

Purchase Order Terms and Conditions for Supply of Goods and Services (Conditions)

Definitions

1. "Company" means Jazal Engineering & its related companies under Jazal holdings.
2. "Materials" means the goods and materials matching specifications and vendor list which are to be supplied by the Vendor.
3. "Services" means the design, consultation and site works matching specifications which are to be executed by the Vendor.
4. "Supplier" means vendor assigned to provide required Materials matching specifications as per the terms and conditions.
5. "Contractor" means vendor assigned to provide required Services or offer sub-contracting from the company as per the terms and conditions.
6. "Purchase Order" means the document issued to vendor conforming terms and conditions for authorizing a purchase on behalf of company. Also referred as following from case to case.
 - ✓ "Asset Purchase Order" - Issued for acquisition of assets
 - ✓ "Material Purchase Order" - Issued for purchase of materials
 - ✓ "Service Purchase Order" - Issued for hiring on rentals or maintenance
 - ✓ "Work Order" - Issued for awarding contracts / services
7. "VAT" means the Value Added Tax as imposed by the local Tax authority as amended or supplement from time to time
8. "Invoice" means valid tax invoice adhering to local Tax authority and supported by necessary documents for proof of order and to substantiate delivery of goods and services.
9. "Conditions" means this document of Purchase Order Terms and Conditions for Supply of Goods and Services
10. "Code of Conduct" means the document of guidelines outlined around ethical standards of conducting business with the company.

General Terms & Conditions for Suppliers & Contractors

These General Terms and Conditions of Purchase are addendum to Purchase Orders issued by company and acceptance of the same shall also comply this document. All conditions mentioned shall override and exclude any other conditions proposed by Supplier so far, as they may have been expressly accepted as variations by the Company and included same in Purchase Order.

1. The supplier or contractor is liable for all taxes, duties, penalties, or fees levied in connection with the products and services, unless specifically mentioned in purchase order.
2. Supplier shall ensure suitable, secure and material handling friendly packaging shall be used while transporting and delivering to ensure safe delivery without damages.
3. Goods against the order must be delivered at site by the date mentioned with purchase order or communicated by the end user, any costs incurred to arranging materials shall be debited back to the supplier unless specifically mentioned.
4. All documents related to Purchase Order including correspondence, operations and maintenance docs, schedules, reports and other Submittals by either party to the other shall be in the English language only, unless specifically instructed to add other version.
5. Supplier or Contractor shall warrant all goods and services delivered here under to be free from all defects in materials or services or workmanship and to conform strictly to the specifications and quality standards as provided by the company.
6. All relevant Labour Laws, Local authority regulations, valid laws, statutory or judicial, EHS Guidelines pertaining to region and Codes of Conduct issued by Company must be followed by the Supplier or Contractor.
7. Any third-party costs or expenses incurred in connection with the supply of goods and/or services shall be reimbursed only if approved along with Purchase Order is done by procurement and finance team with all supporting relevant documents.
8. Without the company's explicit consent, the supplier may not assign any of his obligations under this purchase order for the delivery of products and/or services or any portion thereof. In case of services, contractor shall be responsible for approvals for pre-qualifications and legal docs to subcontract a part or whole of the works assigned ensuring quality of works.
9. The company has right to modify or cancel the purchase order by giving notice to the supplier at any time. In terms of any cost and time impact upon modification, Supplier or contractor should substantiate cost claims with all relevant documents.
10. In case of failure to abide conditions mentioned here-in or purchase order company reserves right to cancel or modify the purchase order and claim for loss if any.
11. The supplier or contractor commits not to disclose any information received from the company in connection with any enquiry or purchase order to any third party, and also confirm not to utilize any confidential details or information for any purpose other than to execute its scope of works under this purchase order.
12. The Contractor will be responsible for the safety and security of all its labour, tools & equipment and materials.
13. Supplier shall not disclose prices agreed or Purchase Order or any documents received from the company to a third party with out prior written consent even for PR announcement or press release.

