

PURCHASE ORDER **TERMS & CONDITIONS**

1.0 SCOPE

This “**Purchase Order**”, including all attachments embodies the entire agreement between “**Purchaser**” and “**Seller**” with respect to the “**Goods**” and supersedes all prior negotiations, representation or understanding of any kind except to the extent they are expressly incorporated herein.

“**Seller**” accepts and has carefully read the “**Purchase Order**” including, but not limited to all drawings, specifications, terms and conditions, special conditions, instructions and all attachments thereto and the “**Seller**” is deemed to be fully experienced in the manufacture, supply and delivery of the “**Goods**” (including the provision of “**Services**” if included as a requirement of the “**Purchase Order**”).

2.0 PRICE & PAYMENT

The price stated in the “**Purchase Order**”, shall constitute the full compensation for the “**Goods**”, and shall include, all costs, taxes, duties, fees or charges of any kind incurred by “**Seller**” or related to the “**Goods**” prior to final delivery of the “**Goods**” to “**Purchaser**”. Unless otherwise expressly stated.

Unless otherwise specifically expressed in the “**Purchase Order**”, the “**Purchaser**” shall pay for the “**Goods**” delivered the invoiced amounts within thirty (30) days following receipt of the invoice and accepted by “**Purchaser**”. All payments shall be made by Bank Transfer, except in special cases.

3.0 DELIVERY

Time is of the essence. The “**Goods**” shall be delivered to such place as specified in the “**Purchase Order**”, within the delivery time (s)/ date(s) specified therein.

4.0 ACKNOWLEDGEMENT & ACCEPTANCE

The “**Seller**”, by signing the acceptance copy of the “**Purchase Order**”, and returning it to “**Purchaser**” within seven (7) days from the date of issue confirms acceptance of the “**Purchase Order**”, and its terms and conditions.

The seller acknowledges that TPI personnel, it’s customers, regulatory and statutory authorities shall have the rights of entry to inspect / audit the supplier’s facility for the agreed and applicable contractual or statutory and regulatory requirements.

5.0 WARRANTIES

The “**Seller**” warrants that all of the goods, services and deliveries pursuant to this “**Purchase Order**”, shall be of the best quality and workmanship and shall be free from any defect/s or faulty design and of proper material so as to fulfill in all respects such conditions as may be specified by the “**Purchaser**”.

If any defect or non conformances of goods are noticed by the “**Seller**” prior to the dispatch of goods, the “**Seller**” shall immediately notify the “**Purchaser**”; the “**Seller**” may seek concession/s from the “**Purchaser**” for the non conforming “**Goods**” and which decision shall be at the sole discretion of the “**Purchaser**”.

If any malfunctions, breakdown or defect attributable to the design (other than design made, furnished or specified by the “**Purchaser**” for which the “**Seller**” has in writing disclaimed responsibility), materials, workmanship or operating characteristics of any “**Goods**” arise at any time up to twelve (12) months from the date when such “**Goods**” are placed in operation or eighteen (18) months from the date of delivery in accordance with the “**Purchase Order**”, (whichever period expires the earlier) and the “**Seller**” is notified thereof subject as hereinafter provided, the “**Seller**”, shall at his own expense advise and confirm within two weeks of such alterations, repairs and replacements as may be necessary to comply with the above guarantees and shall reimburse the “**Purchaser**” for any costs and expenses incurred by the “**Purchaser**” in connection with the rectification of such malfunction, breakdown or defect.

The foregoing shall be without prejudice to any other rights at law, which the “**Purchaser**” may have against the “**Seller**” in respect of any breach of the terms and conditions of this “**Purchase Order**”.

6.0 LIABILITY

“**Seller**” hereby renounces compensation for and shall indemnify and hold harmless the “**Purchaser**”, its officers, agents, and employees from and against any and all liabilities, claims, demands, suits, judgments, damages and losses including the costs, fees and expenses therewith or incidental thereto in connection with death of or injuries to any person whomsoever, the loss or damage of any property howsoever caused, arising under or by reason of the installation, erection, repair, rectification, adjustment or operation of the “**Goods**” covered by this “**Purchase Order**”, unless caused by the sole gross negligence of the “**Purchaser**”, his employees, subcontractors, agents or representatives.

