

GENERAL CONDITIONS OF SALE

Trouvay Cauvin Gulf BSC (c) – Jebel Ali Branch, P.O. Box 16954, Jebel Ali, Dubai, U.A.E.
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1. Preamble

- 1.1 These conditions of Sale are an integral part of the order and prevail over any and all documents of a contradictory nature of the Purchaser which have not been accepted in writing by the Seller.
- 1.2 Any modifications which the parties to a sale may make herein require express written acceptance.

2. General Terms

- 2.1 Seller – is referred to on this document as Trouvay Cauvin Gulf or TC Gulf. Purchaser – is referred to as the prospected Purchaser, prospected customer or customer of TC Gulf.
- 2.2 Agreement – is referred to as the overall requirements constituted in the purchaser's order being acknowledged by the Seller.
- 2.3 These Terms shall apply to any agreements concluded by the Seller under which the Seller undertakes to deliver goods and/or to provide services. The Seller and the Purchaser agree that once a contract is concluded subject to the applicability of the following terms, these shall fully apply to subsequent transactions as well. Any terms, however named or described, stipulated by the purchaser shall not apply and are expressly rejected by the Seller unless the Seller accepts them in writing.
- 2.4 Trade terms used in quotations, order confirmations or otherwise must be interpreted in accordance with the International Rules for the interpretation of Trade Terms produced by the International Chamber of Commerce (ICC Incoterms) in force at the time when the agreement is concluded.

3. Offers

- 3.1 Our offers are drawn up according to the specification provided by the purchaser.
- 3.2 The Seller is bound only by the written commitments made under each company's letterhead. Unless otherwise agreed, the offer is valid for one (1) month.

4. Orders

- 4.1 All orders placed with the Seller, hereinafter referred to as TC Gulf imply the purchaser's unreserved adherence to the present conditions. These conditions cannot be altered by any contrary stipulations which may appear on the purchaser's order form, in his general conditions of purchase or in any general manner on his commercial documents.
- 4.2 The contract is held to be complete when, after receipt of the order, the Seller mails the acknowledgement of receipt.
- 4.3 Commitments and agreement by the Seller or his representatives are only valid when confirmed in writing.
- 4.4 Only the Seller's confirmation shall be binding if there is a discrepancy between the Purchaser's order and the Seller's confirmation. Any additions and amendments to the agreement and any agreements ancillary to the agreements shall be valid only if they have been agreed or made in writing.
- 4.5 An agreement that has been concluded maybe cancelled by the Purchaser only subject to the Seller's prior consent in writing. If the Seller agrees to the cancellation, the Purchaser shall be required to pay compensation to the Seller of at least 25% of the amount that the Purchaser would have to pay to the Seller if the agreement had been carried out, without prejudice to the Seller's right to compensation in full for any expenses or losses incurred.

5. Sub-contracting

- 5.1 The Seller reserves the right to sub contract all or part of the supplies or services and work which are the object of the order.

6. Supervision and Tests

- 6.1 All specific supervision, tests or inspections requested by the Purchaser are paid by the latter.

