

SAJA ENERGY CO. STANDARD TERMS AND CONDITIONS OF PURCHASE ORDER

1. Definitions

“Purchaser” means Saja Energy Company.

“Supplier” means the person, firm, or corporation to whom this Contract is addressed.

“Services/Goods” means the subject matter of the Contract and all components and materials to be incorporated therein, or ancillary thereto, and all articles, materials, supplies, drawings, data, documentation specified as required and all design carried out as part of the Contract and all property rights in such design and all services including delivery, installation, testing and commissioning as required by the Purchaser.

“This Order” means these Standard Terms and Conditions of Purchase and any specifications and additional conditions specifically incorporated into the Contract by memorandum in writing signed by or behalf of Purchaser.

“Contract” means the purchase order between the Purchaser and the Supplier

“Applicable Law” Means all applicable laws, regulations, statutes, and any other obligatory measures.

“Company’s Address” means the usual place of business of the Purchaser or the Supplier.

“Delivery Address” means the address for delivery of Goods/Services which shall be specified on the Contract.

2. Complete Agreement

This Order, combined with the Contract constitutes the entire agreement between Supplier and Purchaser regarding the Goods/Services.

All conditions expressed by Supplier are excluded except conditions expressly accepted by Purchaser in writing.

3. Supplier’s Obligation For Health & Safety

Supplier shall perform the Services in a safe and workmanlike manner in accordance with good practice using Personnel competent and qualified to undertake their duties in a safe manner.

4. Responsibilities and Indemnities

The Supplier will indemnify and hold harmless Purchaser for any loss of or damage to property/equipment where such loss or damage is caused by the negligence or breach of duty the Supplier, their officers, employees, subcontractors, or agents. This will be limited to a sum of one million SAR (1,000,000).

The Supplier will indemnify and hold harmless Purchaser, its officers, employees, subcontractors or agents from claims, liabilities, costs, damages and expenses of every kind and nature resulting from personal injury, including fatal injury and disease, to any person employed by the Supplier or its subcontractor arising out of or in connection with the performance of the contract whether or not the negligence or breach of duty of Purchaser, its officers, employees, subcontractors or agents cause or contributed to such personal injury.

Purchaser will indemnify and hold harmless the Supplier, its officers, employees, subcontractors or agents from claims, liabilities, costs, damages and expenses of every kind and nature resulting from personal injury, including fatal injury and disease, to any person employed by Purchaser or its subcontractor arising out of or in connection with the performance of the contract whether or not the negligence or breach of duty of Supplier, its officers, employees, subcontractors or agents cause or contributed to such personal injury.

5. Insurance by Supplier

The Supplier shall maintain for the duration of the Contract the following insurances, where appropriate, and with insurers satisfactory to Purchaser.

- General Third-Party Risk Insurance with a minimum indemnity of two million SAR (2,000,000) for any one incident or series of incidents.

6. Confidential Information

The Supplier, its officers, employees, subcontractors, and agents shall maintain full secrecy and confidentiality on all matters not in the public domain concerning or arising from the Contract or the tendering thereof for a period of FIVE (5) years from the date of accepting the Contract.

7. Changes - Cancellations

Purchaser shall have the right to order (a) the immediate termination of the Work; or (b) the suspension of the Work; or (c) any variations to the Work that are within the capability and resources of the Supplier. No deviations from the specifications and other conditions contained on this Contract is permitted without Purchaser's written agreement.

Any increase or decrease in the cost of the Work resulting from such order shall be agreed in advance between Purchaser and the Supplier.

8. Inspection

All inspection and tests shall be made as required by the specifications issued by the Purchaser, and copies of all test reports, test data, etc., in the number specified by this Contract shall be forwarded by Supplier to Purchaser. Purchaser may at its option, be present at such inspections and tests. Purchaser reserves the right to inspect the Goods

and any part thereof at any time after the date of this Contract. Neither shall any inspections or any failure to inspect by Purchaser relieve Supplier of any responsibility or liability with respect to such Goods/Services nor shall such be interpreted in any way to imply acceptance thereof by Purchaser.

