

TERMS AND CONDITIONS

INTERPRETATION

- a) "Buyer" means the person who accepts the Seller's written quotation for the sale of the Goods and whose name is stated on the Face of this Contract
- b) "Seller" means Juki Middle East, a company incorporated in Dubai, United Arab Emirates
- c) "Contract" means the contract for the sale and purchase of the Goods, the Terms of which are set out on the Face of this Contract and these terms are herein unless otherwise agreed in Writing.
- d) "Goods" means the goods (including any instalment of the goods or any parts for them) which the Seller is to supply in accordance with these Terms and which are more particularly described on the Face of this Contract
- e) "Terms" means general terms of sale set out in this document and (unless the context requires) includes any terms agreed in Writing between the Buyer and Seller including those set out on the Face of this Contract.
- f) "Writing" and any similar expression, includes facsimile transmission, electronic mail and comparable means of communication
- g) "Face" means the first page(s) entitled "Sales Contract" attached to the front of this document, which set out the specific terms of the Contract
- h) "INCOTERMS" means international rules for the interpretation of trade terms of the International Chamber of Commerce, which are in force at the date when the Contract is made.

1. BASIS OF SALE

The Seller shall sell and the Buyer shall purchase the Goods in accordance, which is set out on the Face of this Contract subject to these Terms, which shall govern the Contract to the exclusion of any other terms.

No variation to these Terms shall be binding unless agreed in Writing between the authorised representatives of the Buyer and the Seller.

Seller and Buyer shall be governed by the provisions of INCOTERMS, with regards to the trade terms, such as FOB, CFR, and CIF, used herein, unless otherwise provided herein.

The Buyer is responsible for obtaining any necessary import licenses and should do so in good time to avoid becoming liable for demurrage

2. ORDERS AND SPECIFICATIONS

- 2.1 The quantity, quality and description of the Goods and any specification for them shall be as set out in the Face of this Contract.
- 2.2 If the Goods are to be manufactured or any process is to be applied to the Goods by the Seller in accordance with a specification submitted by the Buyer, the Buyer shall indemnify the Seller against all loss, damages, cost and expenses awarded against or incurred by the Seller in connection with, or paid or agreed to be paid by the Seller in settlement of, any claim for infringement of any patent, copyright, design, trade mark or other industrial or intellectual property rights of any other person which results from the Seller's use of the Buyer's specification.

3. SHIPMENTS OR DELIVERY

- 3.1 Partial shipment or delivery and/or transshipment shall be permitted. Each lot of partial shipment or delivery shall be regarded as a separate and independent contract
- 3.2 Date of bill of lading or air waybill shall be accepted as conclusive evidence of the date of shipment or delivery
- 3.3 Seller will nominate the vessel in a reasonable time for the shipment or delivery of the Goods.
- 3.4 In case of stowing, trimming or leveling of the Goods on board at the port of shipment is required of Seller under the specific terms of this Contract, risk of loss of the Goods shall pass from Seller to Buyer, regardless of such requirement to Seller, in accordance with the provisions of INCOTERMS, with respect to the relevant trade terms.
- 3.5 In the event Seller shall charter a vessel for ocean transportation of the Goods, all charges and expenses for discharge of the Goods, including of demurrage and other damages, which are to be for the account of charterer against the ship owner or the chartered owner under the relevant charter party, shall be borne and paid by Buyer.

