence shall be as follows: -
 - (a) Any special conditions written or referred to on the face of the Order;
 - (b) These General Conditions of Purchase; and
 - (c) The technical specification referred to on the face of the Order.

The items referred to in (a) to (c) above (inclusive) together shall be referred to herein as the "Contract".

4. INSPECTION AND TESTING

- 4.1. Representatives of the Buyer shall be entitled at all reasonable hours to inspect, test and to enquire by any reasonable means at any stage of manufacture or fabrication of the Products, any materials and/or component parts the subject of the Contract in order to determine the status and acceptability of procurement, manufacture, assembly and/or fabrication of such materials, component parts or Products covered by the Contract. Such inspection and tests shall be promptly completed and enquiries promptly and fully answered to the reasonable satisfaction of the Buyer and failure by the Seller to meet this obligation may result in the cancellation of the Contract by the Buyer without any liability to the Buyer. If it is found on inspection, in manufacture, or in use that any Products or materials supplied do not conform to the technical specification or sample or if the quality of the material and / workmanship is defective in the Buyer's reasonable opinion, the Buyer shall be entitled at its discretion, without prejudice to its other rights under statute or otherwise, to return the Products or materials to the Seller for prompt replacement at no cost to the Buyer.
- 4.2. Where the Seller performs tests in the normal course of its business or as may be specified in the Contract it shall give at least five working days advance notice in writing of such tests, and the Buyer and any properly interested third party authorised by the Buyer shall be entitled to attend the tests. The Seller shall provide the Buyer with such test certificates as the Buyer may reasonably require.
- 4.3. All Products furnished must be as specified and will subject to final inspection and approval of the Buyer after arrival at destination with the right reserved to reject such portion of any shipment which may be defective or fail to comply with the specifications without invalidating the remainder of the Order. If rejected it will be held for disposition at the expense and risk of the Seller.
- 4.4. Inspection and testing in accordance with this Clause 4 or failure or waiver thereof shall not relieve the Seller of any liability nor imply acceptance of the Products or any portion thereof by the Buyer.

5. APPROVAL OF DESIGNS

- 5.1. When the parts to be delivered are to be manufactured in accordance with the Seller's designs plans or drawings or when samples are to be submitted for approval by the Buyer, the approval by the Buyer shall in no way relieve the Seller from the obligations to comply with the specification or any other requirements that may be detailed in the Contract.

6. DELIVERY AND ACCEPTANCE

- 6.1. The delivery date of the Products ordered shall be that specified in the Order or as otherwise agreed in writing by the Buyer and the Seller ("Delivery Date"). The Seller shall furnish such programmes of manufacture and delivery as the Buyer may reasonably require. If the Contract includes the carrying out of tests on the Products after their receipt by the Buyer, then delivery shall not be deemed complete until such tests have been passed to the unconditional satisfaction of the Buyer.
- 6.2. Unless otherwise specified, all Products shall be packed, marked and otherwise prepared for shipment in a manner which: (i) complies with applicable regulations, (ii) is acceptable to common carriers, (iii) provides necessary lifting, handling, and shipping information (and other relevant information identified by the Buyer), (iv) is adequate for storage and protection against weather, and (v) is appropriate to ensure safe arrival of the Products at the named destination as detailed on the face of the Order or as agreed otherwise in writing by the Parties, in good condition (the foregoing includes as required, the use of cushioning material or vacuum packing to prevent damage during transportation). In addition, the following requirements apply: (i) if specific export packing requirements exist for a particular Product (i.e. said requirements result from the type/characteristics of the Product concerned), the Seller has to ensure that adequate documentation reflecting the same is furnished, and (ii) wooden packaging or packing of any kind including wooden boxes, materials or pallets must only be made of heat-treated timber. If the Seller requires the Buyer to return any packaging material to the Seller that fact must be clearly stated on any delivery note delivered to the Buyer and any such packaging material shall only be returned to the Seller at the cost of the Seller.
- 6.3. The Buyer reserves the right to select the means of transport and carrier for shipment of the Products, notwithstanding anything herein to the contrary.
- 6.4. Unless agreed otherwise in writing by the Buyer, all deliveries shall be made during normal business hours on the scheduled Delivery Date to the location indicated on the face of the Order or if no location is so specified to the Buyer's location nominated prior to the Delivery Date. Instalment deliveries shall not be accepted without the Buyer's prior written authorisation as stated on the face of the Order or if not stated on the face of the Order by separate written authorisation from the Buyer. The Seller acknowledges that time is of the essence in relation to the timing of all Product deliveries under the Contract.
- 6.5. Where the Buyer consents to delivery by instalments subject to Clause 6.4 above, the Contract shall be construed as a single contract in respect of each instalment. Nevertheless failure by the Seller to deliver any one instalment in accordance with the Contract shall entitle the Buyer at its option to treat the whole Contract as repudiated.
- 6.6. Without prejudice to Clauses 6.4 and 6.5 above, the Seller shall notify the Buyer if any delivery or performance under the Contract is likely to be delayed beyond the specified Delivery Date. Failure by the Seller so to notify any likely delay shall entitle the Buyer to terminate without liability all or part of the Contract and/or to compensation for its losses in consequence of the failure and delay. If any delay so notified does or is likely to exceed Ten (10) days beyond the Delivery Date, the Buyer shall be entitled to (i) without prejudice to Clause 19.1(c) below, terminate without liability all or part of the Contract (unless the delay is due to Force Majeure in which case termination shall be subject to Clause 19.1(a)); (ii) refuse to accept any subsequent delivery of Products which the Seller attempts to make; (iii) recover from the Seller any expenditure reasonably incurred by the Buyer in obtaining the Products in substitution from another supplier; and (iv) claim damages for any additional costs, loss or expenses incurred by the Buyer which are in any way attributable to the Seller's failure to deliver the Products on the Delivery Date. Where liquidated damages are specified in the Contract on the face of the Order such liquidated damages are a pre-determined and agreed rate of compensation for losses incurred by the Buyer resulting from delay and are not pecuniary and represent the compensation due to the Buyer under this Clause 6.
- 6.7. If, in the Buyer's opinion, the Seller is unlikely to meet the Delivery Date for delivery of the Products, and/or documentation or the Seller has not provided adequate timely information to the Buyer in accordance with the requirements of the Contract, the additional costs incurred by the Buyer as a result shall be to the Seller's account. Such costs shall include, but not be limited to, costs associated with expediting (including any travel and accommodation) and re-scheduling of the relevant project. Such costs shall be in addition to any compensation or liquidated damages payable under Clause 6.6

and the Buyer shall be entitled to deduct any such costs from any payments due to the Seller or claim such costs from the Seller as a debt.