7. Prices

- 7.1 The Seller's prices are calculated on the basis of the quantities indicated and the periods of payment set out hereafter. Any eventual alteration to one or the other on the basis of calculation must receive the prior agreement of the Seller who reserves the right to revise the terms on the prices and delivery periods.
- 7.2 The Seller's special agreement on prices relate to a clearly designated supply contract, to a quantity and limited time of execution. Prices and information given on the Seller's price list are supplied for indication purposes. They do not bind the Seller. Moreover, when they are quoted in a currency other than US dollars, they are liable to be revised by the Seller, to take into account the fluctuations in the exchange rate between the US dollar and the currency of the quotation indicated. Only the acceptance of the order together with its specification, definitively binds the Seller.
- 7.3 Prices are those that are in force on the day of delivery. When offers by the Seller have been quoted in a currency other than the US dollar, the definitive price is quoted at the exchange rate on the day of delivery.
- 7.4 Irrespective of whether they have been stated orally, in writing, in a specific quotation or otherwise, the prices quoted by the Seller shall be based on any information furnished by the purchaser at the time of the request and are exclusive of VAT and other Government charges payable on sale and delivery. If one or more cost components are subject to an increase after the date of the agreement – even if such occurs, consequent to foreseeable circumstances – the Seller shall be entitled to increase the agreed price accordingly.
- 7.5 Attention to transport tariffs, the tax system, legal charges, etc... on the basis of which sales are affected and prices established, automatically involve a corresponding consequential effect on the prices fixed.
- 7.6 The Seller's prices cannot be subject of legal action following upon the verification of a difference between the purchaser's order and the delivered products, always provided that the latter are comprised within the limits of the margins and practices admissible within the standards specially relating to each manufacture.
- 7.7 Excepting any stipulation to the contrary, the Seller's prices do not include the supply of materials or accessories necessary for putting the products into operation.

8. Packing

- 8.1 The Seller has a standard packing guide for different kind of products. The Seller will not be held liable for any damage on product as a result of packing suggested, made or supervised by the purchaser or purchaser's agent. Similarly, the Seller will not be held liable for any damage on products supplied as a result of the purchaser or purchaser agent mishandling of product.
- 8.2 The Seller reserves the right to invoice packing. In no instance is packing returnable.

9. Delivery & Receipt

- 9.1 The agreed delivery dates and times shall always be approximate and subject to unforeseen circumstances.
- 9.2 Delivery periods are quoted as a general indication and without commitment; they are understood to take effect from the date of dispatch of the acknowledgement of receipt of the order and are adhered to within the bounds of the possibilities of production and supply.
- 9.3 If the Seller cannot reasonably be expected to meet its delivery commitment, the Seller shall have the right to suspend delivery. The Seller is fully released as of right and without indemnity from any commitment relating to delays in delivery:
- By failure of the purchaser to comply with the payment conditions;
 - When the information to be provided by the purchaser doesn't arrive in due time;
 - In the event of force majeure or serious occurrence such as lock-out, total or partial strikes at the Seller's works or those of the Seller's supplier's, epidemics, war, requisition, fire, flood, accident to equipment, rejection of important parts in course of manufacture, rejection of insufficiently processed parts, interruption or delay in transport services, shortage of raw materials, or any other cause giving rise to total or partial stoppage in the Seller's works and Seller's suppliers.

- 9.4 Delays cannot justify cancellation of the order. For a 'penalty of delay' to apply to the Seller, this must be the subject of a prior expressed clause on the purchaser's purchase order. It's acceptance by the Seller must appear formally in the Seller's acknowledgement of the order.

- 9.5 In the absence of particular conditions, in the event of arrears in delivery in relation to contractual deadlines, a fine of 0.5% maybe applied for each full week of arrears beginning on the expiry of a reasonable additional deadline, with a maximum accumulated fine of 5.0% of the value of the order delivered late. A fine will be applied only if:
- The purchaser has informed the Seller in writing, at the time of the order, of its intention to apply this fine;
 - The arrears is due exclusive to the Seller;
 - The arrears have caused real prejudice acknowledged by both parties.
- 9.6 In the absence of any indication on the acknowledgement of the order regarding the chosen method of sale, the goods are reputed to be sold and delivered ex stock.
- 9.7 The risk pass from the Seller to the purchaser at the moment when the goods are placed at the Purchaser's disposal after advice by the Seller, given within the customary period and have been the subject of the issue of a delivery voucher.
- 9.8 The moment of transfer of risks is determined as follows, unless the parties have arranged otherwise:
- In cases of sale "loaded on rail truck, lorry, barge (agreed point of departure) or of sale "carriage paid as far as", the risks pass from the Seller to the purchaser at the moment when the means of transport used is taken charge of by the carrier;
 - In the case of FOB or CIF sales, the risk pass from the Seller to the purchaser at the moment when the supplies have in fact passed the bulwarks of the vessel at the agreed port of shipment;
 - In the case of sale "delivered agreed frontier" (without further details) or delivered "frontier of exporting countries" the risks pass from the Seller to the purchaser at the moment when the customs formalities of the country of export are completed;
 - In the case of sales "delivered agreed frontier station of importing country" or "inland location of importing country" the risks pass from the Seller to the purchaser upon arrival of the goods at the agreed point where the purchaser is held to take delivery of the goods.