9. Delivery Time

The Supplier must acknowledge and understand that deadlines for delivery, completion and performance are critical on a Contract. The Suppliers failure to meet any deadline without the Purchasers written consent will result in a material breach of contract. If there is any expected or anticipated delay to a Contract made by the Purchaser, the Supplier must inform the Purchaser in writing and advise on the length of time the delay is expected to take. The Supplier must take every action available to them to shorten the delay or offer any remuneration that the Purchaser will see fit to make up for the delay of the Contract. If the Purchaser sees fit that the Supplier will not be able to meet the deadlines set forth in any contract, then the Purchaser reserves the right to pursue any remedies set forth in the termination for clause section without offering the Supplier any grace period.

10. Purchaser Equipment

Any equipment owned by the Purchaser that is to be used/delivered to the Supplier, the Supplier will bear the risk for any damage, theft, or destruction of the equipment from any cause from the exact moment in time it arrives in the Suppliers possession to when it is then returned and accepted by the Purchaser.

11. Title, Shipment And Risk Of Loss

The Supplier is responsible for properly packaging the goods for transportation along with correctly loading the goods for transport. The Purchaser will receive title to the Goods/Services only when delivered, free from any encumbrances.

12. Invoices

Supplier must include certain information such as Purchase Order number, item number, description of items, quantities, unit prices, extended totals, and any other information required by these terms. Generic statements that simply indicate the services was rendered for goods are not sufficient documentation for an invoice. If supporting documents sent by the Supplier is insufficient to prove that the services were completed, accepted and consistent with the terms agreed in the Contract then the Purchaser will reject this and will not complete payment. Payment of an invoice does not mean acceptance of the Work and will be subject to all terms and conditions laid out. An invoice must be Submitted to the Purchaser within 30 days of completion of services. The Suppliers failure to do so will constitute the Supplier to waive any legal or equitable rights to demand a payment for such work.

13. Payment

The Purchaser will pay the Supplier subject to the payment terms agreed in the Contract. If no payment terms are specified, then all payments will be made within 45 days from the date the invoice is permanently registered in the Purchasers accounts payable system. However, if any dispute arises, then The Purchaser has the right to withhold payment until the dispute has been resolved. The invoice must also be accurate in its details, and it will be returned for correction if there is missing or

inaccurate detail. Payment will be made in the country where the goods were shipped to or from. The Supplier must submit to the Purchaser in writing any claims relating to the billing or payment of goods within 30 days. Failure to do so will automatically waive the Suppliers right to any legal remedy or rights in relation to the claim being made.

14. Taxes

The Supplier is responsible for the collection and reporting of all applicable taxes related to the transaction and will forward all taxes to the correct taxing jurisdiction). The Purchaser will comply with any tax-holding requirements if specified by any applicable law.

15. Import/Export Compliance

When the Supplier is responsible for the shipping of goods, it is the responsibility of the Supplier for compliance with ant import/export laws including any regulations safeguarded by law. The Supplier will provide the Purchaser with any information needed to comply with Applicable Law if restrictions are imposed by a government. The Supplier will acknowledge that the Purchaser relies on the Supplier that the information given is accurate regarding if any Saudi Arabian or foreign import/export license needs to be granted for transportation of goods to its required destination.

16. Warranties - Guarantees

Supplier warrants that Goods shall;

- have been produced, sold, delivered, and carried out in strict compliance with all applicable laws, regulations, labour agreements, working conditions and technical codes and requirements to which the Goods/Services are subject.
- strictly adhere to the drawings, specifications, samples, and other requirements referred to by the Purchaser.
- be of quality and suitable for the purposes intended.
- be free from defects.

Supplier warrants that it's Services;

- possesses all necessary expertise, equipment, facilities, and personnel to perform the services required.
- will meet all specifications, requirements, standards, deadlines, or other obligations specified by the Purchaser or required by Applicable Law.

The Supplier shall ensure that the Goods/Services, materials, documentation, equipment, and workmanship used for or incorporated into the Contract are free from errors, defects, and failures twelve (12) months after delivery.

