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PETROGAS PIPING MIDDLE EAST FZCO

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SPECIALIST GLOBAL SUPPLIER
OF WORLD CLASS PIPING PRODUCTS

TERMS AND CONDITIONS OF PURCHASE 2020 Ver 1

These terms and conditions apply to the CONTRACT between Petrogas Piping Middle East FZCO (the "COMPANY") and the SUPPLIER, which may be in the form of a purchase order or a work statement (the "CONTRACT"). These terms and conditions are binding between COMPANY and SUPPLIER and supersede and replace any SUPPLIER terms and conditions or previous contracts between the parties. In the event that any special terms are agreed between the parties, the special terms will prevail over terms contained in these terms and conditions. Where these terms and conditions are attached to or incorporated in a CONTRACT issued under an existing contract, the terms and conditions of that existing contract will prevail.

PART A

1. DEFINITIONS

Capitalised words and expressions have the following meanings when interpreting the CONTRACT:

ACCEPTANCE: COMPANY accepts SCOPE in writing or is deemed to have accepted SCOPE in the manner specified by the CONTRACT.

AFFILIATE: in reference to a PERSON, any other PERSON that:

(a) directly or indirectly controls or is controlled by the first PERSON; or (b) is directly or indirectly controlled by a PERSON that also directly or indirectly controls the first PERSON. A PERSON controls another PERSON if that first PERSON has the power to direct or cause the direction of the management of the other PERSON, whether directly or indirectly, through one or more intermediaries or otherwise, and whether by ownership of shares or other equity interests, the holding of voting rights or contractual rights, by being the general partner of a limited partnership, or otherwise. Any AFFILIATE of Petrogas Piping Middle East FZCO is an AFFILIATE of COMPANY.

AGENCY PERSONNEL: those SUPPLIER PERSONNEL who are not direct employees but are working under the direct control and supervision of SUPPLIER GROUP.

APPLICABLE LAWS: where applicable to a PERSON, property, or circumstance, and as amended from time to time: (a) statutes (including regulations enacted under those statutes); (b) national, regional, provincial, state, municipal, or local laws; (c) judgments and orders of courts of competent jurisdiction; (d) rules, regulations, and orders issued by AUTHORITIES; and (e) regulatory approvals, permits, licenses, approvals, and authorisations.

AUTHORITIES: the government and any county, municipality, local government, or other political subdivision, instrumentality, ministry, or department which has jurisdiction over any part of SCOPE, or any county, municipality, local government or other political subdivision thereof.

BOOKS AND RECORDS: books, accounts, contracts, records, and documentation, in electronic format or otherwise, in respect of the CONTRACT and performance of SCOPE.

COMPANY GROUP: COMPANY and (a) its CO-VENTURERS and JOINT VENTURES; (b) any AFFILIATE of COMPANY, its JOINT VENTURES, or its CO-VENTURERS; and (c) any director, officer, employee, or other individual working under the direct control and supervision of COMPANY, its JOINT VENTURES, or CO-VENTURERS, or the AFFILIATES of COMPANY, its JOINT VENTURES, or CO-VENTURERS. A reference to COMPANY GROUP includes a reference to each of its members severally.

COMPANY PROVIDED ITEMS: items of materials, equipment, services, or facilities, provided by COMPANY to SUPPLIER to perform SCOPE.

CONFIDENTIAL INFORMATION: all technical, commercial, photographic or other information, and all documents and other tangible items that record information, whether on paper, in machine readable format, by sound or video, by way of samples or otherwise, relating to a PERSON's business, including WORK PRODUCT, PERSONAL DATA and SCOPE provided to that PERSON, business plans, property, way of doing business, business results or prospects, the terms, negotiations, and existence of the CONTRACT, proprietary software, IP RIGHTS, and business records. A reference to COMPANY GROUP'S CONFIDENTIAL INFORMATION includes WORK PRODUCT and the terms, negotiations, and existence of the CONTRACT.

CONSEQUENTIAL LOSS: (a) indirect or consequential losses; or (b) loss of production, loss of product, loss of use, and loss of revenue, profit, or anticipated profit, whether direct, indirect, or consequential, and whether or not the losses were foreseeable at the time of entering into the CONTRACT.

CONTRACT PRICE: the total amount payable by COMPANY to SUPPLIER in accordance with the CONTRACT.

CO-VENTURER: any PERSON who is a party to a joint operating agreement, unitisation agreement, including a JOINT VENTURE, or similar agreement: (a) with COMPANY or any of its AFFILIATES; and (b) which agreement is related to SCOPE performed under the CONTRACT. A reference to CO- VENTURERS includes a reference to each CO-VENTURER severally and to its respective successors and permitted assigns.

FORCE MAJEURE EVENT: the events qualifying as a force majeure event as expressly set out in the CONTRACT.

GOODS: goods, materials, products, and equipment to be supplied by SUPPLIER under the CONTRACT.

GOVERNMENT OFFICIAL: (a) any official or employee of any government, or any agency, ministry, or department of a government (at any level); (b) anyone acting in an official capacity for a government regardless of rank or position; (c) any official or employee of a company wholly or partially controlled by a government (e.g. a state-owned oil company), political party, or any official of a political party; (d) any candidate for political office, or any officer or employee of a public international organisation (e.g. the United Nations or the World Bank); and (e) any immediate family member (meaning a spouse, dependent child, or household member) of any of the foregoing.