- 6.8. Without prejudice to Clause 6.4 above, the Buyer reserves the right to extend the Delivery Date without any additional liability to the Seller. In the event that the Delivery Date is extended the Seller shall store and insure the Products at the Seller's cost. The Buyer shall not be obliged to pay for the Products until delivery of the Products in accordance with the revised Delivery Date.
- 6.9. The Seller agrees that it shall not allow any liens to attach to the Products or any property of the Buyer, and that it shall furnish, upon request, receipts and releases with respect to the Products showing that all related costs and expenses have been paid (and thus, that no third party claims, liens, or rights of liens exist against the Buyer or its property or the Products). The Seller shall indemnify and hold the Buyer harmless from said liens and claims.
- 6.10. Unless agreed otherwise in writing by the Buyer, if the Products are delivered to the Buyer in excess of the quantities ordered as detailed on the face of the Order the Buyer shall not be bound to pay for the excess and any excess shall be and shall remain at the Seller's risk and shall be returnable to the Seller at the Seller's expense.
- 6.11. The Buyer shall not be deemed to have accepted the Products until it has had a reasonable period of time to inspect them following delivery and subject to Clause 15 below, the Buyer shall also have the right to reject the Products as though they had not been accepted.

7. TITLE AND RISK

- 7.1. Full and beneficial legal title to the Products ordered shall pass to the Buyer on the earlier of (i) payment to the Seller or (ii) delivery to the Buyer in accordance with the Contract. If the Buyer makes payment to the Seller by instalment (including an advance payment) the Seller shall, save for contribution to reasonable overhead and general administrative expenses, apply each such instalment to the manufacture, sale and delivery of the Products to the Buyer under the Contract.
- 7.2. Risk in compliant Products delivered in accordance with the Contract shall pass to the Buyer on safe delivery in good condition and acceptance thereof by the Buyer.
- 7.3. Such passing of title and risk as described in this Clause 7 shall be without prejudice to any right of rejection by the Buyer arising under the Contract.
- 7.4. The Seller shall ensure that all Products and any materials used for the manufacture of the Products to which title has passed to the Buyer under Clause 7.1 above are clearly marked as belonging to the Buyer and the Seller shall store the same separately from any goods or materials belonging to the Seller or any third party to the extent reasonably practicable. The Seller shall also clearly identify the location of such Products and materials and provide such information to be Buyer upon request.
- 7.5. The Seller hereby grants the Buyer the right and the Buyer hereby reserves the right to enter the Seller's premises or any other location where the Products and materials referred to in Clause 7.4 above are located to take possession of the same.
- 7.6. Goods, materials, equipment, tools, dies, moulds, copyright, design rights or any other forms of intellectual property rights in all drawings, specifications and data supplied by the Buyer to the Seller or not so supplied but used by the Seller specifically in the manufacture of the Products shall at all times be and remain the exclusive property of the Buyer or the Buyer's client but shall be (i) held by the Seller in safe custody at its own risk, (ii) clearly identified and recorded by the Seller as belonging to the Buyer or the Buyer's client (as notified by the Buyer), (iii) maintained and kept in good condition by the Seller until returned to the Buyer and such items shall not be (i) disposed of other than in accordance with the Buyer's written instructions; nor (ii) used otherwise than as authorised by the Buyer in writing. The Seller hereby grants the Buyer the right and the Buyer hereby reserves the right at its discretion at any time to enter the Seller's premises and any other location where such items are located to take possession of the same.

8. INVOICING PROCEDURE AND DOCUMENTATION

- 8.1. All invoices for payment must be submitted to the Buyer in accordance with the following invoicing procedure: -
 - (a) Unless agreed otherwise by the Buyer in case of delivery by instalment, one original invoice is required per Contract;
 - (b) Invoices must be submitted to the Buyer at the end of the calendar month following final delivery of the Products or in the case of instalment delivery on the date agreed by the Buyer;

- (c) All invoices for payment must be signed on behalf of the Seller and delivered to the Buyer together with all supporting documentation as detailed in this Clause 8 by using one of the following three options: -
- i. by pre paid post to the Buyer's Procurement and Supply Chain Department, P.O. Box 6941, Sharjah, United Arab Emirates or such other address which the Buyer may specify from time to time; or
 - ii. by hand delivery to the Buyer's locked invoice collection box located within the Buyer's Procurement and Supply Chain Department, inside Port Khalid, Sharjah, United Arab Emirates; or
 - iii. by emailing a pdf (portable document format) copy of the signed invoice to InvoiceDocumentation@lamprell.com

whereupon receipt of which the invoice will be date and time stamped by the Buyer evidencing receipt by the Buyer. Invoices issued to any location not specified by the Buyer shall be disregarded and will not be paid;

- (d) Receipt of invoice by the Buyer as evidenced in accordance with (c) above does not constitute approval of invoice for payment;
- (e) The original bill of lading or transportation receipt must be attached to the invoice. In the case of delivery by instalments separate packing lists and bills of lading are required covering the contents of each shipment showing part number and number of packages;
- (f) All Products covered by the Contract must be plainly labelled, marked and shipped as specified on the face of the Order;
- (g) The Buyer's Order Number must be detailed on the invoice, packing lists, containers and bill of lading. If a line item number is stated on the face of the Order such line item number must be clearly written on the invoice, packing lists, containers and bill of lading;
- (h) All invoices must be accompanied by a Statement of Account; and
- (i) In the event of a discrepancy between the Seller's invoice and the Order the Seller shall provide the Buyer with a detailed reconciliation statement validating such discrepancy for the Buyer's approval prior to payment by the Buyer.