In all these cases, the Seller must advise the purchaser of the dispatch of the goods with the sufficient notice for the purchaser to have time to make the necessary arrangements. In other methods of sale, the moment of transfer of risks will be determined by the parties within special conditions. The above provisions fix the transfer of liability for the equipment or supplies, to which the ownership reservation clause also applies.

10. Transport and Carrier Verifications on Arrival

- 10.1 The means of transport shall be at the Seller's option. The choice of transport shall not affect the provision set out in clause 5.4.
- 10.2 The Purchaser shall be required, at the agreed place of delivery, to unload the goods as quickly as possible, at the purchaser's expense and risk. If this requirement is not met, the provisions set out in clause 10.3 shall apply by analogy.
- 10.3 If the purchaser fails to collect purchased materials on the agreed date of collection, or if the purchaser advised that purchased goods will be kept temporarily on the Seller's premises after the agreed delivery date lapses, the Seller is entitled to invoice the purchaser on the cost for warehousing without the possibility of refusal of payment thereafter on account of pending delivery. The Seller shall be entitled to dissolve the agreement without judicial intervention, and without prejudice to the Seller's right to compensation for any expenses and losses incurred.
- 10.4 Goods which the Seller is to deliver shall be transported at the Purchaser's expense and risk unless explicitly agreed otherwise.
- 10.5 The addressee must proceed with a thorough checking of the supplies on arrival, and in the event of damage or short supply, must send a claim within 48 hours by extra-judicial instrument or by registered letter to the carrier, even if the supplies are shipped free of charge. The carrier is always responsible for the good condition of the goods which are entrusted to him. It is for the addressee to make written application in cases of delay, damage or short supply.

11. Reservation of Ownership

- 11.1 Any goods delivered shall remain the Seller's exclusive property until their prices have been fully paid in terms of principal, interests and ancillary payments. Cheques, bills of exchange, and similar documents are considered as means of payment only once they have been effectively cashed.
- 11.2 Notwithstanding the reservation of ownership, the purchaser will take over the burden of risks once the delivery has been made available to him under the conditions of the contract in respect of the goods sold. This in no way countermands article 9 herein above concerning 'delivery'.
- 11.3 Until such time when the price has been paid in full, the purchaser is required to apply the greatest care and attention to the items sold. It will have to insure them to the benefit of the appropriate party against all risks they may run once they are delivered.
- 11.4 The purchaser must take care of the said goods in such a way that they cannot be confused with other supplies and he will in particular preserve the identifying markings.
- 11.5 In default of full payment of the price, the purchaser undertakes at the request of the Seller by written notice to restore sold articles to the latter. Any burden of expense in connection with repair or restoration of the sold articles shall be borne by the defaulting purchaser.
- 11.6 The purchaser cannot pledge as security the thing sold, nor can it transfer the ownership thereof as guarantee. In case of attachment or distraint or of any other intervention of a third party, it is obligated to inform the Seller immediately.
- 11.7 The purchaser may resell to its customers the thing sold even though it is subject to the reservation of ownership clause within the scope of the normal operation of its enterprise providing that it makes payment in full to Seller on the same day as the resale if this is done for cash down, or delivers to the Seller on the same day as the resale a copy of the contract of resale comprising the identity and address of the Vendee and the terms of payment if this contract includes a payment at term. In addition, the purchaser, in case of resale comprising payment at term, whether the thing sold is or not transformed or used before or after being placed at disposal under this resale, irrevocably declares that it is transferring to the Seller up to the amount of its debt towards the latter, its claim on its vendee. The purchaser guarantees to the Seller that its vendee is solvent and undertakes, as guarantor, to make the payment itself if the latter fails to do this.
- 11.8 In all cases where the Seller has to invoke the reservation of ownership clause, down payment received will be considered as definitively in the ownership of the Seller by way of compensation.

