

## Article I. General

- 1) In these Terms and Conditions the following words have the meanings:  
 "Contract" means the terms and conditions specified in this agreement.  
 "Ferro FPF" means Ferro Pipe and Fittings Middle East DMCC the entity issuing the Order, and any affiliates, subsidiaries, successors or assigns thereof.  
 "Goods" shall mean the products, articles, materials, items, equipment and/or services to be supplied by the Supplier under the Order.  
 "Order" means an order issue by Ferro FPF in writing on our official purchase order form and/or letterhead for the supply of Goods and may also include particular shipping instructions and/or other specifications required by us for the Goods.  
 "Supplier" means the person, firm or company to whom the Order is addressed.  
 "We", "Us" and "Our" means Ferro FPF
- 2) The words hereof, herein, hereunder and hereby refer to this Agreement as a whole and not to any particular provision of this Agreement.
- 3) The Supplier and Ferro FPF are collectively referred to as the Parties and also individually as a Party.
- 4) The Contract, together with the Order, constitute an offer by Ferro FPF to purchase the Goods from the Supplier. This offer is not an acceptance or a confirmation of any previous offer or proposal from the Supplier, and this offer shall be deemed to be a rejection and counteroffer with respect to any previous offer or proposal from the Supplier.
- 5) No other terms, whether or not contained in any bid, estimate, acknowledgment, confirmation or invoice given by the Supplier, shall in any way modify or supersede any of the terms of the Contract or otherwise be binding on Ferro FPF. Ferro FPF hereby explicitly rejects all such other terms unless it has accepted such other terms in writing and signed by its authorized representative. Our non-response in respect to any deviating conditions or confirmations to original contract shall not to be deemed as acknowledgment or agreement.
- 6) All trade terms used by us and the Supplier shall be interpreted in accordance with the International Chamber of Commerce (ICC) Incoterms as adopted at the time the contract in question is concluded.
- 7) This offer shall become an "Agreement" upon acceptance by the Supplier. The offer shall be deemed to be accepted on the earlier of the below by the Supplier:
  - a) issuance of a written acceptance of the Order; and
  - b) any act consistent with fulfilling the Order, at which point the Contract shall come into existence.

## Article II. Delivery

- 1) The Goods shall be delivered on the date(s) specified on the Order. The Supplier shall take all reasonable steps to ensure that Goods are delivered timeously without any undue delay acknowledging that time is of the essence in the performance of its obligations under this Contract.
- 2) If a delay in supply of the Goods is expected, the Supplier agrees to notify us in writing as soon as the Supplier becomes aware of such a delay.
- 3) If the Goods are not so delivered on or before the due date, or if it becomes clear the Goods cannot be delivered on or before that date, Ferro FPF reserves the right to terminate the Contract in whole or in part or extend the time for delivery without prejudice to any of its other rights under the Contract.
- 4) Partial supplies of Goods are not allowed without prior written consent of Ferro FPF.
- 5) The Supplier shall ensure the Goods are delivered in conformity, at the specified delivery point, as per the trade term as specified on the Order.
- 6) The Supplier shall bear risk of loss of the Goods until the Goods are delivered as specified in the Order. Title shall pass to Ferro FPF upon the earlier of payment for the Goods or delivery of the Goods as specified on the Order. Passing of title shall not constitute acceptance of the Goods by us.
- 7) Unless the Order expressly permits a quantity or weight tolerance, Supplier shall deliver the exact quantity of Goods ordered by us in the applicable Order. Where the Supplier delivers:
  - a) less than the Ordered quantity or applicable tolerance, we may reject the Goods or apply a pro rata adjustment to the invoice; or
  - b) more than the Ordered quantity or applicable tolerance, we may at our option reject the Goods or excess Goods or accept the delivery.

Ferro FPF will not be required to make payment for goods delivered to us that are more than the Ordered quantity or applicable tolerance.

Any rejected Goods shall be returnable at Supplier's risk and expense.

- 8) If the Supplier's acts or omissions result in or are likely to result in Supplier's failure to meet Ferro FPF's delivery requirements and we require a more expeditious mode of transportation for the goods than the transportation mode originally specified by us, the Supplier will be solely responsible for all costs and expenses associated with such expedited shipments.