8.2. Invoices not properly supported in accordance with this Clause 8 may be returned to the Seller unpaid.

9. ADVICE NOTES

9.1. A detailed advice note must be forwarded to the Buyer as instructed on the same day as the Products or materials are dispatched.

10. PRICE AND PAYMENT

10.1. Where the Buyer has issued no variation in scope, specification, quantity or delivery, the prices stated on the Order are fixed and firm for the duration of the Contract. Unless stated otherwise on the face of the Order all prices shall be in US Dollars (\$).

10.2. Unless otherwise stated on the face of the Order, the Contract price shall be inclusive of the costs of delivery DDP (as defined in Incoterms 2000) to the delivery address stated on the face of the Order or as otherwise advised in writing by the Buyer.

10.3. Subject to Clause 8 above and unless otherwise agreed in writing, payment shall be made by the Buyer against delivery of compliant Products together with all documentation required under the Contract within Sixty (60) days from end of month following submission of an acceptable invoice.

10.4. Any payment made by the Buyer under the Contract including the final payments under the Contract shall not prevent the Buyer from recovering any amount over paid or wrongfully paid however such payment may have arisen including but not limited to those paid to the Seller by mistake of law or of fact. The Buyer shall be entitled to withhold such amount from any sums due or which may become due to the Seller from the Buyer or the Buyer may recover such amount as a debt.

11. AUDIT

11.1. The Buyer shall have the right, at any time up to Four (4) years after completion or cancellation of any Order pursuant to the Contract, to audit the Seller's books, records and data in any form to verify the compliance with the terms hereof and the correctness of any invoice submitted by the Seller. Said right shall be exercised solely for the purposes defined in this Clause 11.

12. LOSS OR DAMAGE IN TRANSIT

12.1. The Buyer shall advise the Seller of any loss or damage in transit within the following time limits: -

- (a) Partial loss or damage shall be advised within Fourteen (14) days of the date of delivery of a consignment or part consignment.
- (b) Non-delivery of the whole consignment shall be advised within Fourteen (14) days of the Buyer's receipt of notice of despatch.

13. COMPLIANCE, REPRESENTATIONS AND WARRANTIES

13.1. Products shall conform to the requirements of the Contract and shall be (i) new (unless agreed otherwise by the Buyer) (ii) fit for the purpose they are intended, (iii) of satisfactory quality, (iv) free from defects in workmanship, materials, design, and (v) in accordance with the agreed specification, including any technical specification referred to on the face of the Order. The Products shall be manufactured in accordance with good industry practice and all applicable standards and legislation (including without limitation environmental and safety laws rules and regulations) and, as applicable, the Buyer's quality, health, safety and environmental policies and procedures notified in writing to the Seller. Products shall be delivered complete with all instructions, warnings and other data necessary for safe and proper operation. Products which do not comply with all of the above shall be considered to be defective.

13.2. If for any reason the Seller is uncertain as to whether the Products to be supplied by it will comply with any of the above, it must promptly and before despatch inform the Buyer in writing with full details of the possible non-compliance for consideration. Written acceptance or rejection of the Seller's application will then be provided by the Buyer in as timely a manner as possible.

13.3. The Seller hereby represents and warrants that: -

- (a) It has the necessary express authorisation to distribute and/or sell to the Buyer in the location, country, state or region where the Buyer conducts its business operations the Products ordered by the Buyer under the Contract and if requested by the Buyer at any time the Seller shall promptly provide to the Buyer satisfactory documentary evidence in support of such authorisation; and
- (b) The Products sold by it to the Buyer under the Contract are genuine original equipment manufacture and are not forgeries, counterfeits or misrepresentations of other Products produced by a third party who owns the design right, patent right, trademark right, copyright and/or other intellectual property rights in the Products;
- (c) The Products ordered by the Buyer under the Contract are not manufactured in or supplied from, whether directly or indirectly, any country or state which is subject to a prevailing trade embargo or like restriction by the United Nations or by any country of the Buyer's clients, including, but not limited to, the United States of America; and
- (d) That all Products delivered to the Buyer under the Contract shall be free from and clear of any liens or encumbrances.
- (e) The Seller represents and warrants that no applicable laws or regulations shall be violated in the manufacture or sale of the Products contemplated hereunder, and that the Seller shall comply with and adhere to all applicable laws and regulations which may apply to the Seller in connection with the Contract. The Seller shall defend, indemnify and hold the Buyer harmless against any claims in respect thereof.

13.4. In the event of: -

- (a) A misrepresentation or breach of warranty under Clause 13.3 above by the Seller; or
- (b) If the Seller refuses or fails to provide the Buyer with satisfactory documentary evidence of its authorisation to distribute and/or sell the Products to the Buyer under the Contract in accordance with subclause 13.3(a) above; or
- (c) If the Buyer has reasonable cause to deem that the Seller's evidence provided to the Buyer in accordance with subclause 13.3(a) above is unsatisfactory

the Buyer shall be entitled without prejudice to any other rights it may have in law or otherwise to terminate the Contract in whole or in part with immediate effect and without any liability whatsoever to the Seller and the Buyer shall be entitled to claim compensation from the Seller for any losses incurred by the Buyer resulting from such termination.

13.5. The foregoing representations and warranties contained in this Clause 13 shall apply to the benefit of the Buyer, its Affiliate(s), or its or their clients, and shall not be affected by delivery to, or inspection, acceptance or payment by the Buyer. If any Products delivered pursuant to the Contract are found not to be as warranted and represented, the Buyer may return the same to the Seller, at the Seller's expense and risk, for correction, replacement or credit, as the Buyer may direct. Any Products repaired or replaced shall be warranted and represented to the same extent as the Products initially furnished. The remedies set forth in this Clause 13 do not apply in lieu of, but in addition to, all other remedies available at law, in contract, in equity or otherwise.

