

Section 1 – General Terms and Conditions

1. PURCHASE ORDER FORMS

1.1. DUBAI CUSTOMS (the "Buyer") will not be liable for orders unless they are issued on its printed Purchase Order forms duly signed by an authorized signatory on behalf of the Buyer and bearing an official order number issued by the Buyer.

2. CONTRACTS.

2.1. The sale by the entity specified overleaf (the "Seller") and purchase by the Buyer of the items specified in the purchase orders ("goods") is deemed to be upon and subject to these Conditions.

2.2. No variation of or addition to these Conditions is effective without the Buyer's prior written agreement.

2.3. These Conditions prevail over and take the place of any other terms, conditions or provisions emanating from or referred to by the Seller.

3. ACKNOWLEDGEMENT OF ORDER

3.1. Purchase Orders will be sent electronic or in hardcopy.

3.2. Acknowledgement of a purchase order must be made by electronic or hardcopy.

3.3. Delivery date shall be as stated within the purchase order and shall be of the essence.

3.4. Acceptance of the order entails acceptance of these conditions.

4. DELIVERIES , INSPECTION AND PACKAGING

4.1. All purchase order shall stipulate all documents that are required to be delivered.

4.2. The Seller must deliver the goods to the place of delivery agreed by the Buyer as per the Purchase Order.

- 4.3. Delivery terms mentioned within a purchase order are as defined by Incoterms 2000.
- 4.4. Delivery to any carrier (which shall act as agent of the Seller) shall not constitute delivery to the Buyer.
- 4.5. The Buyer may reject, and (a) return to the Seller at the Seller's risk and expense or (b) require the Seller forthwith to collect and goods delivered in excess of the contract quantity.
- 4.6. The expenses of delivery shall be borne by the Seller.
- 4.7. If a delivery time is specified overleaf, such time shall be of the essence.
- 4.8. The Seller must at once report to the Buyer by facsimile (confirmed by prepaid post) any anticipated delay in delivery.
- 4.9. The Seller must notify the Buyer forthwith of the dispatch of the goods to the delivery point, inspect the goods, but no such inspection shall relieve the seller of any of its obligations, or implied terms of merchantability and fitness for the purpose. Unless otherwise mentioned delivery shall be made during normal Buyer business hours
- 4.10. The Buyer is not bound to accept delivery by installments, if the Buyer does so, delivery shall be deemed not to have occurred until all the installments have been delivered.
- 4.11. The Seller must pack the goods securely in a suitable packaging and ensure that (a) on the outside there is a description in English of the goods, their quantity, any special handling and storage directions and (where applicable) the expiry date of the contents and (b) the goods and associated documentation.

9.. APPROVAL OF DESIGNS.

- 9.1. 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 specifications

or any other requirements that may be detailed in the order or the contract.

10. TOOLS AND EXCLUSIVE MANUFACTURE

10.1. All designs, drawings, specifications, technical data, samples, gauges, tools, patterns, moulds and other materials supplied or loaned by the Buyer or made expressly to the Buyer's instructions or paid (in full or in part) for by the Buyer shall be marked " Property of Dubai World / Customs" and shall remain or become the Buyer's property and shall be kept in the possession of the Seller and in good condition at the risk of the Seller, shall be returned to the Buyer on demand and on termination of the contract in good condition, and shall not be used by the Seller without the prior agreement in writing of the Buyer for any purpose other than the supply of goods to the Buyer.

11. PATENTS AND DESIGNS.

11.1. The Seller guarantees that sale or use of the goods specified in the order will not infringe any patent design, trade mark, trade name or any other intellectual property right and undertakes to indemnify the Buyer against any claims, damages, or costs arising from an actual or alleged infringement. Such guarantee shall not apply in the case of goods made by the design of the Buyer.

12. INDEMNITY

12.1. The Seller shall indemnify and hold harmless the Buyer, its personnel and agents against and from all liabilities, losses, damages, costs charges, expenses, actions, proceedings, claims and demands incurred by it or them and arising directly or indirectly out of or in connection with a breach of any of the Seller's obligations hereunder or any negligence or willful default on the part of the Seller in relation to the goods, their material, workmanship, design, safety or otherwise.

12.2. The Seller shall at its own expense do any matter or thing the Buyer may request for the purpose of contesting any action, proceeding, claim or demand brought or made against the Buyer and relating to any alleged or actual defect in the materials, workmanship, design and /or safety of the goods.

12.3. The Seller shall indemnify and hold harmless the Buyer from and against any liabilities, losses, damages, costs, charges and expenses it may incur by reason of any actions , proceedings, claims and demands relating to any alleged or actual infringement of any patent, design, copyright, trademark or other monopoly right resulting from goods, their use or re-sale.