HSSE STANDARDS: (a) all HSSE policies, manuals, standards, rules, and procedures, as communicated to SUPPLIER, by or on behalf of COMPANY, designed to manage HSSE risks during performance of SCOPE under the CONTRACT; (b) all APPLICABLE LAWS relating to HSSE; and (c) any other rules and procedures (whether issued by COMPANY GROUP or otherwise) in force at a relevant COMPANY GROUP WORKSITE at the time of performance of SCOPE.

INDEMNIFY: release, save, indemnify, defend, and hold harmless.

INDIRECT TAXES: any of the following: (a) value added tax; (b) goods and services tax; or (c) sales tax or similar levy which are current as per the government legislations.

INSOLVENCY EVENT: if a business: (a) stops or suspends, or threatens to stop or suspend, payment of all or a material part of its debts, or is unable to pay its debts as they fall due; (b) ceases or threatens to cease to carry on all or a substantial part of its business; (c) begins negotiations for, starts any proceedings concerning, proposes or makes any agreement for the re-organisation, compromise, deferral, or general assignment of, all or substantially all of its debts; (d) makes or proposes an arrangement for the benefit of some or all of its creditors of all or substantially all of its debts; (e) takes any step with a view to the administration, winding up, or bankruptcy of that business; (f) is subject to an event in which all or substantially all of its assets are subject to any steps taken to enforce security over those assets or to levy execution or similar process, including the appointment of a liquidator, receiver, administrator, or similar officer.



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of a receiver, trustee in bankruptcy, or similar officer; or (g) is subject to any event under the law of any relevant jurisdiction that has an analogous or equivalent effect to any of the INSOLVENCY EVENTS listed above.

IP RIGHTS: all patents, copyright, database rights, design rights, rights in CONFIDENTIAL INFORMATION, including know-how and trade secrets, inventions, moral rights, trademarks and service marks (all whether registered or not and including all applications for any of them and all equivalent rights in all parts of the world), whenever and however arising for their full term, and including any divisions, re-issues, re-examinations, continuations, continuations-in-part, and renewals.

JOINT VENTURE: any entity: (a) which itself is not an AFFILIATE OF COMPANY; (b) in which an AFFILIATE OF COMPANY has a direct or indirect ownership interest; and (c) the activities of which are related to SCOPE.

LIABILITIES: liabilities for all claims, losses, damages, costs (including legal fees), and expenses.

LIENS: liens, attachments, charges, claims, or other encumbrances against SCOPE or property of COMPANY GROUP.

LIQUIDATED DAMAGES: amounts agreed in the CONTRACT, that SUPPLIER must pay to COMPANY if certain events or obligations as specified in the CONTRACT are not achieved or not timely achieved.

OTHER SUPPLIER: any other SUPPLIER engaged by COMPANY to perform WORK at the WORKSITE.

PERSON: a natural person or a legal entity, including any partnership, limited partnership, limited liability company, corporation, firm, trust, body corporate, government, governmental body or agency, or unincorporated venture.

PERSONAL DATA: any information relating to an identified or identifiable individual, unless otherwise defined under APPLICABLE LAWS related to the protection of individuals, the processing of such information, and security requirements for and the free movement of such information.

RESTRICTED JURISDICTION: countries or states that are subject to comprehensive trade sanctions or embargoes (as may be amended by the relevant AUTHORITIES from time to time).

RESTRICTED PARTY: (a) any PERSON targeted by national, regional, or multilateral trade or economic sanctions under APPLICABLE LAWS; (b) any PERSON designated on the United Nations Financial Sanctions Lists, European Union (EU) or EU Member State Consolidated Lists, US Department of the Treasury Office of Foreign Assets Control Lists, US State Department Non-proliferation Sanctions Lists, or US Department of Commerce Denied Persons List, in force from time to time; or (c) any AFFILIATES of such PERSONS; and (d) any PERSON acting on behalf of a PERSON referred to in the foregoing.

SCOPE: the GOODS to be delivered, by or on behalf of SUPPLIER under this CONTRACT, and all other activities and obligations to be performed by or on behalf of SUPPLIER under this CONTRACT.

SERVICES: services to be supplied by SUPPLIER under the CONTRACT, including the results of those services.

SOFTWARE: any software forming part of SCOPE or necessary for the intended use of SCOPE, including, as applicable, the database and all machine codes, binaries, object codes or source codes, whether in a machine or human readable form, and all improvements, modifications, and updates, flow charts, logic diagrams, passwords, and output tapes, and any future updates, releases, and generally available associated software items, together with the license to use them or ownership rights in them.

STANDARDS OF PRACTICE: with reference to SCOPE and the performance of SCOPE, the sound standards, methods, skill, care, techniques, principles, and practices that are recognised and generally accepted in the international oil, gas, and petrochemical industry.

SUBCONTRACT: any contract between SUPPLIER and a SUBCONTRACTOR or between a SUBCONTRACTOR and another SUBCONTRACTOR of any tier for the performance of any part of SCOPE, including any call off under framework agreements of COMPANY or an AFFILIATE of COMPANY and supply agreements for materials.

SUBCONTRACTOR: any party to a SUBCONTRACT, other than COMPANY and SUPPLIER, including any employers of AGENCY PERSONNEL (except as explicitly provided otherwise).

SUPPLIER EQUIPMENT: any machinery, plant, tools, equipment, goods, materials, supplies, and other items (including all appropriate associated spare parts, storage containers, packing, and securing) owned or contracted for by SUPPLIER GROUP, provided title has not passed and will not pass to COMPANY under the CONTRACT.