12. Terms of Payment

- 12.1 Excepting stipulations to the contrary, the Seller invoices are payable by letter of credit or cash against documents.
- 12.2 Every payment is to be made following the agreed terms, without the purchaser being entitled to any discount or set-off that has not been explicitly excluded.
- 12.3 Irrespective of different payment terms, the Seller shall be entitled to apply any payments, at the Seller's discretion, to the reduction of any sums that the purchaser is required to pay to the Seller on account of deliveries, interest and costs.
- 12.4 If and for as long as the purchaser fails to meet any of its obligations to the Seller under the agreement, or to meet such in full, properly or on time, shall entitle the Seller to suspend the delivery of goods. Failure by the purchaser to remedy its non-compliance with the agreement immediately, despite a reminder by the Seller to do so, shall entitle the Seller to dissolve the agreement with immediate effect by a private letter, without being required to pay compensation for any loss sustained by the purchaser.

- 12.5 The Seller has the right to refuse any request of an extension of the due date. If a request of this kind is made, the Seller reserve the right even after partial execution of an order, to insist on guarantees as they deem suitable or to cancel the balance of orders in the purchaser's name, all without prejudice to damages and interest. The same applies in the case of non-payment on the due date of the whole or part of one of the Seller's letter of credit on the purchaser.
- 12.6 In the event of court orders of liquidation, the purchaser accepts that the Seller reserve the right to bring into effect the resolatory clause for the cancellation of the sale in the event of delay in payments. In cases where the Seller would be induced to bring this resolatory clause into effect, and therefore to take back the material sold, the installments received will remain to the Seller as being definitively acquired as a contractual indemnity, operating as penalty clause. No claim made by the purchaser can bring about alterations in or suspension of payment of the Seller's invoices under the conditions defined above.
- 12.7 In the case of a serious change in the situation of the purchaser, especially in the case of death, incapacity, dissolution or modification of the company, mortgage of its properties, pledging of its business, provisional suspension of proceedings, a judicial ruling, liquidation of its assets or submission to collective proceedings in connection with business rehabilitation of liquidation, the Seller reserve the right, even partial fulfillment of an order, either to insist on guarantees, or to cancel the outstanding balance of the order or orders in the name of the purchaser and without notice. In this hypothesis, the purchaser will pay by way of indemnity a sum equivalent to the advance payments received by the Seller in accordance with the terms of the contract, and which is stipulated to compensate for them. In case of any delay in payment, whatever the reason maybe, the purchaser:
- Accepts that the Seller shall invoke the reservation of ownership clause and binds itself to keep the identification markings on the products which it undertakes to insure against all and any risks which might involve its deterioration or loss;
 - In default of a reservation of ownership clause, accepts a resolatory clause which the Seller reserves itself the right to invoke and cancel the sale and the right to take back the product sold. In all cases where the Seller might be led to invoke either one of the clauses, the advances received will be considered as definitively in the ownership of the Seller as a lump sum indemnity. The Seller will not accept any delegation, subrogation, or assignment of credit etc.

13. Penalty – Clause in the Event of Non Payment

- 13.1 In the event of non-payment of the invoices on the date of payment agreed thereon, the penalties for delay run by right from the first day following the lapse of the said term. The Seller reserve the right to impose penalty, an interest calculated on a rate equivalent to 1.5 times the official current interest rate without any prejudice to all compensatory damages.

