

V S B International Contracting LLC

Purchase Order and/or Work Order terms and Conditions

1. Definition

- (i) This Purchase Order (hereinafter referred as "PO") /Work Order (hereinafter referred as "WO") is an offer to purchase material or to avail services/subcontract works.
- (ii) As used in PO/WO "Buyer" means VSB International Contracting LLC (hereinafter referred as "VSBI") or any of its subsidiaries or affiliates as named on the Purchase Order/Work Order. "Seller" means the party named on the PO/WO or the person or entity to which this PO/WO is addressed.
- (iii) The Agreement means the terms and conditions contained herein.

2. Purchase Order (PO)/ Work Order (WO) (Commonly termed as Purchase Order)

- (i) VSBI's PO are made subject to the following terms and conditions, in addition to those stated or referred on the Purchase Order which includes any drawings, specifications, schedules, locations, exhibits or other writings incorporated herein.
- (ii) Purchases under this Agreement shall be made against specific written or blanket orders submitted by Buyer(s) or Seller(s)
- (iii) This Purchase Order constitutes the complete and exclusive statement of the terms of the agreement between Buyer and Seller with respect to the subject matter hereof and supersedes all prior verbal or written agreement(s), commitments or understandings with respect to such subject matter.
- (iv) Nothing contained in these General Terms and Conditions or in the Purchase Order or in Sub Contract Agreement shall prevent any seller from negotiating more relaxation on any terms including Payments.

3. Transfer/Assignment.

The Seller shall not without written consent from the Buyer assignor transfer the agreement or any part thereof to any third party.

4. Seller's Acceptance

- (i) Seller shall acknowledge its receipt of each Purchase Order by faxing an order acknowledgement to VSBI Procurement Department within three (3) working days of its receipt of Purchase Order. Otherwise it will be considered as accepted by the supplier.
- (ii) Seller's acceptance is expressly limited to the written terms of this PO and any other addition/deletion thereafter by buyer by any Revision or amendments.
- (iii) Seller agrees to be bound by and comply with all the terms and conditions of this Purchase Order, including any supplements thereto, and all specifications and other documents of whatsoever nature referred to this Purchase Order.
- (iv) Seller warrants that all goods or services called for herein shall be produced or performed in compliance with all applicable laws, rules and regulations.

5. Amendments

- (i) Buyers shall have the right at any time prior to delivery to make changes in the general scope of this order, which may include, but not limited to drawings, designs, quantity, specifications, packaging, time & place of delivery and method of transportation
- (ii) If any changes cause an increase or decrease in the cost or time required for performance, an equitable adjustment shall be mutually agreed and made and this PO shall be modified in writing accordingly and signed by an authorized representative of VSBI procurement department
- (iii) Seller may promptly provide to Buyer documentation relating to such changes in such form and detail as buyer may direct.
- (iv) Nothing contained in this Section shall relieve or excuse the Seller from proceeding without delay in performing the Order as amended.

6. Acceptance of Goods/Services

- (i) Seller shall preserve, package, handle and pack the goods so as to protect the goods from loss or damage in conformance with good commercial practices.
- (ii) All goods delivered to Buyer shall be subject to Buyers inspection and acceptance. All rejected goods shall be held at Seller's risk and expense. If replacements, additional work or rework on nonconforming goods is required by Seller to make such goods acceptable to Buyer, Seller agrees that payment will be delayed until such time as the goods has been reworked and accepted.
- (iii) Buyer, its customers and/or their higher tier subcontractors shall have the right to inspect and test all material and workmanship at all reasonable times and places including when practicable, during manufacture and before shipment/delivery. Seller shall provide all information, facilities and assistance necessary for sale and convenient inspection and test without additional charge. Buyer's final inspection and acceptance shall be at destination in accordance with Buyer's procedures.
- (iv) Buyer's failure to exercise its right to inspect goods or workmanship shall not relieve Seller or its obligation to furnish all Products in strict conformance with this Agreement.
- (v) Payment by Buyer for any items shall not be deemed as acceptance. However, acceptance of any item shall not relieve Seller from any or its obligations, representations or warranties hereunder or pursuant hereto.
- (vi) Material shipped in excess of quantity ordered will be held at Seller's risk and may be returned at Seller's expenses. If Buyer returns items, Seller's account will be debited for the total amount of any invoices (including shipping expenses and taxes if any applicable)

7. Shipping/Delivery

- (i) Goods shall be delivered as per the PO/WO terms. If delivery dates cannot be met, the same shall be communicated in writing to the Buyer for approval. If the proposed dates are not acceptable to the Buyer, Buyer shall have the right to cancel this Order without further liability, source from alternative suppliers/service providers and hold Seller accountable for all direct damages resulting from Seller's failure to meet the original delivery date(s).
- (ii) Any loss or damage to a product prior to the passing of title shall before the account and risk of Seller.
- (iii) No Insurance premium or transportation charges will be allowed unless specified in the Purchase Order.
- (iv) Unless instructed otherwise by the Buyer, the Seller shall, for purchase orders placed
 - (a) Ensure that all related documents must bear Purchase Order/Work Order number
 - (b) Enclose a Delivery Note/ Packing list with each delivery.
 - (c) Mark Buyer's purchase order number on all packages and shipping papers.