SUPPLIER GROUP: SUPPLIER and: (a) its SUBCONTRACTORS, (b) any AFFILIATE of SUPPLIER or its SUBCONTRACTORS; and (c) any director, officer, employee, other PERSON or AGENCY PERSONNEL employed by or acting for and on behalf of SUPPLIER, its SUBCONTRACTORS, or the AFFILIATES of SUPPLIER and its SUBCONTRACTORS. A reference to SUPPLIER GROUP includes a reference to each of its members severally.

SUPPLIER PERSONNEL: any individual provided by SUPPLIER GROUP, whether directly or indirectly, and assigned to work in connection with the performance of SCOPE, whether or not an employee of SUPPLIER GROUP.

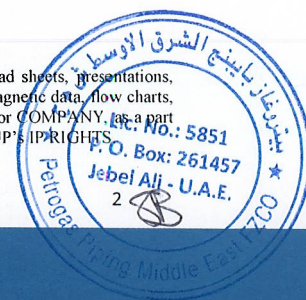
TAXES: all taxes, duties, levies, import, export, customs, stamp or excise duties (including clearing and brokerage charges), charges, surcharges, withholdings, deductions, or contributions that are imposed or assessed by any competent authority of the country where SCOPE is performed or any other country in accordance with APPLICABLE LAWS.

VARIATION: a modification or alteration of, addition to, or deletion of, all or part of SCOPE.

VARIATION ASSESSMENT: a proposal prepared by SUPPLIER in respect of a VARIATION in which it provides full detail of the following: (a) the impact of the proposed VARIATION on SCOPE; (b) a detailed schedule for the performance of adjusted SCOPE; (c) the effect on the CONTRACT PRICE (if any), determined in accordance with the CONTRACT; and (d) any other information COMPANY concludes is necessary for its evaluation.

VARIATION ORDER: a written order for a VARIATION authorised by COMPANY.

WORK PRODUCT: any and all information, reports, data, drawings, computer programs, source and object codes, program documentation, spread sheets, presentations, analyses, results, conclusions, findings, solutions, calculations, studies, concepts, codes, manuals, inventions, business models, designs, prototypes, magnetic data, flow charts, recommendations, working notes, specifications or other information, documents, or materials, which arise out of or are made, created, or generated for COMPANY, as a part of SCOPE, or which are made, created, or generated from or using COMPANY GROUP'S CONFIDENTIAL INFORMATION or COMPANY GROUP'S IP RIGHTS.



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WORKSITE: lands, waters, and other places on, under, in, or through which SCOPE or activities in connection with SCOPE are to be performed, including manufacturing, fabrication, or storage facilities, offshore installations, floating construction equipment, vessels, offices, workshops, camps, or messing facilities. WORKSITE does not include any lands, waters, or other places used during transportation to and from WORKSITES.

2. REQUIREMENTS PERTAINING TO SCOPE

(a) This CONTRACT is non-exclusive and carries no requirement for COMPANY to place any orders or purchase any minimum quantities unless agreed upon by both the Company. COMPANY may acquire same or similar SCOPE from other suppliers.

(b) Time is of the essence for the performance of SCOPE.

(c) Any information supplied by COMPANY is the property of COMPANY and will not be used by SUPPLIER for any purpose other than for performance of the CONTRACT.

3. REQUIREMENTS PERTAINING TO GOODS

(a) SUPPLIER guarantees that GOODS supplied in connection with the performance of SCOPE will be: (i) without fault, defect, or deficiency; (ii) new on delivery, unless otherwise specified in the CONTRACT; (iii) fit for use for any purpose specified in the CONTRACT; and (iv) in strict conformance with the CONTRACT and any specification, drawing, or other description supplied by COMPANY to SUPPLIER and agreed to as part of the CONTRACT.

(b) Unless a different period is specified in the SCOPE DESCRIPTION, SUPPLIER's warranty for GOODS applies to all defects arising within 24 (twenty four) months of COMPANY's ACCEPTANCE of GOODS.

(c) Following ACCEPTANCE by COMPANY of the GOODS, the warranties set out in this Article are in lieu of all other warranties expressed or implied by law, custom, usage, or otherwise.

(d) SUPPLIER retains risk of loss of and damage to the GOODS until delivery is complete in accordance with the INCOTERMS in any case where INCOTERMS are specified, otherwise when COMPANY takes physical possession of the GOODS.

(e) Title to the GOODS will pass to COMPANY at the earlier of: (i) risk of loss of and damage to the GOODS passing to COMPANY; or (ii) as COMPANY makes payment for the GOODS.

(f) SUPPLIER will pack the GOODS so that they may be transported and unloaded safely. SUPPLIER represents that, on delivery, the GOODS will have been accurately described, classified, marked, and labelled, in accordance with the CONTRACT, all APPLICABLE LAWS, and STANDARDS OF PRACTICE.

4. REQUIREMENTS PERTAINING TO SERVICES

4.1. SERVICES Warranties

(a) SUPPLIER warrants that all SERVICES supplied in connection with the performance of SCOPE will be: (i) performed in accordance with the CONTRACT; (ii) fit for use for any purpose specified in the CONTRACT; and (iii) free from any defect or deficiency.

(b) Unless a different period is specified in the SCOPE description, SUPPLIER's warranty for SERVICES applies to all defects arising within 24 (twenty four) months of COMPANY's ACCEPTANCE of the SERVICES.