4. TERMS OF PAYMENT

- 4.1 In case payment for the Goods shall be made by a letter of credit under this Contract, Buyer shall, unless otherwise provided for herein, establish in favour of Seller an irrevocable and confirmed letter of credit negotiable on sight draft through a prime bank of good international repute and satisfactory to Seller immediately after the conclusion of this Contract with validity of at least 20 days after the last day of the period of the relative shipment or delivery. Such letter of credit shall be in a form and upon terms satisfactory to Seller and shall authorize reimbursement to Seller for such sums, if any as may be advanced by Seller for consular invoices, inspection fees and other expenditures for the account of Buyer. Should payment under such sums, if any as may be advanced by the Seller for consular invoices, inspection fees and other expenditures for the account of Buyer. Should payment under such letter of credit not be duly effected, Buyer shall, upon notice thereof from Seller, immediately make payment in cash to Seller directly and unconditionally.
- 4.2 If payment for the Goods is not effected fully by Buyer when due under terms of payment, or, in case of payment to be made by a letter of credit, such letter of credit is not established in accordance with the terms of this Contract, Seller may cancel all or any part of this Contract at any time without prejudice to the rights of Seller to recover any damages incurred thereby and/or to enforce any other rights or remedies under applicable laws, and all accounts payable by Buyer to Seller for the Goods delivered under this Contract shall, upon Seller's declaration, become immediately due and payable in cash in full.
- 4.3 If Buyer's failure to make payment or otherwise perform its obligations hereunder is reasonably anticipated, Seller may demand adequate assurance, satisfactory to Seller, of the due performance of this Contract by Buyer and withhold shipment or delivery of the undelivered Goods. Unless Buyer gives Seller such assurance within a reasonable time, Seller may, without prejudice to any other remedies it may have, cancel the portion of this Contract which relates to the undelivered Goods, and all accounts payable by Buyer to Seller for the Goods delivered under this Contract shall, upon Seller's declaration, become immediately due and payable in cash in full.
- 4.4 If any amount payable to Seller hereunder is not paid in full when due, Buyer shall pay late charges on the overdue amount for each day from the due date until payment in full at a rate of **Prime Rate + 5%** (five percent) per annum, provided always that nothing herein shall require payment of any amount in excess of that permitted by law. Late charges shall be due and payable on demand.
- 4.5 "Prime Rate" shall mean, for contracts expressed in U.S. Dollars, The **Prime Rate** is the interest rate that banks use as a basis to set rates for different types of loans and lines of credit as quoted from time to time by MASHREQBANK PSC, Dubai Branch and for a Contract expressed in other currencies, the interest rate for loans in such currency quoted to prime commercial customers from time to time by the main office or affiliate of the MASHREQBANK PSC located in the country using such currency. The references herein to MASHREQBANK PSC include its successors-in-title, or where inapplicable in any country, a bank of international repute nominated by the Seller.
- 4.6 The imposition of late charges pursuant hereto are without limitation to any and all other rights of Seller arising hereunder or under applicable law.
- 4.7 All bank charges outside United Arab Emirates, including collection charges and Stamp duties, if any shall be for the account of Buyer, provided that confirming commissions shall be for the account of Buyer, regardless of being charged within or outside United Arab Emirates.

5. BUYER'S BREACH OF CONTRACT, INSOLVENCY, ETC.,

- 5.1 If Buyer fails to carry out the terms of this Contract or any other contract with Seller, or becomes insolvent, or if any proceedings are begun by or against Buyer under any law relating to insolvency, or if a receiver is appointed over any material portion of Buyer's property, or if Buyer makes any composition of its debts or assignment for the benefit of its creditors, Seller may suspend further deliveries of the Goods under this Contract, may reclaim any Goods unpaid for, and/or may cancel all or any part of this Contract by written notice to Buyer.
- 5.2 The exercise by Seller of any of the remedies under this clause shall not be deemed a waiver of any other rights or remedies to which Seller is or may be entitled hereunder or under any applicable laws.

6. INSURANCE

If this Contract is on CIF basis, one hundred ten percent (110%) of the invoice amount shall be insured by Seller, unless otherwise expressly stipulated on the Face of this Contract.

7. INCREASED COSTS

Any new, additional or increased freight rates, surcharges (bunker, currency, congestion or other surcharges), taxes, customs duties, export or import surcharges of other governmental, charges, or insurance premiums, including those for war and S.R.C.C. risks, which may be incurred by Seller with respect to the Goods after the conclusion of this Contract, shall be for the account of Buyer and shall be reimbursed to Seller by Buyer.

8. WARRANTY

Unless otherwise expressly stipulated on the Face of this Contract, Seller makes no warranty of fitness or suitability of the Goods for any particular purpose or special circumstances.

9. RESERVATION OF RIGHT OF DISPOSAL

- 9.1 The property of the Goods remains in the Seller notwithstanding the delivery of the Goods to the Buyer, or to a carrier of other bailee or custodian for the purpose of transmission to the Buyer, until full payment has been effected for the delivered Goods and other claims against the Buyer, regardless the legal arguments of these claims.
- 9.2 In case of resale, manufacturing or reformations of the Goods by the Buyer, the thereby arising claims of the Buyer against third persons are to be considered as demands assigned to the Seller. On request of the Seller the Buyer is obliged to nominate the debtors of the claims and to inform the debtors of the facts of the cession. Before full remittance, the Goods may not be pawned to a third person and not be disposed of for security. The Buyer is obliged to inform the Seller without delay of all the attachments or executions or other actions of third persons in regard of the delivered goods by conditional sale and to procure the necessary documents, in order to preserve the Seller's rights and to compensate all charges arisen by the prosecution of law.
- 9.3 The Buyer is obliged to safeguard in every respect the rights of the reserved ownership of the seller when reselling the reserved rights Goods on credit, and in particular do not dispose of them further below value without the Seller's approval.