## Article III. Packaging/Shipping

- 1) The Supplier shall ensure that the Goods are properly packed and secured in such manner as to enable them to reach their destination in good condition.
- 2) If the delivery term requires the supplier to arrange the carriage of goods the Supplier shall arrange the contract of carriage meeting the below requirements:
  - a) Carrier: operated by a company of good repute and financial standing
  - b) Route: in accordance with our instructions or via the usual route without any unnecessary transshipments or extraordinary deviations
- 3) If the delivery term requires the Supplier to arrange cargo insurance the Supplier shall obtain cargo insurance meeting the below requirements:
  - a) Insurance Coverage: all risk as per Institute Cargo Clauses
  - b) Insured Value: 110% of the invoice amount unless noted otherwise.
- 4) The Supplier must provide us with the Shipping documentation such as invoice, a description of the Goods, packing details, the quantity loaded or delivered, certificate of origin and draft airway bills or bills of lading prior to shipment of the goods.
- 5) The Supplier accepts any liabilities resulting from incomplete or inaccurate data on Shipping Documents or failure to comply with any import or export requirements.
- 6) The Supplier must include the correct classification of the goods on airway bills or bills of lading or other shipping documents.
- 7) The Supplier shall include an itemized packing list with each shipment.
- 8) The Supplier shall promptly forward the airway bill or original bill of lading, certificate of origin and other shipping documents for each shipment immediately after the completion of delivery of the Goods.

## Article IV. Price and Payment

- 1) For the Goods duly supplied by the Supplier under the Order Ferro FPF shall pay the Supplier a price at the amount as agreed and shown in the Order.
- 2) The currency of amounts appearing on the Order is the currency of Payment.
- 3) The Order price shall remain firm, fixed, inclusive of all taxes and duties (including VAT) and shall not be subject to any escalation during the performance of the Contract unless specifically agreed to at the time of Purchase.
- 4) No extra charges shall be effective unless agreed in writing and signed by us.
- 5) No exchange rate fluctuation shall entitle the Supplier to make a change to the agreed price.
- 6) Unless otherwise specified on the Order, payment of the purchase price shall be due sixty (60) days after Ferro FPF's receipt of Supplier's correct invoice for delivery of the Goods.
- 7) The payment shall be made as per beneficiary details provided by Supplier in the invoice. Any subsequent changes in the beneficiary details shall be exclusively informed in writing to us.
- 8) Each invoice submitted by Supplier shall contain our Order number and should be delivered to the billing address specified in the Order.
- 9) Ferro FPF may set off any amount owing at any time from the Supplier to us against any amount payable at any time by us.
- 10) If at any time governing restrictions prevent the remittance of part or all payments owed by a Party under this Contract, the Parties shall promptly negotiate in good faith the terms of payment under lawful means or methods.
- 11) Unless otherwise specified in the Order, the prices indicated on the Order include, and the Supplier shall pay, all packing, packaging, and

shipping costs, and all government taxes in connection with the sale or delivery of the Goods to Ferro FPF.

## Article V. Inspection and Acceptance

- 1) Upon reasonable notice to Supplier, Ferro FPF or our nominated representative shall be entitled to make reasonable visits to the Supplier's premises for the purposes of inspecting raw material, production process, testing operations, final finished Goods or any other stage as stipulated by Ferro FPF based on our requirements.
- 2) If any such inspection reveals that the processes, procedures, or practices used by Supplier fail to conform to the specifications set forth in the Order, or comply with the Supplier's undertakings at clause VI, Supplier shall upon demand by Ferro FPF immediately take all reasonable corrective measures as is necessary to ensure compliance.
- 3) The Supplier shall afford Ferro FPF or our nominated representative the right of access and free entry to any areas of the Supplier or Sub-Supplier premises where storage, work, or testing of any goods is being performed to fulfill the Order requirements. Unrestricted opportunity shall be provided to us or our nominated representative to verify conformance of these goods with the direct Order requirements.
- 4) Inspection by Ferro FPF or a third party does not relieve the Supplier of their obligations of compliance with contractual requirements. Neither does such inspection relieve the Supplier from guarantees as to materials workmanship or performance, or both.
- 5) All documentation shall be traceable, legible and in compliance with the Order and applicable specifications specified there in. Quality records, base material certificates, material test certificates, inspection and test reports and corresponding documents should be in English language only.
- 6) In the absence of inspection at Supplier's premises, Supplier shall submit the Material Test Certificates to us for review and acceptance at least 5 working days in advance of dispatch from the Suppliers premises.
- 7) Ferro FPF reserves the right to inspect, test and, if found to be nonconforming, reject all or some lesser portion of any Goods before, during and after manufacture or delivery.
- 8) We will charge the Supplier for any costs incurred in inspecting the Goods which are rejected.
- 9) The Goods not accepted will be returned to the Supplier at the Supplier's expense for full credit at the price charged.