(c) Following ACCEPTANCE by COMPANY of the SERVICES, the warranties set out in this Article are in lieu of all other warranties expressed or implied by statute, common law, custom, usage, or otherwise.

(d) SUPPLIER will supply SERVICES diligently, efficiently, and carefully, in a good and professional manner, and in accordance with the CONTRACT and all STANDARDS OF PRACTICE. SUPPLIER will furnish all skills, labour, supervision, equipment, goods, materials, supplies, transport, and storage required for SERVICES.

4.2. SUPPLIER PERSONNEL in connection with SERVICES where required by COMPANY, SUPPLIER will perform at its own expense security background checks and obtain entry credentials for SUPPLIER PERSONNEL on COMPANY GROUP WORKSITES.

5. COMPENSATION, PAYMENT, AND INVOICING

(a) COMPANY agrees to pay the CONTRACT PRICE to SUPPLIER in the currency specified in the Schedule of Prices, and at the times and in the manner specified in this Article. The CONTRACT PRICE is all-inclusive, shall remain firm, fixed and shall not be subject to any escalation for the duration of the CONTRACT.

(b) SUPPLIER will invoice only after ACCEPTANCE of SCOPE, except as otherwise provided in the CONTRACT.

(c) COMPANY will pay SUPPLIER any undisputed amount within the time period specified in the CONTRACT after receipt of a correct and adequately supported invoice. An invoice is considered unsupported when COMPANY cannot reasonably verify the legitimacy or accuracy of the invoice using the information provided by SUPPLIER or if supporting documentation is missing.

(d) Payment of an invoice is not: (i) by itself an accord of satisfaction, or otherwise a limitation of the rights of the parties in connection with the matter; or (ii) evidence SCOPE was performed in accordance with the CONTRACT.

(e) If COMPANY disputes an invoice, COMPANY may withhold payment of any disputed part of an invoice and pay only the undisputed part. COMPANY may, on notice to SUPPLIER, set off any liabilities between SUPPLIER and COMPANY arising out of the CONTRACT or any other agreement. Any exercise by COMPANY of its rights under this provision will be without prejudice to any other rights or remedies available to COMPANY.

6. QUALITY ASSURANCE

SUPPLIER must have quality assurance programs in place adequate to support its performance of SCOPE.

7. ACCESS TO COMPANY SYSTEMS, INFORMATION, OR INFRASTRUCTURE



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In the event that performance of SCOPE requires SUPPLIER or SUPPLIER PERSONNEL to access COMPANY GROUP's technical information, information technology, or resources (including COMPANY's infrastructure), SUPPLIER will sign and comply with COMPANY's standard terms and conditions for access and security, unless other terms applicable to the CONTRACT were agreed on by the parties in writing.

8. VARIATIONS

COMPANY may request, or SUPPLIER may initiate, a VARIATION ASSESSMENT for reasons of emergency, safety, or other reasonable necessity. SUPPLIER is not entitled to a VARIATION for matters that were included in SCOPE, or matters that SUPPLIER agreed to perform or take into account in connection with the CONTRACT. COMPANY may reject or accept the VARIATION ASSESSMENT by issuing a VARIATION ORDER.

9. INSPECTIONS, TESTING, AND ACCEPTANCE OF SCOPE

(a) To confirm SCOPE complies with the CONTRACT, SUPPLIER will perform all tests and inspections required by the CONTRACT, APPLICABLE LAWS and, unless otherwise specified in the CONTRACT, STANDARDS OF PRACTICE.

(b) SUPPLIER will request ACCEPTANCE from COMPANY: i) of GOODS by completion of delivery; or ii) of SERVICES by writing on completion of SCOPE. Other than to start the period for any warranty of limited duration, ACCEPTANCE does not limit or waive any remedies.

10. REMEDIAL ACTIONS

If defects in SCOPE are discovered, SUPPLIER will provide a plan to remedy the defects and will remedy the defects in an expeditious manner. Without prejudice to other remedies it may have, COMPANY may perform or have others perform some or all of the remedial actions, and SUPPLIER will pay or promptly reimburse COMPANY for all costs SUPPLIER would have been liable for under the CONTRACT where: (i) emergency situations or other HSSE risks require the immediate performance of remedial actions; (ii) SUPPLIER presents a plan which does not provide for expeditious completion of warranty work; or (iii) SUPPLIER does not timely complete the actions according to the agreed schedule. SUPPLIER's warranties against defects are assignable, and SUPPLIER will assign to COMPANY all manufacturers' warranties or will pursue for COMPANY or its assignee all warranties that cannot be assigned.

PART B

1. PERFORMANCE

(a) SUPPLIER will participate in business performance reviews to discuss HSSE performance, SUPPLIER'S financial condition and other key performance indicators (KPIs).

(b) The frequency of business performance reviews will be established by the SCOPE description or alternatively, by COMPANY'S representative.

2. TAXES

2.1 SUPPLIER TAXES

SUPPLIER will be responsible for payment of all TAXES, and any interest, fines, or penalties for which SUPPLIER GROUP is liable for: (a) income, capital gains, and wages; and (b) import or export of SUPPLIER EQUIPMENT, or the movement of SUPPLIER PERSONNEL.

2.2 INDIRECT TAXES

If INDIRECT TAXES apply, SUPPLIER will add them to the invoice as a separate item, and COMPANY will pay them in addition to the CONTRACT PRICE.