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7.0 TITLE AND RISK

Without prejudice to the right of the **“Purchaser”** to reject nonconforming **“Goods”** or to avail itself of any other remedy, title to the property in the **“Goods”**, or in any material or component to be incorporated in the **“Goods”**, shall pass to **“Purchaser”**, when the **“Goods”** have been manufactured, or when any such material or component has been incorporated into the **“Goods”**, whether the **“Goods”** have been completed or not. Risk of loss in the **“Goods”** (material and components incorporated therein) shall not pass to **“Purchaser”** until the **“Goods”** have been delivered to **“Purchaser”** at the delivery point specified in the **“Purchase Order”**.

8.0 STATUTORY REQUIREMENTS

“Seller” warrants that the **“Goods”** to be supplied under the **“Purchase Order”**, shall comply in all respects with all relevant requirements of any statute, statutory rule or order, or other instrument having the force of law which may be applicable at the time of **“Purchase Order”**, award.

9.0 APPLICABLE LAWS

The laws of Abu Dhabi and the U.A.E. shall govern validity and interpretation of this **“Purchase Order”**.

10.0 ARBITRATION AND RESOLUTION OF DISPUTES

If any dispute arises between the Parties in connection with these General conditions of sale and delivery, the Parties shall use their reasonable efforts to resolve the dispute amicably.

If the parties cannot reach an amicable solution, the dispute shall be referred to arbitration. The Arbitration shall be conducted by a panel of three (3) arbitrators appointed under the Rules of Abu Dhabi Arbitration and Conciliation Centre of Abu Dhabi Chamber of Commerce and the place of arbitration shall be Abu Dhabi, U.A.E and the language of the arbitration shall be English.

The arbitration award shall be final and binding on both parties and judgment upon the award of the arbitration may be entered in any court having jurisdiction thereof.

11.0 TERMINATION

“Purchaser” may at any time, terminate this **“Purchase Order”**, in whole or in part, by giving written notice thereof to **“Seller”**. In the event of such termination, the amount due under the **“Purchase Order”**, shall be subject to an equitable adjustment and the **“Purchaser”** shall not be required to pay **“Seller”** for **“Goods”** ordered, but not delivered. No such termination shall relieve either party of its obligations with respect to that part of the **“Goods”** already delivered to the **“Purchase Order”**.

In the event of such termination, **“Purchaser”** shall thereafter be entitled to obtain the **“Goods”** related to the portion of this **“Purchase Order”**, from any source, to meet **“Purchasers”** requirement, and to charge **“Seller”** all extra costs incurred in doing so.

12.0 PENALTY

In the event of any Delays and in addition to any other rights the **“Purchaser”** may have at law and/or under this **“Purchase Order”**, the **“Purchaser”** reserves the right to:

- (a) Claim as liquidated damages whichever is higher of a lump sum of 3000 AED or one per cent (1 %) of the price of the Item for each day of delay in the delivery commencing on the day following the Due Delivery Date.
- (b) Invoice the above liquidated damages, which shall be paid by the Supplier within thirty (30) days following the date of the invoice, or may be set off against any payment outstanding or due to the Supplier at the **“Purchasers”** discretion.

13.0 RETENTION OF DOCUMENTS/RECORDS

The retention period for documents/records shall be maintained by **“Suppliers / Subcontractors”** is given below:

- (a) Product related contracts for **“Suppliers / Subcontractors”**

Aerospace :	Life of Product (LOP) + 6 years
Oil & Gas :	5 years
Defense :	5 years

- (b) Non-product related contracts: End of contract + 6 years

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14.0 “Suppliers / Subcontractors” shall:

- (a) Notify **“Purchaser”** within 72 working hours in case of any non-conforming product delivery.
- (b) Obtain **“Purchaser”** approval before delivery, for non-conforming product disposition.
- (c) Notify **“Purchaser”** of changes in product and/or process, changes of suppliers, change of manufacturing facility location and, where required, obtain **“Purchaser”** approval.
- (d) Respond timely and effectively to any corrective actions requirements cascaded by the **“Purchaser”**.
- (e) **“Purchaser”** may also require specific actions where timely and/or effective corrective actions to a supplier issue(s) are not achieved. These actions may include, but are not limited to, removal of the supplier from the Approved Supplier List, and legal actions.
- (f) Flow down to the supply chain the applicable requirements including customer requirements.
- (g) Right of access by the **“Purchaser”**, their **“Customer”** and **“Regulatory authorities”** to the applicable areas of all facilities, at any level of the supply chain, involved in the order and to all applicable records, and,
- (h) Right of access by the **“Purchaser”** or **Customer”** to verify inspection and audit activities.