14. CHANGE ORDERS

14.1. The Buyer shall have the right at any time to make changes in an Order including type of Products and time, method and place of delivery. If said change(s) trigger(s) increased or decreased costs or a longer or shorter period for delivery, or impacts any of the other conditions applicable to the Order as originally submitted, The Seller shall so notify the Buyer within Four (4) working days from Order change(s) receipt (unless a shorter period is stated on the Order change). Failure by the Seller to do so shall constitute an unconditional waiver by the Seller to make a claim for adjustment, and be deemed acceptance to perform the Order change under the original applicable conditions. If the Seller so notified the Buyer, the Parties shall agree on the applicable changes in the original conditions, based upon the supporting documentation submitted by the Seller, and the Buyer shall elect whether to proceed or not.

14.2. The Seller shall not have the right at any time to make changes in any Order, unless the Buyer expressly agrees thereto.

15. REJECTION AND REMEDY OF DEFECTS

15.1. The Buyer may reject the Products within Sixty (60) days of delivery if they are defective. Rejected Products shall be promptly collected by the Seller at its own cost. Upon rejection of any Products, the Buyer shall have the right to (i) require the Seller to replace them within such time as may be stipulated by the Buyer or (ii) to terminate the Contract without prejudice to its other rights and remedies and without any liability to the Seller.

15.2. Notwithstanding Clause 15.1 above, upon request by the Buyer, the Seller shall at its own expense promptly repair or replace any Products which are discovered to be defective within Twenty-Four (24) months' of delivery or Eighteen (18) months of putting into commercial use, whichever shall occur first. Repairs and replacements shall themselves be subject to the foregoing obligations from the date of delivery, re-installation or passing of tests (if any) whichever is appropriate after repair or replacement as determined by the Buyer.

15.3. If the Seller fails to remedy any defect as above provided, the Seller shall return any money paid by the Buyer in respect of the defective items and the Buyer shall be entitled to terminate the Contract without prejudice to its other rights and remedies in law or otherwise and without any liability to the Seller.

15.4. The Seller represents and warrants that it shall exercise its best efforts to obtain the same level of warranty as detailed in Clauses 13.1 and 15.2 above from its subcontractors, suppliers and manufacturers. The Seller hereby agrees to assign to the Buyer the full benefit of all guarantees and warranties given to the Seller by its subcontractors, suppliers or manufacturers insofar as the same relate to the Products ordered by the Buyer under the Contract.

16. FREE-ISSUE MATERIALS AND TOOLING

16.1. Where tooling (including patterns, dies, moulds, jigs and fixtures and the like) is manufactured or acquired by the Seller specially for the purpose of the Contract, title to it shall pass to the Buyer upon its creation or acquisition. The Seller shall deliver up such tooling to the Buyer on the Buyer's demand.

16.2. Without prejudice to Clause 7.6, where the Buyer for the purpose of the Contract issues materials (including equipment, components, tooling, patterns, dies, moulds, jigs and fixtures and the like) free of charge to the Seller, the Seller shall maintain all such materials in good order and condition subject, in the case of tooling, patterns and the like, to fair wear and tear. The Seller shall use such materials solely in connection with the Contract. Any surplus materials shall be disposed of at the Buyer's discretion. Damage to or waste of such materials arising from bad workmanship or negligence of the Seller shall be made good at the Seller's expense. Without prejudice to any other rights of the Buyer, the Seller shall deliver up such materials, whether further processed by the Seller or not, to the Buyer on demand.

16.3. The Seller warrants and undertakes to fully insure any materials (as specified in Clause 16.2 above) that the Buyer may from time to time issue to the Seller pursuant to Clause 16.2 above. The Seller will

ensure that the Buyer's interest is noted on such policy of insurance on a joint beneficiary basis and shall provide the Buyer with evidence of such insurance cover immediately on request from the Buyer. The Seller shall fully indemnify and hold harmless the Buyer against any losses and damages that the Buyer may incur or that may be reasonably foreseeable as a result of the Seller's failure to maintain insurance as required by this Clause 16.3.

17. INTELLECTUAL PROPERTY RIGHTS

17.1. The Seller hereby grants to the Buyer, without further cost to the Buyer, an irrevocable, nonexclusive and royalty-free licence to make, have made, use, and sell products embodying any and all inventions and discoveries which may be made, conceived or actually reduced to practice in connection with the performance of an Order pursuant to the Contract.

17.2. If the Buyer furnishes specifications, requirements, designs and the like to the Seller for the manufacture of the Products, the Seller acknowledges and expressly agrees that the Buyer is and remains the sole and exclusive owner of all such specifications, requirements, designs and the like, and of all improvements, modifications, derivative works and intellectual property rights therein.

18. FORCE MAJEURE

18.1. If performance of the Contract is delayed by any act of God, act or omission of government, war or similar event beyond either Party's reasonable control and such event is not reasonably foreseeable ("Force Majeure"), then the time for performance shall be amended accordingly subject to the delayed Party promptly informing the other of the event and taking all reasonable steps to reduce the delay.

19. TERMINATION AND SUSPENSION

19.1. The Contract may be terminated as follows: -

- (a) Either Party may terminate the Contract, in whole or in part, by serving a written notice to the other Party if a Force Majeure event lasts for more than Thirty (30) consecutive days.
- (b) The Buyer may terminate the Contract, in whole or in part, effective immediately upon written notice to Seller, if Seller becomes bankrupt or insolvent, or if Seller's business is placed in the hands of a receiver, assignee, or trustee, whether by voluntary act of Seller or otherwise, or if Seller undergoes any proceeding analogous to the foregoing.
- (c) The Buyer may terminate the Contract, in whole or in part, effective immediately upon written notice to Seller, if (i) Seller is in breach of its obligations hereunder, and fails to remedy said breach within a period of Thirty (30) days (or Ten (10) days in the case of Seller's failure or delay to deliver Products) after having received written notice thereof, or (ii) repeatedly breaches its obligations hereunder, or (iii) commits a breach which is incapable of being remedied.
- (d) The Buyer may terminate for convenience the Contract, in whole or in part, at its convenience by serving written notice to Seller at any time after the Seller's acceptance of the Order in accordance with Clause 2.7. The termination notice shall specify the extent to which the performance of work related to the Contract is terminated, and the time at which such termination becomes effective. After receipt of said notice, Seller shall stop the performance of said work to the extent specified in the notice of termination.
- (e) The Buyer may cancel, in whole or in part, an Order at any time prior to acceptance by the Seller without any liability to the Seller.
- (f) The Buyer may cancel an Order, in whole or in part, without any liability to the Seller whatsoever if the Seller fails to expressly/formally accept or reject the Order submitted within the time period set forth in Clause 2.7.