2.3 Withholding

(a) Where required under APPLICABLE LAWS, COMPANY will withhold and pay over to relevant AUTHORITIES, TAXES from amounts payable to SUPPLIER. That sum is a corresponding discharge of COMPANY's liability to SUPPLIER under the CONTRACT.

(b) If SUPPLIER holds a valid exemption certificate, it will provide copies or further information to substantiate an entitlement to avoid the withholding, which COMPANY may then rely on to apply the exemption.

3. LIENS

SUPPLIER warrants good and clear title to SCOPE supplied. SUPPLIER will not permit SUPPLIER GROUP to place any LIENS or claim any LIENS. SUPPLIER will immediately notify COMPANY and promptly remove any LIENS by SUPPLIER GROUP.

4. SUSPENSION

(a) COMPANY may suspend the CONTRACT or part of SCOPE for cause by written notice with immediate effect pending COMPANY's decision on termination where COMPANY concludes it has grounds to terminate the CONTRACT for cause. Where suspending for cause, SUPPLIER will not be entitled to any VARIATION or other compensation.

(b) COMPANY may suspend the CONTRACT or part of SCOPE for convenience at its own discretion with seven days' prior written notice. SUPPLIER may seek a VARIATION if actions required by suspension impact the schedule or timing of SCOPE.

(c) COMPANY may at any time withdraw by written notice all or part of a suspension and SUPPLIER will resume performance.

5. TERMINATION

5.1 Termination by COMPANY for cause

(a) COMPANY may terminate the CONTRACT or part of SCOPE for cause by written notice with immediate effect if: (i) in connection with the performance of the CONTRACT, SUPPLIER GROUP breaches its own business principles, or if it has no equivalent principles, then Petrogas Piping Middle East FZCO's Business Principles;



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(ii) SUPPLIER GROUP violates applicable anti-corruption laws, applicable competition laws, other APPLICABLE LAWS, or HSSE STANDARDS or causes COMPANY to be in violation of those laws or HSSE STANDARDS; (iii) SUPPLIER GROUP becomes a RESTRICTED PARTY; (iv) SUPPLIER is subject to an INSOLVENCY EVENT, including where SUPPLIER is an unincorporated joint venture, consortium, or similar entity, in which case an INSOLVENCY EVENT for one of its members is considered an INSOLVENCY EVENT for SUPPLIER; (v) SUPPLIER fails to provide or maintain any security required by the CONTRACT, or a party providing a guarantee or bond under the CONTRACT is subject to an INSOLVENCY EVENT; (vi) if applicable, the cap on LIQUIDATED DAMAGES for delay has been reached (vii) SUPPLIER has abandoned or repudiated the CONTRACT; or (viii) SUPPLIER wilfully delays or demonstrates the intention not to continue performance of the CONTRACT.

(b) COMPANY may terminate the CONTRACT or part of SCOPE for cause where COMPANY determines SUPPLIER materially breached a term or condition of the CONTRACT other than those set out in the preceding paragraph. COMPANY will first provide written notice which may require SUPPLIER to remedy the breach, or COMPANY may terminate the CONTRACT if COMPANY determines the breach is not capable of timely remedy, or it is not subsequently remedied.

5.2. Termination by COMPANY for convenience

COMPANY may terminate the CONTRACT or part of SCOPE for convenience at its own discretion with 30 days' prior written notice.

5.3. Termination by SUPPLIER for cause

(a) SUPPLIER may terminate the CONTRACT if COMPANY fails to pay an undisputed amount to SUPPLIER that is properly presented, due, and payable for more than 90 (ninety) days and exceeds 75% (seventy five percent) of the CONTRACT PRICE, assuming complete performance of the CONTRACT, subject to (i) SUPPLIER giving COMPANY with prior written notice specifying the unpaid amount which is due and payable for more than 90 (ninety) days and requiring it to be paid within a further period of 45 (forty five) days of such notice; and (ii) COMPANY failure to cure or provide proper grounds for non-payment during the notice period.

(b) SUPPLIER'S termination rights do not apply to non- payment in the case of COMPANY'S valid exercise of set off rights.

5.4. SUPPLIER Obligations on Termination

On any termination, SUPPLIER will promptly cease performance, give access to SCOPE in progress, avoid unreasonable interference with others, and take reasonable steps to allow COMPANY to complete SCOPE, including turning over all documentation for SCOPE and SOFTWARE which was to be supplied in connection with the CONTRACT.

5.5. Compensation in the Event of Termination

(a) If COMPANY terminates the CONTRACT or part of SCOPE for cause, COMPANY will determine and pay (subject to valid set offs) the amounts owed to SUPPLIER for SCOPE properly performed in accordance with the CONTRACT prior to termination.

(b) If COMPANY terminates the whole of the CONTRACT for convenience or SUPPLIER validly terminates for non- payment, COMPANY will also pay reasonable, unavoidable, and auditable demobilisation costs that COMPANY has specifically agreed elsewhere in the CONTRACT to pay on termination for convenience by COMPANY.

5.6. Exclusive Reasons for Termination

The parties waive any right to terminate, rescind, or otherwise end the CONTRACT, on grounds other than those set out in the CONTRACT.

6. LIQUIDATED DAMAGES

Any LIQUIDATED DAMAGES set out in the CONTRACT are genuine pre-estimates of the losses that may be sustained by failure of performance. COMPANY may claim demonstrated general damages in any case where LIQUIDATED DAMAGES are unenforceable.