10. CLAIMS

- 10.1 No claims may be raised by Buyer against Seller with regard to the Goods unless Buyer notifies Seller of its claim by registered airmail, containing full particulars of the claim and accompanied by evidence thereof certified by an authorized surveyor within thirty (30) days after the arrival of Goods at the port of destination or within six (6) months after the arrival of the Goods at the port of destination in the event of a latent defect.
- 10.2 Seller shall not be responsible to Buyer for any incidental, consequential or special damages. Seller's total liability on any or all claims from Buyer shall in no event exceed the price of the Goods with respect to which such claim or claims are made.

11. INFRINGEMENT

Seller shall not be liable to Buyer in any way for any losses, liabilities, settlements, costs or expenses paid or incurred by Buyer resulting from any claim that the Goods or their sale or use infringe any patent, trademark, copyright, design, utility model, trade secret, or other industrial property right of any third party and, if Buyer has furnished to Seller the specifications or any relevant instructions giving rise to claim of infringement. Buyer shall indemnify and defend Seller and hold Seller harmless from any and all loss, liability, settlement, cost and/or expense, including cost of defense, paid or incurred by Seller in connection with any such claim.

12. FORCE MAJEURE

In the event the performance by Seller of its obligations hereunder is prevented by contingencies beyond Seller's control and beyond the control of Seller's suppliers or any carrier, whether or not such contingencies are now within the contemplation of either Seller or Buyer, directly or indirectly affecting the activities of Seller or any other person, firm or corporation connected with the sale, manufacture, supply, shipment or delivery of the Goods, including but not limited to act of God, flood, typhoon, earthquake, tidal wave, landslide, epidemic, quarantine restriction, perils of the sea, war or serious threat of the same, civil commotion, blockade, arrest of restraint of government, rulers, or people, requisition of vessel or aircraft; strike, lockout, sabotage, other labour dispute, explosion, accident or breakdown in whole or in part of machinery, plant, transportation or loading facility, governmental request, guidance, order or regulation; unavailability of transportation or loading facility, shortage or failure in the supply of fuel, water, electric current, other public utility, or raw material including crude oil, petroleum or petroleum products; bankruptcy or insolvency of the manufacturer or supplier of the Goods ; boycotting of the Goods ; substantial change of the present international monetary system; or any other causes or circumstances whatsoever beyond the reasonable control of Seller, then, Seller shall not be liable for loss or damages or failure or delay in performing its obligations under this Contract and may, at its option, extend the time of shipment or delivery of the Goods or cancel unconditionally and without liability the unfulfilled portion of this Contract to the extent so affected.

13. SETTLEMENT OF DISPUTE

The Contract shall be governed by the laws of United Arab Emirates and the Buyer agrees to submit to the non-exclusive jurisdiction of the U.A.E. Courts. Any dispute arising under or in connection with the Contract shall be referred to arbitration in U.A.E., by a single arbitrator appointed by agreement or (in default) nominated on the application of either party by the President for the time being; Dubai International Arbitration Centre ("DIAC") in accordance with the rules of DIAC.

14. SALE OF GOODS (UNITED NATIONS CONVENTION) ACT, 1996 ED.

The Sale of Goods (United Nations Convention) Act shall apply to the Contract, insofar as it is applicable, except for Article 23, 24, Chapters II and III and Articles 74, 75, 79, 82, 84 and Part IV. Where there is any conflict between the terms of this Contract and the terms of the Sale of Goods (United Nations Convention) Act, the terms of this Contract shall prevail.

15. WAIVER

No claim or right of Seller under this Contract shall be deemed to be waived or renounced in whole or in part unless the waiver or renunciation of such claim or right is acknowledged and confirmed in writing by Seller.

16. LIMITATION OF ACTION

Seller shall in no event be liable to Buyer for damages arising from any claim hereunder unless Buyer shall have commenced proceedings against Seller within one (1) year after passing of title of delivery of or failure to deliver the Goods or after any cause of action hereunder or in relation hereto shall have arisen.

17. ENTIRE AGREEMENT

This Contract is based on the terms and conditions expressly set forth herein and no other terms and conditions are binding on Seller without its agreement in Writing to such other terms and conditions.

18. HEADINGS

The headings are for convenience only and shall not affect the interpretation of this Contract.

19. NOTE

This Terms and Conditions may be reviewed and revised from time to time to take account of new laws and changes to our operations and practices.

Juki Middle East reserves the right to modify or amend this General Terms and Conditions at any time.