- (d) Render invoices showing Buyers Purchase order number
- (e) Render separate invoices for each shipment/delivery or purchase order
- (f) Forward shipping notices with invoices
- (g) Invoice Buyer by mailing or otherwise transmitting invoices, bills and notices to the billing address on the purchase order and.
- (h) If applicable make available the bill of lading, certificate of original insurance certificate upon request

8. Invoices

- (i) An invoice for goods and/or services, with evidence of shipment/delivery or completion of services properly signed by Buyer's representative, if applicable shall be submitted to Buyer for each shipment/delivery or performance of services.
- (ii) Seller reserve the right to invoice for partial shipment/delivery of multiple unit orders
- (iii) Buyer shall advise Seller where to send the Invoices.
- (iv) Payment shall be made per the payment terms on the Purchase Order
- (v) The price set forth herein is not subject to escalation unless an escalation formula is expressly provided for on the face of this PO
- (vi) Errors or omissions on invoices or delay in the receipt of invoices shall entitle Buyer to withhold payment without penalty or loss of any discount
- (vii) Except as otherwise provided herein, payment for goods and/or services covered by this Purchase Order shall be made only:
 - (a) After arrival of goods at destination or after completion of services.
 - (b) After Buyer's inspection and acceptance of goods and/or workmanship
 - (c) After receipt of the appropriate and corrective invoice
 - (d) As final payment is concerned, after Seller has complied with all of its obligations to Buyer
- (viii) Invoices submitted to Buyer shall contain as a minimum the following information (where such is applicable) : PO number, item number, description of goods and/or services, sizes, quantities, unit prices and extended totals in addition to any other information specified elsewhere in this PO
- (ix) Invoices received by Buyer more than one (1) year after the provision of goods or performance of services are untimely and Buyer shall have no obligation to pay such invoices.
- (x) Payment of Invoices shall not constitute acceptance and shall be subject to adjustments for shortages, defects or other failure of Seller to meet the requirements of this PO

9. Governing law and Dispute

- (i) This Purchase Order and its performance shall be governed by the laws of the country from which this order has been issued as shown by the address of Buyer on the face side of this PO.
- (ii) Each Party irrevocably agrees to submit to the exclusive jurisdiction of the courts of the Emirate of Dubai over any claim or matter arising under or in connection with this PO.

10. Breach

- (i) Payment for shortages, or materials or services not conforming to the specifications and portions of any invoice in dispute may be withheld by Buyer until such problem has been resolved.
- (ii) Any delay in delivery by or on behalf of Seller is construed as a material breach of this PO and entitles the buyer to cancel the order, seek compensation and recover damages resulting thereof as Buyer deems necessary from time to time.

11. Disclosure

- (i) Seller on behalf of itself and its employees agrees that any ideas, know-how, concepts, information, or processes received from Buyer or created by seller in connection with the performance of this PO shall be the property of Buyer and shall be preserved in strictest confidence by Seller and shall not be used for disclosed by Seller to third persons except to the extent that such use or disclosure is necessary for the proper performance of this PO, without express written permission of Buyer.
- (ii) Upon Buyer's request, seller shall promptly return to Buyer all confidential information in tangible and/or intangible forms, including drawings, samples, specifications or other documents provided by Buyer or prepared by Seller of Buyer.
- (iii) Neither Seller nor Buyer shall use the name of the other in any advertising or publicity releases without securing the prior written approval of the other

12. Indemnity

- (i) Seller agrees to indemnify, defend and hold harmless Buyer, its subsidiary and affiliate companies and any contractor or agent or employee of Buyer from and against all claims, suits, demands, losses, damages, actions or liability of any kind, including attorney's fees arising or those for whom seller is responsible in connection with this PO of the goods supplied and/or services rendered hereunder
- (ii) Seller is not liable hereunder to the extent any injury or damage is judicially determined to have been proximately caused by the sole negligence of Buyer. However seller must obtain adequate insurance to cover such liability under each Purchase Order
- (iii) Seller will indemnify and keep the Buyer indemnified from and against all costs, losses and liabilities which the Buyer may incur in procuring the goods from a third party.

13. Termination

Buyer may at any time terminate or suspend all or any part of undelivered items or quantities on any outstanding Purchase Order. Seller agrees that any termination charges made in consequence shall be limited to costs of materials and labour incurred on items cancelled prior to knowledge of their cancellations. Seller further agrees to take all steps reasonably possible to mitigate such charges

14. VSBI Management Contact Details

info@vsbigroup.com , PO Box 17220, Dubai, UAE

+971-568765616