7. LIABILITIES AND INDEMNITIES

(a) Liability for loss of and damage to property and for personal injury, death, or disease to any PERSON, arising in connection with the CONTRACT, will be determined in accordance with APPLICABLE LAW.

(b) Neither party will be liable to the other for that other party's own CONSEQUENTIAL LOSS, regardless of negligence or other fault.

(c) Neither party excludes or limits its LIABILITIES to the extent they may not be excluded under APPLICABLE LAW.

8. INSURANCE

Prior to commencement of performance, SUPPLIER will arrange any insurance required by APPLICABLE LAW, and maintain that insurance in effect throughout the duration of the CONTRACT. Satisfaction of the obligation to procure insurance and perform other actions in connection with this Article will not relieve SUPPLIER of any other obligations or LIABILITIES.

9. COMPLIANCE WITH APPLICABLE LAWS, BUSINESS PRINCIPLES, AND HSSE STANDARDS

9.1. APPLICABLE LAWS

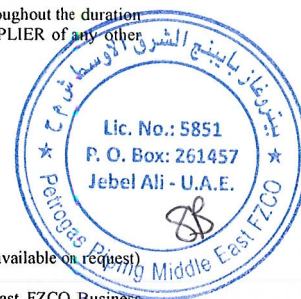
SUPPLIER will comply with APPLICABLE LAWS in the performance of the CONTRACT and will notify COMPANY of any material breaches.

9.2. Business Principles

(a) SUPPLIER acknowledges that it has actual knowledge of: Petrogas Piping Business Principle, Petrogas Piping's Code of Conduct. (Copies of policies available on request)

(b) SUPPLIER agrees that SUPPLIER GROUP will adhere to and notify of violations of the principles contained in the Petrogas Piping Middle East FZCO Business Principles (or where SUPPLIER has adopted equivalent principles, to those equivalent principles) in all its dealings with or on behalf of COMPANY, in connection with this CONTRACT and related matters.

(c) If SUPPLIER GROUP supplies staff that work on behalf of COMPANY or represent COMPANY, SUPPLIER commits that the staff will behave in a manner that is consistent with the Petrogas Piping Code of Conduct.



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9.3. Anti-Bribery and Corruption

(a) SUPPLIER represents that, in connection with this CONTRACT and related matters: (i) it is knowledgeable about anti-corruption laws in the relevant jurisdictions and will comply with those laws; (ii) SUPPLIER GROUP has not made, offered, authorised, or accepted, and will not make, offer, authorise, or accept, any payment, gift, promise, or other advantage, whether directly or through any other PERSON, to or for the use or benefit of any GOVERNMENT OFFICIAL or any other PERSON where that payment, gift, promise, or other advantage would: (A) comprise a facilitation payment; or (B) violate the relevant ANTI-CORRUPTION LAWS.

(b) SUPPLIER will immediately notify COMPANY if SUPPLIER receives or becomes aware of any matter that is prohibited by the preceding paragraph.

(c) SUPPLIER affirms that no PERSON in SUPPLIER GROUP is a GOVERNMENT OFFICIAL or other PERSON who could assert illegal influence on behalf of COMPANY or its AFFILIATES. If a PERSON in SUPPLIER GROUP becomes a GOVERNMENT OFFICIAL, SUPPLIER will promptly notify COMPANY and remove that individual from performance in connection with SCOPE at COMPANY's request.

(d) SUPPLIER will maintain adequate internal controls and procedures to ensure compliance with anti-corruption laws, including the ability to demonstrate compliance through adequate and accurate recording of transactions in its BOOKS AND RECORDS.

(e) COMPANY will have the right to confirm compliance with anti-corruption laws and record keeping by audit. SUPPLIER will keep BOOKS AND RECORDS available for audit for five years following termination of the CONTRACT.

(f) SUPPLIER will INDEMNIFY COMPANY GROUP for any LIABILITIES arising out of SUPPLIER GROUP's breach of relevant anti-corruption laws or any related undertakings under this Article.

9.4. Export and Trade Controls

(a) SUPPLIER will comply with, all applicable trade control laws and will provide COMPANY with necessary data to comply with trade control laws.

(b) SUPPLIER will ensure that, except with the prior written consent of COMPANY: (i) COMPANY PROVIDED ITEMS are not exported, provided, or made available to any RESTRICTED JURISDICTION or RESTRICTED PARTIES; (ii) SUPPLIER PERSONNEL with access to COMPANY GROUP's technical information, information technology resources (including COMPANY GROUP's infrastructure), or COMPANY GROUP WORKSITES, are not RESTRICTED PARTIES or nationals of a RESTRICTED JURISDICTION; and (iii) SUPPLIER will not utilise SUBCONTRACTORS that are RESTRICTED PARTIES.

9.5. PERSONAL DATA Protection

The parties may provide each other with PERSONAL DATA in the course of the performance of this CONTRACT, the processing and transfer of which will be done in accordance with the applicable data protection laws. Each party is a data controller in respect of the PERSONAL DATA. The parties may provide each other with PERSONAL DATA in the course of the performance of this CONTRACT, the processing and transfer of which will be done in accordance with the applicable data protection laws. Each party is a data controller in respect of the PERSONAL DATA.