14. Guarantees

- 14.1 The period of guarantee is for six months from the day of delivery unless the period covered was explicitly agreed. The purchaser under penalty or forfeiture of guarantee is bound to advise the Seller immediately of the defect discovered and at the latest within ten days of:
- Delivery in case of apparent defects of products even in partial shipments;
 - The discovery in case of hidden defects.
- 14.2 If before the expiry of the period of guarantee, the purchaser claims there is a fault in manufacture of an item delivered, all things being equal except in the event of force majeure, verification is instituted within one month by an official report made in the presence of the Seller. In the event of the existence of such a fault, after full discussion, being recognized, the Seller takes responsibility, at the Seller's own choice and to the exclusion of all other cost, for either the re-work of making good the defective item, or for the supply of another item in replacement of that previously delivered within the conditions of the initial contract. The execution of this clause completely discharges the Seller's liability.
- 14.3 The guarantee does not apply to replacements or to repairs resulting from normal wear and tear of the products supplied, from deterioration or accidents arising from negligence, lack of inspection or maintenance, defective use of products, or attempts at repairs by the purchaser that are not approved beforehand by the Seller in writing.
- 14.4 Exclusion from guarantee also includes mechanical wear and tear, thermal & chemical results from use conditions not corresponding to the equipment characteristics, and the damages to the products resulting from experimentation or test other than the usual checking carried out according to the rules of art before putting the product in service.
- 14.5 Sub contracted work with own materials and repairs due to defective products do not include any guarantee.
- 14.6 Repairs of defective products carried out by the purchaser without the agreement of the Seller: incur the loss of his guarantee rights. Even with agreement in principle by the Seller, the latter is not bound to make payment for the cost of repairs borne by the purchaser until there is agreement on the amount of an estimate accepted beforehand in writing.
- 14.7 In no case can defective or rejected repaired products be sent back to the Seller without the Seller prior agreement.

15. Insurance and Liability

- 15.1 The purchaser accepts the limitation of the guarantees amount covering the civil liability of the Seller. He acknowledges being aware of the amount of those guarantees. In case the damage would come to exceed the amount of said insurances, the purchaser expressly accept to remain its own insurer for the covering of the excess: the renunciation to claim on the Seller is insurable to all the claims of the purchaser who has the onus of informing them should the occasion arise.
- 15.2 The Seller is exonerated from all responsibility in case of indirect and/or immaterial damages such as loss of production, loss of operation, loss of earnings etc. caused to the purchaser or third parties.
- 15.3 The amount of indemnification for material damages paid by the Seller to the purchaser during, and resulting from the execution of the contract, cannot exceed the pre-tax of sums paid under the contract.

16. Return of the Supplied Product

- 16.1 The Seller is not obliged to take back the supplied product on the grounds not falling within its responsibility.
- 16.2 Any return of the product is subject in principle, to the terms and conditions and to the prior written agreement of the Seller.

17. Cancellation

- 17.1 In case of non performance by the purchaser of one of its contractual obligations, and in particular, in case of non respect of one or more installments of payment, the Seller will have the right to cancel the contract after an injunction to execute the contract is sent to the purchaser and this has no effect during eight days.

18. Disputes / Jurisdiction

- 18.1 All agreements concluded by the Seller shall be governed by Bahraini Law. Any disputes arising between the parties shall be subject to the exclusive jurisdiction of the competent courts in Bahrain, in whose area of jurisdiction the Sellers domicile is located. Even in the event of appeal on guarantee or plurality of defendants excepting agreement by the parties to resort to an arbitration procedure, the conditions of which will be determined by mutual agreement.
- 18.2 In so far as this "General Conditions of Sale" are also available in a language other than English, the English version shall prevail at all times in the event of any discrepancy.

19. General Statement

- 19.1 Any quotations, offers and agreements relating to goods to be delivered and/or services to be provided by Trouvay Cauvin Gulf BSC (c) shall be subject to the rules set forth on the "General Conditions of Sale".