13. PRICE

13.1. Prices for Goods shall be detailed within the purchase order.

13.2. The prices specified within the purchase order for the goods shall unless stated otherwise in writing by the Buyer be a firm and fixed price which includes

13.2.1. carriage and insurance; delivery at the delivery port specified overleaf; royalties; license fees and all other sums payable in relation to the goods or their use and all other charges, taxes, duties and impositions; and

13.2.2. which is not subject to alteration for any reason whatsoever. The price is for delivery in accordance with the contract. The Buyer shall be entitled to deduct from any monies due or becoming .are marked in accordance with Buyer's reasonable instructions. If the goods or their transport handling, storage or use are hazardous or toxic the Seller must ensure that they are marked with appropriate international danger symbols and that all information reasonably available to the Seller and any potential hazard are promptly made to the Buyer in writing.

4.12. In the case of failure by the Seller to deliver or complete within the stipulated time or failure to comply with the terms of the order, or in the event of continued delivery of defective goods or materials, the Buyer reserves the right to cancel the whole or part of any order and terms of the contract .

4.13. The goods shall remain at the Sellers risk until delivery is effected in accordance with the purchase order and terms of the contract.

4.13.4.14. Any PO's having more than one item should be identified in different line item and invoice to be submitted accordingly.

5. WARRANTIES

5.1. Seller warrants and represents that the goods will comply with the Specification and will be free from defects or failures (other than those due to incorrect usage or operation by the Buyer) for a minimum period of one year (minimum warranty period) after Buyer acceptance of delivery or such extended warranty periods as may be specified within a purchase order.

5.2. Subject to above warranty the Seller guarantees that following written notice from the Buyer the Seller will promptly repair or replace, at the Buyers option, and to the Buyers entire satisfaction, any defective goods at no additional cost to the Buyer subject to Clause 7.

6. PAYMENT.

6.1. Invoices shall be denominated in United Arab Emirates Dirham (AED) for inbound only.

6.2. Outbound to be considered as case to case basis.

6.3. Seller shall provide original invoices; payment will not be made on copy invoices.

6.4. No manual corrections in the original invoice will be entertained

6.5. An invoice shall be correctly addressed if it is ;

6.5.1. addressed in accordance with the purchase order.

6.5.2. identifies the purchase order.

6.5.3. where explanation is required accompanied with documentation substantiating the claim.

6.5.4. in case of partial delivery and partial payment the terms must be detailed within or attached to the purchase order or agreed in writing between the parties.

6.6. Invoice amount must be same as purchase order amount unless as agreed in 6.5.4.

6.7. The Seller shall ensure that all delivery and Buyer acceptance documentation is included with each invoice submitted.

6.7. Invoice to be submitted immediately on the day of delivery or maximum within 1 working day. Failure or mismatch in DO & Invoice shall lead to delay in processing Payments.

6.8. The Buyer shall pay the Seller 60 (Sixty) calendar days from when the Buyers finance department receives an approved Seller invoice.

7. TITLES, QUALITY AND REJECTION.

7.1. The Seller shall sell the goods as beneficial owner passing to the Buyer absolute legal title free of all charges, lien and other encumbrances of any kind. The Seller represents and warrants that (a) The Seller has the right to sell goods, has absolute title therein which shall pass to the Buyer free of any charge, lien or other encumbrance; (b) the Buyer will enjoy quiet possession of the goods; and (c) the Seller has obtained and or will make available to the Buyer all licenses, clearances , consents and authorizations necessary for the purchase of the goods by the Buyer, for their delivery at the delivery point, and for their use of all purposes for which the Seller is, or ought reasonably to be , aware that they are required by the Buyer.

7.2. The Seller must ensure that the goods correspond strictly within any and all representations, descriptions , advertisements ,brochures, drawings, Specifications and samples made or given by the Seller or stipulated by the Buyer, are in every respect fit for any purpose for which the Buyer has expressly or by implication make known that it requires them, are durable are of merchantable quality, are of appropriate appearance and finish, are in compliance with any applicable national or international standards and are of a standard equal to any previous supplies approved by the Buyer. In the event that the goods do not comply with these provisions, or are defective in any way, the Seller agrees that shall be sufficient reason to terminate the contract under the provision of Article 110 of the commercial Transaction Law of the UAE.

7.3. If upon delivery , the minimum warranty period , or within the warranty period of the goods as written in the purchase order thereafter any goods prove to be defective or otherwise not fully in accordance with the Contract, then the Buyer may at its opinion and without prejudicing its other rights: (a) with or without terminating the contract, reject or refuse to accept such goods and require the Seller either to replace them or reimburse any payment already made for them; or (b) require the Seller at the Seller's expense to repair them or reimburse the Buyer in full for the cost of repairs carried out by it or any third party at its discretion. The Buyer may if it so wishes (i) require the seller forthwith to collect any such goods (ii) itself returns any such goods to the Seller, and any such collection or return shall be at the Seller's risk and expenses.