14. All installation or application or site works has to be done according to proper engineering standards and manufacturer recommendations with prior approval from all stakeholders wherever applicable.
15. All Purchase orders issued by The company shall be agreed with this conditions In the event of any discrepancy between the Purchase Order and this Conditions, the Conditions prevail.
16. All purchase orders shall be governed by the laws and regulations of the respective countries and regions with our legal registrations as applicable.
17. Any written notifications in connection with the Purchase Order shall be in English Language and sent to relevant email or submitted physically to registered address.
18. If the Supplier received an advance payment for Goods or Services that were not supplied or expenses that were not incurred by the Supplier at the time of termination, the Supplier shall make a pro rata refund to the Company.
19. All payments shall be made on mutually agreed terms upon completion of all obligations including submission of all documents. Any payments agreed for nominated contractor or plant rentals shall be done within 4 weeks upon receipt of payment from client.
20. The prices of the products or services are those specified on Purchase Order for specified project duration or quantity shall remain unchanged. For any chance of escalation shall be mutually agreed with substantial cost escalation proofs has to be agreed at time of the order.
21. If the supplier confirms for Delivery at works basis, both freight and insurance charges shall be presumed to have been included in the agreed price for Purchase Order.
22. In case the Supplier has supplied Goods that do not comply with the specifications or standards or approved samples or Terms and Conditions, the Company shall have one or more of the following rights, regardless of whether it has accepted the Goods :
 - To reject the Materials (in whole or in part) regardless of whether the packaging has opened for inspection or installed at site, shall be returned to the Supplier at the Supplier's own risk and cost.
 - To cancel the Purchase order in case of non-compliance with intimation to supplier. Subject to circumstances, the company may permit to replace or repair or refund.
 - To claim additional costs, loss or expenses from third party incurred in sourcing alternate materials or service due to supplier or contractor failure to deliver.

Documentations

All the following documents shall be submitted in order to consider order is fulfilled by supplier or contractor.

Material Suppliers (Local) :

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| 1. VAT Invoice | 3. Warranty Certificate |
| 2. Delivery Note | 4. Copy of Purchase Order |
| | 5. Test Reports & Manuals |

Service Providers (Local) :

1. VAT Invoice
2. Work Accomplishment Statement

3. Warranty Certificate (Final)

4. Copy of Work Order
5. Site Photos & Drawings

Material Suppliers (International) :

1. Invoice
2. Bill of Lading
3. Packing List

4. Certificate of Origin
5. Insurance Certificate
6. Test Reports & Manuals

Contractual Obligations

1. Purchase Order is valid only with necessary approvals & authorizations and includes terms and conditions (Conditions) given by company / consultant / client and no variation of or addition to these Conditions is effective without prior written agreement. These Conditions prevail over and take the place of any other terms, conditions or provisions emanating from or referred to by the Supplier.
2. The following documents shall be deemed to form and be read and construed as an integral part of this work order and its order of precedence as,
 - This work order signed by both parties
 - Local Authority Regulations for specialized works like, Steel Structure, Pre-cast Structures, Piling Works, Shoring Works, Traffic Management Systems, Fire Protection Works, Fire Rated Works, Fire Fighting System, Fire Alarm System, Smoke Management System, Fire Suppression System, Emergency Lighting & Central Battery System, Fire Telephone System, Voice Evacuation System, Access Control System, Telephone/Data/GSM, CCTV, Service Connections like Water & Electricity, etc.
 - Project Drawings including its General Notes and Typical Sections
 - General & Particular Specifications of the Project
 - Project Vendor List
 - Approved Construction Program of the Project
3. Except for the Provisional items and Prime Cost items, the Work Order Value is capped to form a Lump sum contract and all works to be carried out to the complete satisfaction of main contractor, consultant, and client.
4. Any scope addition or omission shall explicitly be applicable to the BOQ items as a result of changes to the Authority Regulations or Project Drawings or Project Specifications or by an official instruction by the Company.
5. Provisions for the sub-contractor such as dedicated site offices and its facilities, equipment, technical supports, data/internet, drainage/sewage, waste disposals, etc. for the sub contractor's performance shall not be under the Company scope unless explicitly mentioned in this work order.