## Article VI. Warranty

- 1) In addition to any other express or implied warranties applicable to the Goods to be provided hereunder, the Supplier warrants to Ferro FPF and our clients that all Goods delivered or provided hereunder will:
  - a) be new, of good quality, material, and workmanship, merchantable, free of defect, and fit for the use or purposes for which they are intended and shall conform to the specifications set forth in the Order;
  - b) upon delivery and, thereafter, for the applicable standard warranty period (or, if no warranty period has been specified by the Supplier, for a period of one (1) year from the date of actual delivery) conform to our specifications specified in the Order (which, in all cases, shall be controlling), and any samples, drawings, descriptions or specifications provided by the Supplier;
  - c) be free of all liens, security interests and encumbrances; and
  - d) comply with all applicable legal and regulatory requirements relating to the manufacture, labelling, packaging, storage, handling and delivery of the Goods.
- 2) Neither inspection nor acceptance of the Goods shall impair any of the foregoing warranties.
- 3) The Supplier warrants that, in performing its obligations hereunder, it shall fully comply with all applicable laws and regulations.
- 4) These warranties shall survive delivery, inspection, testing, and acceptance of, payment for, use or resale of the Goods and shall be in addition to any other warranties, express or implied, available to Ferro FPF.
- 5) With respect to Goods which are resold or otherwise transferred to a third party by Ferro FPF, our clients shall have the full benefit of all warranties from the Supplier and its sub-suppliers, whether hereunder or otherwise, and the Supplier agrees to any assignments of such warranties to such clients by us.
- 6) At our option, when notified of any nonconformity by us, the Supplier shall, at Supplier's cost and expense, promptly repair or replace any

Goods which do not conform to the foregoing warranties. In the event Supplier fails to promptly honour the foregoing warranties, Ferro FPF, after reasonable notice to Supplier and in addition to its other remedies at law or equity, may repair or replace such Goods and charge Supplier for any associated cost(s) and expenses incurred. Provided, however, if Ferro FPF is either unable or opts not to repair or replace any such Goods, Supplier shall promptly refund to us the full purchase price paid by us for all such Goods.

- 7) If any warranty work is performed in the warranty period, any replaced or repaired parts of the Goods shall be guaranteed by the Supplier for a renewed period with the same duration as the original warranty.

## Article VII. Termination for Default

- 1) Ferro FPF may, by notice to the Supplier, terminate the contract in whole or in part for default upon the occurrence of any of the following events:
  - a) If Supplier defaults in any of its obligations under the Contract;
  - b) If Supplier fails to make delivery of the Goods within the time specified in the Order;
  - c) If Supplier fails to provide sufficient, properly skilled workmen or materials of proper quality;
  - d) Failure by Supplier, in any respect, to execute the work according to the current schedule as established from time to time;
  - e) If the Supplier is experiencing financial difficulties including bankruptcy, insolvency or failure to pay subcontractors on time; or
  - f) If the Supplier violates local law, regulation or safety regulations in any way.
- 2) Without prejudice to any other remedy, upon default by Supplier hereunder, Ferro FPF may, at its election:
  - a) require the Supplier to do all things possible to expedite manufacture or delivery or performance in order to minimise the delay;
  - b) reject or retract acceptance of the Goods (in whole/part);
  - c) require the Supplier to repair or replace the rejected Goods;
  - d) if paid require the Supplier to provide a full refund of the price of the rejected Goods;
  - e) dispose of the Goods for the account of Supplier at a time and price which we deem reasonable;
  - f) purchase substitute elsewhere and charge Supplier with any resulting loss or damage;
  - g) to claim damages for any other costs, loss or expenses incurred by Ferro FPF which are in any way attributable to the Supplier's failure to carry out its obligations under the Contract;
  - h) receive compensation for Goods used or processed along with any and all associated costs, fees, expenses and damages; and/or
  - i) terminate this Contract without any obligation whatsoever with respect to Goods not yet delivered to us at the time of such termination.
- 3) Ferro FPF's decision to pursue any one such remedy shall not be deemed to be an election not to pursue any other remedy at the same time or at any other time.
- 4) In the event of Termination for Default, Ferro FPF shall not be liable to Supplier for any damages sustained by reason of the termination, and we shall have all rights and remedies provided at law and in equity.
- 5) Ferro FPF shall not be liable for any consequential or indirect damages arising out of termination.