19.2. If the Contract is terminated pursuant to Clause 19.1(a), 19.1(b) or 19.1(c), the Buyer may:

- (a) Reject the Products (in whole or in part) and return to them to the Seller at the risk and cost of the Seller on the basis that a full refund for the Products so returned shall be paid forthwith by the Seller; and/or
- (b) Require Seller to (i) to the extent that title has not passed to the Buyer under Clause 7, transfer title to, and deliver to the Buyer, in the manner, time, and extent directed by the Buyer, any completed Products, or such partially completed Products and materials, parts, tools, designs, fixtures, plans, drawings and information, and transfer contract rights that Seller has acquired for the performance of the terminated part of the Contract, and (ii) grant the Buyer a royalty-free, assignable and non-exclusive license to use and permit others to use, the Seller's designs,

processes, drawings, and technical data to permit completion by the Buyer of the terminated part of the Order.

- 19.3. If the Contract is terminated pursuant to Clause 19.1(d) the following shall apply: -
- (a) With respect to standard/non-customised Products not manufactured according to the Buyer's proprietary specifications, no payment shall be owed by the Buyer if said termination occurs prior to shipment/delivery of the concerned Products. Conversely, if said termination occurs after shipment/delivery of the concerned Products, the Seller shall be paid a mutually agreed reasonable termination charge reflecting the work actually performed prior to termination, not to exceed a maximum of Thirty percent (30%) of the applicable price for the terminated part of the Contract.
 - (b) With respect to non-standard/customised Products manufactured according to the Buyer's proprietary specifications, the Seller shall be paid a reasonable termination charge reflecting the work actually performed prior to termination, not to exceed the applicable price for the terminated part of the Contract reduced by the price of work not completed (and as the case may be, by the amounts already paid in respect thereof). The Parties shall determine said termination charge in good faith, at the time of receipt of the Termination notice by the Seller.
- 19.4. The Buyer may suspend performance of the Contract if any corresponding contract relating to the Order between the Buyer and a third party is suspended for whatever reason. In such event, and provided that the Seller is in compliance with its obligations under the contract, the Buyer shall compensate the Seller for costs reasonably and properly incurred until then in performing the Contract which would otherwise represent an irrecoverable direct loss to the Seller, subject to the Seller taking all reasonable steps to minimise its losses and subject to reasonable proof being provided. Compensation shall not in any event exceed the Contract price or relevant portion of the Contract price if the Contract is terminated in part. The Seller shall promptly recommence the works required pursuant to the Order following receipt of the Buyer's written notification of cessation of the said suspension and such dates for performance shall be extended by a period of time not greater than the corresponding period of suspension.
- 19.5. The rights and remedies of the Buyer under this Clause 19 (and the remainder of the Contract) are not exclusive, and apply in addition to any other rights and remedies available at law, in contract, in equity or otherwise.
- 19.6. If either Party exercises its rights under this Clause 19, under no circumstances shall it become liable for the Consequential Loss which may be sustained by the other Party as a result thereof.

20. LIABILITIES AND INDEMNITIES

- 20.1. Regardless of where/when title to the Products is transferred, but subject to Clauses 4 and 13, the risk of loss of, or damage to, the Products shall pass to the Buyer at the time and place of delivery in accordance with Clause 7.2 above.
- 20.2. SUBJECT TO CLAUSE 20.1 WITH RESPECT TO LOSS OF, OR DAMAGE TO, THE PRODUCTS, THE SELLER SHALL DEFEND, INDEMNIFY AND HOLD THE BUYER, ITS AFFILIATES AND ITS AND THEIR EMPLOYEES, OFFICERS, DIRECTORS, REPRESENTATIVES, AGENTS AND INVITEES HARMLESS AGAINST ANY CLAIMS, DEMANDS, CAUSES OF ACTION, JUDGMENTS, PROCEEDINGS, AWARDS, DAMAGES, LOSSES, FINES, PENALTIES, COSTS, EXPENSES AND LIABILITIES, INCLUDING LITIGATION COSTS AND REASONABLE ATTORNEY'S FEES ("CLAIM(S)") ARISING OUT OF DEATH, ILLNESS OR INJURY, OR PROPERTY LOSS OR DAMAGE, OR LOSS, DAMAGE OR COST, AS A RESULT OF OR IN CONNECTION WITH (I) THE NEGLIGENCE ACT OR OMISSION OF THE SELLER OR ANY OF ITS EMPLOYEES UNDER THE CONTRACT OR ANY ORDER, OR (II) THE SELLER'S (OR ANY OF ITS EMPLOYEES') BREACH OF THE SELLER'S OBLIGATIONS UNDER THE CONTRACT OR ANY ORDER, INCLUDING WITHOUT LIMITATION AS A RESULT OF DEFECTS IN ANY GOOD(S).
- 20.3. THE SELLER SHALL DEFEND, INDEMNIFY AND HOLD THE BUYER, ITS AFFILIATES AND ITS AND THEIR CLIENTS, EMPLOYEES, OFFICERS, DIRECTORS, REPRESENTATIVES, AGENTS AND INVITEES HARMLESS AGAINST ANY CLAIMS ARISING OUT OF ANY ACTUAL OR ALLEGED INFRINGEMENT OF ANY PATENT, COPYRIGHT, TRADEMARK OR OTHER INTELLECTUAL PROPERTY OR PROPRIETARY RIGHT, OR ANY LITIGATION BASED THEREON, WITH RESPECT TO ANY PRODUCTS (OR PART THEREOF), OR USE THEREOF, EXCEPT TO THE EXTENT THAT SUCH INFRINGEMENT RESULTS SOLELY FROM THE MANUFACTURE OF THE PRODUCTS PURSUANT TO DETAILED PROPRIETARY DESIGNS FURNISHED BY THE BUYER. THE FOREGOING INDEMNITY IS CONDITIONAL UPON (I) PROMPT WRITTEN NOTICE OF ANY CLAIM TO THE SELLER, (II) THE SELLER'S CONTROL OF THE DEFENSE AND