8. ORDER AMENDMENTS.

8.1. If it is found necessary to make any alteration to the original order this shall be done by written order amendment.

8.2. Should the agreed price increase or decrease because of the amendment the Seller should notify the Buyer of any change within 14 days from receipt of the written amendment.

8.3 The Buyer shall issue a revised purchase order which shall supersede previous orders of the subject matter due to the Seller in connection with the Contract any monies due from the Seller to the Buyer.

13.3. No increase in price shall be made or accepted unless in accordance with 8.1.

13.4. No expenses shall be payable by the Buyer unless agreed in writing with the Buyer prior to any cost incurrence.

14. SUB-CONTRACTING AND ASSIGNMENT

14.1. The Seller shall not sub-contract, assign, or otherwise dispose of the whole or any part of the order or the benefit thereof without the written consent of the Buyer.

15. PACKING MATERIALS

15.1. Packing cases, boxes, drums and /or packing materials shall form part of the quoted price and shall not be separately charged by the Seller and shall be regarded as non-returnable unless otherwise agreed in writing by the Buyer.

16. OWNERSHIP AND RISK

16.1. Ownership of the goods shall pass to the Buyer on the first to occur of either, signed delivery note by an authorized representative of the buyer or any payment of, or on account, of the purchase price. The goods shall however remain at the Seller's risk (including without limitation the risk of loss, damage or deterioration in transit) until they have been duly delivered at the delivery point. Nevertheless, if the Buyer rejects any goods, the property and risk therein shall remain with or revert to the Seller. The Seller must keep the goods fully insured with an insurer and on terms acceptable to the Buyer on a replacement value basis (to include ancillary costs referred to in clause 12 (a) above) until risk passes and shall hold such insurance and any proceeds thereof and its right against any carrier of the goods on trust for the Buyer until the Seller has satisfied all of its obligations to the Buyer in relation to the goods. The Seller shall clause a note of the Buyer's interest in the insurance policies taken out to be made thereon and shall produce as and when required by the Buyer the relevant policy or policies or insurance premium receipts. Provision of the performance bond The seller should submit within 5 days from receipt of the purchase order performance bond worth 10% of the total value of the purchase order if amounting to ADE 100,000 and above or the supply period more than 15 days the same should be valid through the supply period plus 90 days

17. TERMINATION

17.1. A purchase order may be cancelled at any time by the Buyer giving the Seller notice in writing. A fair and reasonable price shall be paid for all work in progress at the time of cancellation and subsequently received by the Buyer. The Buyer shall not be liable for any loss to the Seller including consequential loss.

17.2. The Seller shall be deemed to be in default and to have repudiated the contract if:

17.2.1. The Seller is in material breach of that or any other contract with the Buyer; or

17.2.2. The Seller or any of its assets is subject to any form of winding-up, administration or insolvency proceedings or arrangements with creditors generally.

17.3. If 2 above applies, the Buyer may at any time at its discretion and without prejudice to its other rights) by written notice to the Seller.

17.3.1. Suspend any deliveries to be made under, or terminate, cancel or rescind, the relevant contract and any other contract with the Seller.

17.3.2. Become entitled to recover from the Seller any amounts already paid by the Buyer to the Seller in relation to goods delivery of which is suspended or is no longer to take place.

17.3.3. Declare (whereupon there shall forthwith become) immediately due and payable any indebtedness of the Seller to the Buyer on any other account whatsoever; and set off any indebtedness of the Buyer to the Seller against any indebtedness of the Seller to the Buyer, in each case, on any account whatsoever.

17.3.4. Penalties: -

17.3.5. In case the seller fails to supply within the agreed period, DC shall have the right to take one or all of the following: -

17.3.6. –Impose a delay penalty of 2% of the value of the delayed materials for each week of delay with maximum of 10% of the value of the said material.

17.3.7. –if the seller continues to be late until the fine reaches the maximum DC have the right to take the following: -

17.3.8. – Purchase the material from the market at the expense of the seller and charge him with the deference plus 10% as administrative expenses.

17.3.9. Confiscate the performance bond fully or partially.

18. FORCE MAJEURE

18.1. If the Buyer is prevented from taking any delivery by any cause beyond its reasonable control, the Buyer shall be entitled without liability to cancel or delay the order in whole or in part.

19. LAW

19.1. These conditions and all quotations tenders, offers and acceptances shall be governed by and construed in accordance with the laws and courts of and applicable in the Emirate of Dubai, United Arab Emirates.