Upon receipt of notification from Purchaser of any defective workmanship, the Supplier shall immediately rectify, or at the option of Purchaser, replace or reperform any defective services, materials, documentation, equipment, or workmanship at no cost to Purchaser.

The rights and remedies of Purchaser provided above are without prejudice to Purchaser's other rights or remedies under The Order.

The Supplier warrants that the Goods/Services provided to the Purchaser does not infringe any copyright or trademark law including intellectual property rights that could result in a fine or legal action against the Purchaser.

17. No Assignment

Any assignment of this Contract or of any rights hereunder, or any mortgage, charge, pledge or otherwise of the Goods/Services, in whole or in part, by operation of law or otherwise, without the prior written consent of Purchaser shall be void.

18. Compliance with Laws

Supplier warrants that the Goods/Services shall have been produced, sold, and delivered in strict compliance with all applicable laws, regulations, labour agreements, working conditions and technical codes and requirements to which the Goods/Services are subject.

19. Audit

The Supplier and any contractor working under the Supplier performing work on behalf of the Purchaser will maintain books, records, and documents to ensure its compliance with any Applicable Law. The Purchaser will keep records for a period of four years and when requested by The Purchaser will be made available at a reasonable time for examination, inspection, or an auditor (in house or external). The Supplier must keep accurate records and provide a place if an audit occurs at no extra cost to the Purchaser. If an audit highlights inaccuracies, overbilling or any other violation of terms resulting in a cost to the Purchaser. The Purchaser will have a right to recovery of such costs and the Supplier will also remain responsible for the costs of such audit.

20. Conflicts Of Interest

The Supplier will not offer any Purchaser officers, employee's, agents, or subcontractor's gifts, entertainment, or other favours other than nominal value. The Supplier must also not grant any commission or sanction any rebate or remuneration to any officers, employee's, agents, or subcontractors of the Purchaser.

21. Termination

The Purchaser has the right to cancel any work without cause relating to the Contract. In this event the Purchaser will receive any outstanding payment remaining for the work completed up to date and any satisfactory compensation for the termination of the contract.

If the Supplier has breached a term or condition of the Contract, enters bankruptcy or insolvency or there is sufficient evidence of financial instability, the Purchaser reserves the right to immediately cancel the Contract. In addition to this the Supplier should immediately reimburse the Purchaser any money that has already been transferred for the work that is incomplete.

22. Ethical Business Conduct

All dealings will be conducted in good faith and a fair manner respecting a high standard of business ethics. All books and records will be maintained in a proper and honest manner that will allow the Purchaser to comply with all Applicable Law.

The Supplier agrees and confirms that they will abide by the Purchaser code of conduct and will agree to notify in writing any breach of this document in relation to any work undertaken under this agreement.

The Supplier will confirm that none of the Supplier affiliates, shareholders, members, managers, directors, officers, employees, independent contractors, or anyone hired to do work for the supplier will offer or authorize and payment, promise, gifts or anything of value for the purpose of wrongly influencing recipient or obtaining an improper business advantage.

The Supplier will perform no act on behalf of the Purchaser that will result in a fine or violation of export controls and trade sanctions applicable in Saudi Arabia.

The Supplier confirms that it will protect and uphold the fundamental human rights set forth by the United Nations in relation to all its members involved with the company.

The Supplier will notify the Purchaser in writing immediately if they break any competition laws.

In addition to any other termination provisions, the Purchaser may terminate any Contract immediately by written consent for the following reasons:

- Fraud or misrepresentation with respect to the performance of the contract.
- Failure to comply with any compliance obligations as detailed in these Terms and Conditions.
- Circumstances discovered in good faith that allows the Purchaser to believe that the Supplier has conducted illegal or unethical practices to gain an unfair business advantage.

As well as Contract termination the Purchaser may withhold or suspend any payments.

23. Applicable Law and Jurisdiction

This Order shall be construed and governed in all respects by Saudi Arabian Law. The Saudi Arabian Courts shall have jurisdiction to entertain any action brought in connection with or arising out of this Contract.

Prior to litigation or any claim that is made, an effort will be made to resolve the dispute first through mediation and arbitration. This will be governed by Saudi Arabian Law and take place within Saudi Arabia.