SETTLEMENT OF ANY CLAIM, AND (III) REASONABLE COOPERATION AND ASSISTANCE BY THE BUYER IN THE DEFENCE AND SETTLEMENT OF SUCH CLAIM AT THE EXPENSE OF THE SELLER. THE SELLER SHALL NOT BE RESPONSIBLE FOR ANY COMPROMISE MADE BY THE BUYER WITHOUT THE SELLER'S PRIOR WRITTEN CONSENT.

IF ANY PRODUCTS (OR PART THEREOF), OR USE THEREOF, BECOME(S), OR IN THE SELLER'S OPINION, IS/ARE LIKELY TO BECOME, THE SUBJECT OF AN INFRINGEMENT CLAIM, THE SELLER SHALL (I) PROCURE FOR THE BUYER THE RIGHT TO CONTINUE THE USE THEREOF, OR (II) REPLACE OR MODIFY THE SAME SO THAT IT BECOMES NON INFRINGING (PROVIDED THE SAME LEVEL OF FUNCTIONALITY IS MAINTAINED). THE SELLER SHALL ALSO BE LIABLE FOR ANY DAMAGES ASSESSED AGAINST THE BUYER, ITS AFFILIATES OR ITS OR THEIR CLIENTS ARISING OUT OF THE USE OF THE SAME PRIOR TO THE DATE UPON WHICH THE SELLER PERFORMED ANY OF THE FOREGOING REMEDIAL ACTIONS, AS SET FORTH ABOVE.

- 20.4. NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY PUNITIVE OR CONSEQUENTIAL LOSS SUSTAINED BY THE OTHER (OR ITS AFFILIATE) IN CONNECTION WITH THE PERFORMANCE OF THE CONTRACT.
- 20.5. IT IS THE EXPRESS INTENT OF THE PARTIES THE INDEMNITIES AND LIABILITY EXCLUSIONS CONTAINED IN THIS CLAUSE 20 (OR THE REMAINDER OF THE CONTRACT) SHALL, UNLESS EXPRESSLY STATED OTHERWISE, APPLY REGARDLESS OF WHETHER (I) THE CLAIMED LIABILITY IS BASED ON BREACH OF CONTRACT, WARRANTY OR DUTY, NEGLIGENCE OF ANY PERSON (GROSS, SOLE, CONCURRENT, ACTIVE OR PASSIVE), PRE-EXISTING CONDITIONS, STRICT PRODUCT LIABILITY, FAILURE OF ESSENTIAL PURPOSE OR ANY OTHER LEGAL OR EQUITABLE THEORY, OR ANY OTHER CAUSE, AND/OR (II) A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF THE CORRESPONDING LIABILITY.

21. INSURANCE

- 21.1. Unless stipulated otherwise by the Buyer on the face of the relevant Order or unless the Seller is otherwise obligated to maintain higher levels of insurance cover by any law, statute, regulation or safety standard or any other standard in relation to the manufacture, sale and delivery of the Products in the Seller's country of operations or the Buyer's country of operations (whichever country imposes the higher obligation) in which case the Seller shall take out and maintain such insurance cover in connection with the Contract, the Seller's indemnity obligations set forth in the Contract shall be supported by appropriate insurance policies, acceptable to the Buyer, including at least the following policies: -
- (a) Comprehensive General Liability including but not limited to Contractual Liability Cover, with limits in respect of bodily injury and/or property damage of not less than UAE Dirham One Million (AED 1,000,000) or the equivalent in US Dollars at the then prevailing exchange rate per occurrence;
 - (b) Workman's Compensation in compliance with local statutory requirements, and/or Employer's Liability with limits of not less than UAE Dirham One Million (AED 1,000,000) or the equivalent in US Dollars at the then prevailing exchange rate per occurrence; and
 - (c) As applicable, Automobile Liability as may be required by statute or similar regulations in the country of operations.
- 21.2. Said policies shall be taken out by the Seller at its cost, with a reputable insurance company, and shall be evidenced by insurance certificates to be provided upon the Buyer's request. Said policies shall when requested by the Buyer name the Buyer as an additional insured to the extent of the liabilities assumed by the Seller under the Contract (except for Workman's Compensation), and shall be endorsed to provide that (i) no insurance policy shall be cancelled or materially changed without Thirty (30) days prior written notice to the Buyer, and (ii) the Seller's insurers shall waive their rights of subrogation against the Buyer to the extent of the liabilities assumed by the Seller under the Contract.

22. HAZARDOUS PRODUCTS AND HEALTH, SAFETY AND ENVIRONMENT

- 22.1. If any of the Products to be supplied under the contract contain any hazardous substances or require any special precautions to be taken to ensure safety in handling, transport, storage or use, the Seller shall prior to their delivery furnish to the Buyer written details of the nature of those substances and the precautions to be taken and shall ensure that before despatch appropriate instructions and warnings are clearly and prominently marked on the Products or securely attached to them and on any containers into which they are packed, including Material Safety Data Sheets.

- 22.2. In particular (but without limitation) the Seller shall provide to the Buyer in writing all such data, instructions and warnings as are required to comply with applicable legislation relating to health, safety and the environment and shall indemnify the Buyer against any and all liabilities, claims and expenses which may arise as a result of the Seller's failure to do so.
- 22.3. Unless agreed otherwise in writing by the Buyer, the Seller shall not sell or offer for sale to the Buyer any Products which contain any substance as the Buyer may classify as a restricted substance.
- 22.4. The Seller warrants and covenants that it will at all times ensure that: -
- (a) Any persons who may be required to perform services pursuant to the Contract as agent, sub-contractor or servant for and on behalf of the Seller will be suitably qualified, trained and experienced for the purpose required; and
 - (b) Such persons will at all times carry out the work as required using equipment and clothing suitable for the purpose required and in compliance with all appropriate legislation, including but not limited to, health, safety and environmental rules, laws and regulations, with respect to the workplace and further in accordance with the Buyer's or its client's own health, safety and environmental procedures and rule prevailing at the time of performance.
- 22.5. The Seller agrees to fully indemnify and keep indemnified the Buyer against any and all liabilities, damages, claims and expenses which may arise as a result of the Seller's (including any agent, sub-contractor or servant of the Seller) negligence and / or breach of this Clause 22.