9.6. Health, Safety, Security, and Environment ("HSSE")

In performing SCOPE at COMPANY GROUP WORKSITES, or other location if specified in the HSSE STANDARDS, SUPPLIER will, and will ensure that SUPPLIER GROUP will, at all times comply with Petrogas Piping's HSSE STANDARDS as provided to SUPPLIER where necessary; and (ii) comply with other applicable HSSE STANDARDS.

10. CONFIDENTIAL INFORMATION

10.1 Obligations in Connection with CONFIDENTIAL INFORMATION

(a) SUPPLIER will, and will ensure that SUPPLIER GROUP will, not disclose or permit a disclosure to a third party of COMPANY GROUP's CONFIDENTIAL INFORMATION without the prior written consent of COMPANY and will use COMPANY GROUP's CONFIDENTIAL INFORMATION only in connection with performance of the CONTRACT.

(b) Information that SUPPLIER can prove at disclosure is public knowledge, in the possession of SUPPLIER without binder of secrecy, or developed independently of COMPANY's CONFIDENTIAL INFORMATION is not CONFIDENTIAL INFORMATION. Restrictions on disclosure of COMPANY's CONFIDENTIAL INFORMATION will cease if SUPPLIER can prove that the information had become part of the public knowledge through no fault of SUPPLIER GROUP or is subsequently disclosed to SUPPLIER without an obligation of confidentiality by a third party who has the legal right to do so.

(c) On COMPANY's request, SUPPLIER will return promptly any CONFIDENTIAL INFORMATION and delete it from electronic storage and delete or destroy all extracts or analyses that reflect any CONFIDENTIAL INFORMATION.

10.2 SUPPLIER Information

Except where the obligation is expressly stated elsewhere in the CONTRACT or through a separate agreement, COMPANY GROUP will not have an obligation of non-disclosure or non-use regarding information provided by SUPPLIER GROUP.

10.3 External Communications

SUPPLIER must obtain written approval from COMPANY before proceeding with any external communications in connection with the CONTRACT, disclosure of business relationships, or use of COMPANY's trademarks.

11. INTELLECTUAL PROPERTY

(a) Except for IP RIGHTS vested with SUPPLIER as provided below, all ownership rights, title, and interest in and to SCOPE and WORK PRODUCT will vest in COMPANY. This CONTRACT does not grant SUPPLIER GROUP any rights, title, or interest in or to COMPANY GROUP's IP RIGHTS, other than those set out in the CONTRACT. IP RIGHTS created by modifications, amendments, enhancements, or improvements (including tailor-made to the specifications of COMPANY) to COMPANY GROUP's IP RIGHTS, or made using COMPANY GROUP's CONFIDENTIAL INFORMATION, will vest with COMPANY or its nominee when created.



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(b) SUPPLIER, warranting that it is entitled to do so, grants to COMPANY GROUP the irrevocable, non-exclusive, perpetual, worldwide, royalty-free right and license, with the right to grant sub-licenses, to possess, and use any of SUPPLIER's IP RIGHTS embodied in SCOPE, including the right to import, export, operate, sell, maintain, modify and repair SCOPE. SUPPLIER warrants that any possession or use of SCOPE as delivered by SUPPLIER or of SUPPLIER's IP RIGHTS will not infringe the IP RIGHTS of any third party.

(c) COMPANY's ownership rights in SCOPE under this article will not extend to SUPPLIER's IP RIGHTS that: (i) pre-existed the performance under the CONTRACT; (ii) are developed independently from performance of the CONTRACT; or (iii) are used by SUPPLIER in connection with or to perform the CONTRACT, but are not based on or arising out of COMPANY GROUP's IP RIGHTS or CONFIDENTIAL INFORMATION.

(d) SUPPLIER will INDEMNIFY COMPANY GROUP, assignees, transferees, and sublicensees permitted by this CONTRACT for any LIABILITIES resulting from any claim that the ownership possession or use of any SCOPE or WORK PRODUCT infringes or misappropriates the IP RIGHTS of any third party.

12. FINANCIAL AND PERFORMANCE AUDIT

(a) COMPANY will have the right to audit: (i) invoiced charges and proper invoicing; (ii) other BOOKS AND RECORDS; and (iii) the performance of any other of SUPPLIER's obligations under the CONTRACT, where capable of being verified by audit.

(b) Based on the findings of the audit the parties will settle any amounts charged incorrectly within 60 (sixty) days of any audit finding; and SUPPLIER will provide or re-perform any SCOPE where the requirement to do so is identified by any audit within 60 (sixty) days of any audit finding.

(c) SUPPLIER will keep BOOKS AND RECORDS available for audit for the longer of the following periods: (i) five years following termination of the CONTRACT or any longer period as required by APPLICABLE LAWS; or (ii) two years after the period expires on any obligation of SUPPLIER to perform or re-perform any SCOPE.

(d) If a longer period is specified in the CONTRACT for retention of relevant BOOKS AND RECORDS for compliance with applicable anti-corruption laws, SUPPLIER will comply with that requirement.

13. RELATIONSHIP OF THE PARTIES

13.1 Independent SUPPLIER

SUPPLIER is an independent SUPPLIER in all aspects of performance under the CONTRACT. SUPPLIER is responsible for the method and manner of performance to achieve the results required by the CONTRACT.

13.2 No Business Relationship

(a) Neither the CONTRACT nor its performance creates a partnership or joint venture. No party is appointed as agent of the other. The CONTRACT does not permit SUPPLIER to make any commitment on behalf of COMPANY GROUP.