## Article VIII. Termination for Convenience

- 1) In addition to its other rights and remedies at law or equity, Ferro FPF, at any time, by written notice may terminate this Order or any part thereof without cause.
- 2) Upon receipt of notice of such termination, the Supplier shall immediately stop all goods in process, and shall immediately cause any of its sub-suppliers to cease such goods in process.
- 3) Supplier shall not be paid for any goods processed after receipt of the notice of termination, nor for any costs incurred by its suppliers which Supplier could reasonably have avoided.
- 4) In the event of termination without cause, Ferro FPF's liability shall be the lesser of:
  - a) a reasonable and verifiable price for raw materials, components, work in progress, and any finished units on hand; or
  - b) the contract price per finished unit, after giving effect to any discount we would otherwise be entitled to.

- 5) Upon payment Ferro FPF shall have no further obligation to the Supplier of any kind.
- 6) Ferro FPF shall not be liable for any consequential or indirect damages arising out of termination.
- 7) In the event of any cancellation, Ferro FPF may also require the Supplier to deliver to it in the manner and to the extent directed by us, any completed or partially completed Goods indicated on the Order subject to the payment by Ferro FPF to the Supplier of an allocable portion of the price as may be agreed to by and between the Parties.
- 8) Supplier shall continue performance of the Order with respect to any portion of the Order which is not cancelled by Ferro FPF.
- 9) Except as expressly set forth in this Article VIII, Ferro FPF shall have no obligation or liability to Supplier associated with its termination for convenience of all or a portion of the Order.

## Article IX. Force Majeure

- 1) Except for an obligation to pay any sum when due hereunder, neither Party shall, under any circumstances, be liable for any delay in or default of any of its obligations hereunder when such delay or default is directly or indirectly caused by or in any manner arises out of any cause beyond its reasonable control and not due to its negligence including, without limitation, fire, flood, accident, act of God, war, embargo, strike (collectively, "Force Majeure Events").
- 2) Each party agrees to notify the other as soon as possible of the occurrence of any Force Majeure Event. Upon the occurrence of a Force Majeure Event, the affected party's performance hereunder shall immediately be suspended and any affected delivery or ship dates shall be automatically extended for a period equal to the duration of the Force Majeure Event.
- 3) If the Supplier at any time becomes unable duly and timely to perform this Order for a period of 30 days or more, Ferro FPF shall be entitled to terminate this Order for cause, in whole or part, as provided above.

## Article X. Changes

- 1) Ferro FPF shall have the right at any time to make reasonable changes in drawings, designs, specifications, materials, packaging, time and place of delivery and method of transportation. If any changes cause an increase or decrease in the cost or the time required for performance of this Order, an equitable adjustment shall be made and this Order shall be modified in writing accordingly. Supplier agrees to accept any such changes subject to this paragraph.

## Article XI. Intellectual Property Rights

- 1) All intellectual property rights in all works or Goods provided under this Contract which are written or produced on a bespoke or customised basis, including, without limitation, all future such rights when the said works are created, shall be owned by Ferro FPF and the Supplier shall ensure that it executes all documents necessary to effect such ownership.
- 2) To the extent that Intellectual Property Rights in the Goods are not required to be assigned to Ferro FPF, Supplier grants to Ferro FPF a royalty free, non-exclusive, perpetual and worldwide right to use the same.
- 3) Where the Supplier provides existing intellectual property right protected material to Ferro FPF under this Agreement it shall disclose this to us, warrants it has the right to do so and shall fully indemnify and hold us harmless against all loss or liability arising from any third party intellectual property rights claims arising both from such existing material and in relation to any such bespoke work.
- 4) Except as provided above both parties retain ownership of their pre-existing intellectual property rights protected material.