23. ASSIGNMENT

- 23.1. The Contract shall not be assigned or sub-contracted by the Seller as a whole. The Seller shall not assign or sub-contract any part of the work without the Buyer's prior written approval, which shall not be unreasonably withheld, but the restriction contained in this Clause 23 shall not apply to sub-contract for materials, minor details, or any part for which the sub-contractor is named in the Order. The Seller shall be responsible for all work done and Products supplied by all sub-contractors.
- 23.2. The Seller hereby agrees that the Buyer shall be entitled to assign its rights and obligations under the Contract in whole or in part to any of its Affiliates or to the Buyer's nominated client.

24. DISPUTES WITH THIRD PARTIES

- 24.1. If any third party makes any claim against the Buyer arising from the performance of the Contract by the Seller, or in respect of Products or supplied under it, the Seller shall at its own expense on request by the Buyer join the Buyer in defending the claim. The decision of any court or arbitration tribunal deciding upon the claim shall, so far as is relevant, be admitted as conclusive in any consequent claim made by the Buyer against the Seller under the Contract.

25. CONTRACT (RIGHTS OF THIRD PARTIES) ACT 1999

- 25.1. The terms and conditions contained herein and any contract conditions as may be agreed between the Buyer and the Seller are not intended to be for the benefit of, and shall not be enforceable by, any person other than one of the Buyer and the Seller under the Contracts (Rights of Third Parties) Act 1999 and no Party can declare itself a trustee of either Parties rights under these terms and conditions for the benefit of any third party.

26. CONFIDENTIALITY

- 26.1. The Seller acknowledges that during the performance of the Contract any information of the Buyer or its Affiliate or their client, disclosed to, or obtained by, the Seller or its Affiliate as a result of the performance of the Contract, shall be deemed confidential and proprietary to the Buyer ("Confidential Information"). Without limitation to the foregoing, the Seller acknowledges that (i) specifications, requirements, designs and the like for the manufacture of the Products (as applicable), (ii) the content of any Order (whether accepted or not by the Seller), and (iii) the Contract / the terms of the Contract shall be deemed confidential and proprietary to the Buyer.
- 26.2. The Seller agrees (i) to treat as secret and confidential, and (ii) not to, at any time during the Contract term and for Five (5) years thereafter, disclose, or distribute, or publish, or copy, or reproduce, or sell, or lend, or manipulate, or otherwise make use of (except for the purpose of performing the Contract provided that the disclosure is made to the employees of the Seller on a need-to-know basis), or permit use to be made of, any Confidential Information, except with the Buyer's express written consent.
- 26.3. The foregoing shall not apply to any Confidential Information that (i) can be shown by documentary evidence to have been previously known to the Seller at the time of disclosure, (ii) is independently developed by the Seller without breach of the Contract, (iii) is lawfully obtained from a third party

without restriction on use or disclosure, (iv) is or becomes part of the public domain through no fault of the Seller, or (v) is disclosed pursuant to any judicial or governmental requirement or order, provided that the Seller takes reasonable steps to give the Buyer sufficient prior notice in order to contest such requirement or order.

- 26.4. The Seller shall use the same degree of care to avoid unauthorised disclosure of the Confidential Information as it employs with respect to its own confidential/proprietary information of like quality and nature, but employing no less than a reasonable standard of care.
- 26.5. The Seller expressly acknowledges that the disclosure made by the Buyer does not grant the Seller any right other than the limited right to use the Confidential Information for the performance of the Contract (and nothing contained herein shall be construed as granting or conferring any rights to the Buyer's trademarks, inventions, copyrights, patents or the like).
- 26.6. Upon expiry or termination of the Contract for whatever reason, the Seller shall return all Confidential Information (except the one identified in (iii) of the second sentence of Clause 26.1) to the Buyer, and shall not be entitled to make or retain copies thereof.
- 26.7. The Seller shall not advertise or publish the fact that the Buyer has contracted with the Seller, nor use the Buyer's name or logo in any advertisement, publication, brochure or website without the Buyer's prior written consent which may be conditional if granted.
- 26.8. The Seller shall not publicise (for example by making press statements or by issuing press releases) or release any information in relation to or about the Contract except with the Buyer's prior written approval.

27. ENTIRE AGREEMENT

- 27.1. The Contract constitutes the entire agreement between the Parties with respect to the subject matter thereof. Except as agreed otherwise in writing by the Buyer, the Contract supersedes and cancels all prior agreements, statements, representations, understandings, negotiations and discussions whether oral or written between the Parties. The Seller acknowledges and agrees that in accepting the Contract in accordance with these General Conditions of Purchase it does not rely on any statement, representation, warranty or understanding made prior to the date of receipt of the Order from the Buyer save to the extent that such statement, representation, warranty or understanding is incorporated into the Contract. The Contract takes priority over anything to the contrary which the Seller may seek to impose on the Buyer.

28. NOTICES

- 28.1. Notices issued pursuant to any provisions of the Contract shall be properly delivered to the Buyer in writing to the following address: -

Lamprell Energy Ltd
C/o PO Box 6941
Sharjah
United Arab Emirates

Attention: The Procurement and Supply Chain Manager

With a copy to: The Vice President Commercial, and

The General Counsel

- 28.2. Notices issued pursuant to any provisions of the Contract shall be properly delivered to the Seller in writing to the Seller's principal place of business or such other address as the Seller shall notify the Buyer of in writing.
- 28.3. Notwithstanding anything to the contrary in this Contract, notices under the Contract shall be deemed received (i) upon delivery if hand delivered, (ii) upon delivery if sent by registered post or registered courier, and (iii) upon recipient's confirmation of receipt if sent by facsimile. For the avoidance of doubt, any notice relating to any termination or suspension of the Contract shall only be valid if sent by non electronic means and shall only be received in accordance with the foregoing.