6. All such above provisions quantified and scheduled under the WO/LOI shall be recorded during subcontract's performance at site and any excess usage, idle hours, wastage, etc. shall be back charged.
7. Any special Storage provisions like A/C, Special Ventilation, Lighting, Sentinel Surveillance, etc. for the sub contractor's performance shall not be under the Company scope unless explicitly mentioned in this work order.
8. All contractual correspondences between the two parties shall only be in English language either via a manual hard copy submission at the offices or by fax.
9. After signing this WO/LOI by both parties, all contractual and commercial correspondences by the sub-contractor must be to the Project Manager or to the Site In-charge of the Company with a copy to their Head Office and recorded the receipt for any future references.
10. Any correspondences not abiding to the above clauses shall be considered as null and void in respect of any contractual and commercial determinations to this agreement.
11. Sub-contractor to follow the below procedure for establishing variation orders if any,
 - Notice of change shall be served within 14 days from the change occurred
 - Notice must show the list of additions and omissions as a result of notified change
 - Notice must include a detailed study/report of impact of the notified change to the related works both executed and to be executed
 - Official request for VO with below supporting documents :
 1. Copy of Notice of Change
 2. Copy of Relevant Contract Conditions
 3. Copy of the Document as Instruction to vary (Drawings, Submittals, RFI, Emails, etc.)
 4. Copy of Marked Drawings (Both Tender and Approved Shop Drawings)
 5. Break Down of Rates
 6. Detailed Particulars on Material cost as quotation, Purchase Order & Invoice.
12. In connection with the above job/assignment, the terms of this Agreement will prevail over the contrary terms found elsewhere in the documents forming part of the contract. Further all previous arrangements, undertakings verbal or in writing concluded or otherwise in connection with the above job / assignment which do not form a part of this Contract are treated as cancelled.
13. All materials received under sub-contract from the company or supply and apply contracts shall be fully secured / insured by seller and any loss to goods at company's premises will be supplier's responsibility.
14. Any kind of services viz. providing of food, accommodation, transport etc. shall be in the scope of the contractor.
15. Penalties are applicable to the contract sum in case of any delays as described below,

- In case of contractual delays in sub contractor's performance, there will be penalty of 1% of the total contract value per week of delays subject to a maximum of 10% of the total contract price (For Contracts)
- In case of delay in supply beyond the agreed date there will be penalty for an amount of 0.5% of the total contract value per day of delay, subject to a maximum of 10% of the total contract price
- The penalties for delay shall not relieve the supplier from his obligation to complete the supply, or from any other dues, obligations, responsibilities, or liabilities under the terms of this Purchase order.

Termination

1. Furthermore to what is stated elsewhere in the Conditions, termination of purchase order shall be inevitable if the Supplier:
 - Breaches agreed Purchase Order.
 - Violates Company's Supplier Code of Conduct.
 - Gives or offers (directly or indirectly) any bribe, gift, gratuity, commission, or other thing of value to any person as an inducement or reward in relation to this Purchase Order.
 - Becomes bankrupt, insolvency or changes in management without prior intimation.
 - Poor performance in terms of productivity at site or failure to comply with project schedule or poor quality of service offered.
2. Supplier shall clear dues in terms of cancelled purchase orders within 10 days of cancellation intimation for any outstanding advances. The company reserves rights to settle dues for partial deliveries until alternate delivery is done and the Company has set off any additional costs the Company incurs as a result of the Supplier's breach, bankruptcy or insolvency.
3. The Company can cancel this Purchase Order for any reason at any time and only be compensated at company's discretion. (in an amount to be determined at Client's discretion acting in good faith).

Force Majeure

Company shall not be liable for consequences of any delay or failure to execute its obligations under the purchase order due to an unforeseen incident or circumstance beyond both company's or supplier's control. Deliveries against the order shall be liable for suspension or cancellation at the instruction of company and at the cost of seller in the event of suspension of work, accidents, act of God or any other disabling circumstances beyond control of the company. When such an event restricts the vendor from delivering the goods and services for more than 5 days from the date confirmed for delivery, the company has the right to cancel the purchase order immediately by issuing the vendor formal notification.