

Terms and Conditions of Purchase Order

The purchase of any materials or services by Gulf Aluminium Rolling Mills Co. B.S.C (C) ("hereafter called the Company") is subject to the terms and conditions contained herein. Any addition or variation to these terms and conditions are not binding upon the Company unless specially agreed to in writing by the Company.

1) **Delivery Schedule:** It is vendor's responsibility to comply with delivery schedule on order and not to anticipate the Company requirements. The Company will not be liable to incur any freight charges if goods are received on Company's dock outside of acceptable standards (6 days early). Quantities in excess of those specified will not be accepted and can be returned to vendor freight collect at the Company's discretion.

2) **Delays in Delivery:** Vendor will be liable for damages due to noncompliance with stated contract delivery schedule dates. The Company at their option may either approve a revised delivery schedule or may terminate the order without liability to vendor on account thereof without thereby waiving claim for damages which may otherwise exist hereunder, and all such actions are free from excusable delay such as fire, floods, accidents, or other causes beyond the reasonable control of the parties which prevent vendor from delivering and the buyer from receiving the goods and services covered by this Purchase Order.

3) **Packing/ Identification:** Vendor shall be responsible for proper packing, loading and tie-down to prevent damage during the shipment. All goods / materials are liable to deterioration or corrosion when exposed to Kingdom of Bahrain climatic conditions must be suitably protected by appropriate packaging and sealing. Each item supplied by the vendor must be identified by the Purchase Order number, item number/ the Company stock number as detailed on the Purchase Order.

4) **Shipping Documents:** The vendor shall submit the following documents such as original with three (3) copies of clean Bill of Lading / Airway bill, original with three (3) copies of invoices stating manufacturer's name and address, number of package, weight and dimension of insurance policy or cover note, original with three (3) copies of the packing list showing packages identified against the invoice and certificate of origin with the legalized invoices by an Arab Embassy / related Consulate for preparing import/ customs documentation procedure in advance of the materials to the Kingdom of Bahrain.

5) **Inspection / Rejection:** All the goods shall be subject to the Company inspection and analytical examinations. If any goods or part of it found defective or unserviceable within the period of twelve (12) months from the date of purchase due to defectiveness in material or workmanship, or otherwise not in conformity with the requirements, the Company have the right to reject and return such goods at vendor's expenses or the company will issue a Credit Note in respect thereof, provided that the Company has notified the vendor in writing of the fault within the said period of twelve (12) months. The Company has the right to reject the materials replaced by the vendor or not, at the Company's option and the purchase price stipulated in contract. If there are rejections on any shipment made against this order, and the Company, in order to maintain production schedules, funds it necessary to retain the shipment and inspect it 100% or do any repairs work on the goods included in the shipment, a charge covering such inspection or repair work will be made against the vendor. The Company also reserves the right to cancel any future releases against open purchase orders at no Cost to the Company.

If within the period of twelve (12) month from the date of delivery of the goods or materials, any damage, loss or injury as a result of any defect in the goods/materials is caused to any part, the vendor shall indemnify the Company and hold it harmless against any suit or other legal action in Court of Law or against any adverse judgment against the Company.

6) **Assignment:** Vendor may not assign, transfer or subcontract this Purchase Order or any right or obligation hereunder without the Company's written consent.

7) **Termination/ Cancellation:** The Company may terminate/ cancel the Purchase Order for its convenience, in whole or in part prior to the shipment by written notice to the vendor. Upon receipt of such termination/ cancellation notice (unless termination/ cancellation is due to default by the supplier), the vendor shall promptly comply the directions contained in such notice and shall, as

required, (a) take action necessary to terminate the work as provided in the notice, minimizing costs and liabilities for the terminated work, and (b) continue the performance of any part of the work not terminated by the Company.

In the event that the vendor without reasonable cause fails to comply with its obligation under this Purchase Order then GARMCO may terminate/ cancel the Purchase Order by written notice and shall not be bound to make further payment whatsoever to the vendor under this Purchase Order without prejudice to any other rights or remedies which GARMCO may possess.

8) **Warranties:** vendor shall be furnished original certificate or warranty issued by the manufacturer for the materials to the Company and warrant that goods or services covered by the Purchase Order shall not infringe any patent, design, mask work, copyright or trademark, of any third party, either directly or contributory.

9) **Title and Risk of Loss:** Title shall pass to the Company upon the Company's receipt of goods at destination in a right order. Risk of loss of all goods shall remain with vendor until the receipt by the Company at destination, unless otherwise specified by the Purchase Order. except for loss occasioned by gross negligence by the Company.

10) **Substitutions:** No substitution of materials or spare or services may be made without the written permission from the Company.

11) **Invoices and Payment:** Vendor shall submit the original invoice with Two (2) copies and acknowledged delivery not directly to the finance department. All invoice will be paid by the Company according to the terms and conditions on the contract and from the date of goods or services received or the invoice received date and not the invoice date and date on contract will supersede any early shipment as it pertain to payment terms.

12) **Extra Charges:** No charge for packing, boxing, delivery and storage will be allowed unless stated herein.

13) **Confidentiality:** Any confidential or confidentiality related materials provided by the Company to the vendor shall keep with high confidentiality and do not disclose to any third party without the written permission from the Company.

14) **Governing and Compliance with Law:** Contract resulting from the acceptance of this Purchase Order is construed according to the laws of the Kingdom of Bahrain. Vendor shall be liable to comply with all applicable local laws, rules and regulation of Kingdom of Bahrain.