29. MISCELLANEOUS

- 29.1. The Seller agrees, in relation to the manufacture of the Products, to take diligent steps to protect the environment, which includes proper management and disposal of all waste generated in the course of providing the Products, in accordance with applicable laws and regulations and best industry practices. Furthermore, the Seller agrees to monitor its compliance with the foregoing.

- 29.2. The Seller agrees that it shall not (and shall procure that its employees, subcontractor, and supplier's shall not) (i) either directly or indirectly, pay, promise to pay, authorise the payment of, or transfer, money, or anything of value, or offer any inducement in any form to any employee or representative of the Buyer, or an official of any governmental body or agency or instrumentality thereof, or political party, to secure any advantage or benefit in relation to the matters contemplated under the Contract, or influence the act or omission of any of the aforesaid persons in order to obtain or retain business related to the Contract, or obtain any improper advantage or benefit, and/or (ii) obtain or maintain business through illegal conduct or practices of unfair competition. Any breach of the foregoing shall be a material breach of the Contract not capable of remedy.
- 29.3. The Seller agrees that it shall continuously make commercially reasonable efforts to improve the performance and quality of the Products. The Buyer agrees to assist the Seller in so doing by notifying the Seller of any technical or operational problem or dysfunction of the Products noticed by the Buyer.
- 29.4. The Seller agrees that before starting the performance of the Contract, it shall, as applicable, have implemented and documented a quality assurance program meeting the requirements of ISO 9001 or of an internationally recognised standard of the same level.
- 29.5. Any provision of the Contract which in any way contravenes applicable laws or regulations shall be deemed severable to the extent of such contravention, and the legality, validity or enforceability of the remaining provisions of the Contract shall not in any way be affected or impaired thereby. The Parties shall promptly negotiate to restore the Contract as near as possible to its original intent and economic effect.
- 29.6. The provisions of the Contract which by their nature are intended to survive the suspension, termination or expiry of the Contract (including without limitation warranty, indemnity/liability and confidentiality provisions) shall remain in full force and effect after said suspension, termination or expiry.
- 29.7. Failure or delay by either Party in enforcing or partially enforcing any provision of the Contract shall not be construed as a waiver of any of its rights under the Contract.
- 29.8. Any waiver by either Party of any breach of, or any default under, any provision of the Contract by the other Party shall not be deemed a waiver of any subsequent breach or default and shall in no way affect the other terms of the Contract.
- 29.9. The headings contained in the Contract are for convenience of reference only, and do not constitute a part of the Contract.
- 29.10. The terms and conditions contained in the Contract may not be discharged in whole or in part by waiver, renunciation, or failure of enforcement, unless specifically agreed to in writing by the Party to which said terms and conditions benefit.

30. LAW AND DISPUTES

- 30.1. The Contract shall be interpreted, construed and governed in accordance with English law.
- 30.2. In the event of any dispute between the Buyer and the Seller arising out of or in connection with the Contract, the Buyer and the Seller shall first use its respective best endeavours in good faith to resolve any such dispute by escalation as follows: -
- (a) Initially by negotiations between the Buyer's Group Procurement and Supply Chain Manager and the Seller's Managing Director (or equivalent senior manager with authority to settle the dispute) ("Authorised Representatives");
 - (b) If the Authorised Representatives shall fail to resolve the dispute within fourteen (14) days of the dispute being referred to them, by the referral to and negotiation between one statutory officer (director) of each of the Buyer and the Seller; and
 - (c) If the Buyer and the Seller fail to resolve the dispute amicably as set forth in (a) and (b) above, either may refer the dispute to arbitration in accordance with this Clause 30 below.
- 30.3. Any unresolved dispute arising out of or in connection with the Contract shall be finally settled under the prevailing arbitration rules of the Dubai International Arbitration Centre ("DIAC") by one arbitrator appointed in accordance with Clause 30.4 below. The venue of the arbitration shall be in Dubai at the Dubai International Arbitration Centre or at such other international location in accordance with the aforementioned arbitration rules. The laws of England shall be the governing law in relation to the dispute and the arbitration proceedings. The arbitration shall be conducted in the English language.
- 30.4. Arbitration shall take place before a single arbitrator to be agreed by the Buyer and the Seller within Twenty (20) days of receipt by the recipient Party of a notice of arbitration from the other Party. Should

the Buyer and the Seller fail to reach an agreement on the arbitrator within the above time limit, he/she shall be appointed by the DIAC. The Buyer and the Seller hereby agree that judgment rendered in any arbitration shall be final and binding.

- 30.5. The Buyer and the Seller hereby further agree that the award of the arbitrator(s) shall be the sole and exclusive remedy between them regarding any claims, counterclaims, issues or accountings presented or pled to the arbitrator(s); that it shall be made and shall promptly be payable in U.S. Dollars free of any tax, deduction or off-set; and that any cost, fees or taxes incident to enforcing the award shall, to the maximum extent permitted by law, be charged against the Party resisting such enforcement. Subject to the aforementioned rules of arbitration, the award shall include interest from the date of any damages incurred for breach or other violation of the Contract, and from the date of the award until paid in full, at a rate to be fixed by the arbitrator(s) but in no event less than the London Interbank Offering Rate (LIBOR) per annum quoted for the corresponding period by Lloyds TSB bank plc in the London Interbank Market of United States Dollars for immediately available funds.
- 30.6. Notwithstanding the dispute resolution process set out in Clause 30.2 above, neither the Buyer nor the Seller shall be prevented from referring an unresolved dispute to arbitration at any time during the dispute resolution process described in Clause 30.2 above.
- 30.7. The United Nations Convention on Contracts for the International Sale of Goods signed in Vienna in 1980 shall not apply to this Contract.