(b) SUPPLIER and SUPPLIER PERSONNEL are not to be considered employees of COMPANY GROUP and are not eligible to participate in any of COMPANY GROUP's employee benefit plans. SUPPLIER will indemnify COMPANY GROUP for any LIABILITIES related to claims for private or governmental benefits by SUPPLIER GROUP.

14. SUPPLIER PERSONNEL AND SUBCONTRACTING

14.1 Responsibility

SUPPLIER is responsible for any SCOPE performed by and all activities, omissions, and defaults of any SUBCONTRACTOR and all SUPPLIER PERSONNEL as if they were the activities, omissions, or defaults of SUPPLIER.

14.2 Condition to SUBCONTRACT

SUPPLIER may not subcontract any part of its obligations under the CONTRACT except as agreed in writing by COMPANY.

14.3 Formation and Content of SUBCONTRACTS; Further Requirements

SUPPLIER will ensure that SUBCONTRACTS are in all material respects consistent with the terms and conditions of the CONTRACT.

15. ASSIGNMENT

An assignment or novation by a party of all or part of the CONTRACT requires the written consent of the other party, except that COMPANY may assign and novate all or part of the CONTRACT to an AFFILIATE without the consent of SUPPLIER by giving written notice to SUPPLIER.

16. FORCE MAJEURE

(a) COMPANY and SUPPLIER are each excused from performance of the affected part of an obligation of the CONTRACT while performance is prevented by a FORCE MAJEURE EVENT unless the event was contributed to by the fault of the party or was due to circumstances that could have been avoided or mitigated by the exercise of reasonable diligence.

(b) Only the following are FORCE MAJEURE EVENTS: (i) riots, wars, blockades, or threats or acts of sabotage or terrorism; (ii) earthquakes, floods, fires, named hurricanes or cyclones, tidal waves, or tornadoes; (iii) radioactive contamination, epidemics, maritime or aviation disasters; (iv) strikes or labour disputes at a national or regional level or involving labour not forming part of SUPPLIER GROUP or COMPANY GROUP, which materially impair the ability of the party claiming force majeure to perform the CONTRACT; (v) government sanctions, embargoes, mandates, or laws, that prevent performance; (vi) except as expressly provided otherwise in the CONTRACT, inability of a party to timely obtain licenses, permits, or AUTHORITIES' consents required for performance; or (vii) non-performance of a party's SUBCONTRACTOR where the SUBCONTRACTOR has been or is affected by one of the above FORCE MAJEURE EVENTS. However, performance will only be excused under this sub-paragraph if the parties to the CONTRACT agree that substitute performance by another SUBCONTRACTOR is impracticable under the circumstances.

(c) A party whose performance is delayed or prevented will use reasonable endeavours to notify the other party and mitigate the effects of any FORCE MAJEURE.

(d) COMPANY may terminate the CONTRACT or part of SCOPE if any FORCE MAJEURE EVENT results in a delay that exceeds 90 consecutive or 180 cumulative days.



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17. NOTICES

All notices or other communications under the CONTRACT must be in English and in writing, and: (i) delivered by hand; (ii) sent by prepaid courier; (iii) sent by registered post; or (iv) sent by email with confirmation receipt requested. Notices and communications are effective when actually delivered at the address specified in the CONTRACT.

18. GOVERNING LAW, DISPUTE RESOLUTION AND REMEDIES

18.1. Governing Law

This CONTRACT, and any dispute or claim arising out of or in connection with this CONTRACT or its subject matter or formation, including any non-contractual disputes or claims, will be exclusively governed by and construed in accordance with the laws of Dubai, United Arab Emirates, excluding conflict of law rules and choice of law principles that provide otherwise.

18.2. Dispute Resolution

(a) Any dispute or claim arising out of or in connection with the CONTRACT or its subject matter or formation, including any question regarding its existence, validity, interpretation, breach, or termination, and including any non-contractual claim, will be finally and exclusively resolved by arbitration by the Dubai International Arbitration Centre under its then current commercial arbitration rules.

(b) Nothing in this Article will be construed as preventing any party from seeking conservatory or similar interim relief from any court with competent jurisdiction. Any award rendered by the arbitral tribunal will be made in writing and will be final and binding on the parties. The parties will carry out the award without delay. Judgment upon any award or order may be entered in any court having jurisdiction. All aspects of the arbitration will be considered confidential.

19. ADDITIONAL LEGAL PROVISIONS

(a) The parties retain their rights and remedies under APPLICABLE LAWS, subject to any provisions in the CONTRACT that provide otherwise.

(b) A provision of the CONTRACT is not waived unless made in writing by an authorised representative of the waiving party.

(c) Provisions that state that they survive or by their nature are intended to survive completion of performance or termination of the CONTRACT do so, along with all remedies attached to them.

(d) Amendments to the CONTRACT must be made in writing and signed by the parties' authorised representatives in order to be binding.

(e) SUPPLIER GROUP or COMPANY GROUP not a party to the CONTRACT, but conferred rights in it are entitled to enforce those rights but are not required to consent to amend or terminate those rights.

(f) The CONTRACT sets forth the entire agreement between the parties concerning its subject matter and supersedes any other agreements or statements pertaining to the same subject matter, except those agreements or statements expressly referenced in the CONTRACT as included. Any confidentiality agreement pertaining to the subject matter will remain in effect according to its terms, unless the CONTRACT provides that it is terminated or replaced.