## Article XII. Indemnity

- 1) Supplier agrees to indemnify, hold harmless and defend Ferro FPF, its employees, agents, affiliates, successors, assigns, clients or users of the Goods against all lawsuits, damages, losses, expenses, claims, direct or indirect or consequential liabilities, judgments, fines, settlements or penalties, including all attorney's fees and litigation costs, for:
  - a) any breach by the Supplier of any of the terms of the Contract;
  - b) any Claims for death, personal injury or damage to property arising out of, relating to, or in connection with, the use, manufacture, fabrication, or sale, of the goods sold by Supplier to Ferro FPF;
  - c) any Claim by a third party arising out of, or in connection with, the supply of the Goods, to the extent that such claim arises out of the

breach, negligent performance or failure or delay in performance of the Contract by Supplier, the Supplier's Personnel or subcontractors; and

- d) any actual or alleged infringement of any patent, copyright, trademark or violation of any other Intellectual Property Rights of a third party's arising out of, or in connection with, the manufacture, supply or use of the Goods.
- 2) Supplier further agrees to indemnify, hold harmless and defend Ferro FPF, its employees, agents, affiliates, successors, assigns, clients or users of the Goods against all lawsuits, damages, losses, expenses, claims, direct or indirect or consequential liabilities, judgments, fines, settlements, or penalties, including all attorney's fees and litigation costs, arising from relating to, or in connection with, Supplier's breach of any of the warranties expressed herein and any warranties implied by law.
- 3) The indemnification rights provided in this Contract shall be in addition to the warranty obligations of Supplier and any other rights or remedies available to Ferro FPF at law or equity.
- 4) This indemnity shall survive delivery and acceptance of Goods.

## Article XIII. Confidential information

- 1) Supplier shall consider all information furnished by Ferro FPF, to be confidential and shall not disclose any such information to any other person, or use such information itself for any purpose other than performing the Contract, unless Supplier obtains written permission from us.

## Article XIV. Dispute Resolution/Governing Law

- 1) The Parties shall attempt in good faith to negotiate a settlement to any dispute between them arising out of or in connection with the Agreement and such efforts shall involve the escalation of the dispute to an appropriate senior representative of each Party.
- 2) If the matter is not resolved within thirty (30) days of the initial escalation of the dispute to senior representatives of the Parties, either Party may by written notice to the other Party, refer the dispute to Dubai Courts.
- 3) If the dispute is referred to the Dubai Courts the legal place of court proceedings shall be at Dubai, United Arab Emirates. The decision by the court shall be binding and final to both parties.
- 4) These Terms and Conditions shall be governed by and construed in accordance with the Federal laws of the United Arab Emirates as applied by the Courts of the Emirate of Dubai.

## Article XV. Miscellaneous

- 1) Section headings are for convenience only and shall have no legal or interpretive effect.
- 2) The failure of a party to enforce any provision of the Contract shall not constitute a waiver nor affect its rights to enforce such and every other provision.
- 3) The Supplier may not assign or subcontract any of its rights or obligations without Ferro FPF's prior written consent. The Supplier is responsible for the performance or non-performance of any subcontractor and the Supplier shall be liable for due supply of goods and observance by the third party of all the terms and conditions of the Order as if the Supplier themselves supplied the Goods. Supplier shall indemnify and hold Ferro FPF harmless for any payment required to be made to any such subcontractors.
- 4) The Order and these Terms and Conditions of Purchase is the complete and exclusive statement of the contract between Ferro FPF and the Supplier with respect to our purchase of the Goods covered herein.
- 5) No waiver, consent, modification, amendment or change of the terms within the Contract shall be binding unless in writing and signed by both Parties.
- 6) Ferro FPF and/or its designated representative(s) shall have the right to audit the books and records of the Supplier relevant to this Order, at the Supplier's place of business or by electronic delivery, until five (5) years after delivery of goods.
- 7) In the event any of the provisions of this Contract in any way violates or contravenes applicable law, such provision(s) shall be deemed not to be a part of this Contract and the remainder of this Contract shall remain in full force and effect.
- 8) Ferro FPF and Supplier acknowledge that they are each independent parties and neither shall be deemed an agent or representative of the other or have authority to bind the other in any manner whatsoever.