

FINCANTIERI SERVICES DOHA GENERAL PURCHASING CONDITIONS

(Qatari laws) – ed. December 2022

1. Scope.

- 1.1. The following General Purchasing Conditions (the "**GPC**") of Fincantieri Services Doha WLL ("**FSD**") apply to the purchase of goods (the "**Products**") by FSD from a supplier (the "**Supplier**") and to the performance of services by the Supplier in favor of FSD ("**Services**").
- 1.2. The GPC will prevail over any general terms and conditions of the Supplier deviating from or supplementing the GPC. FSD will not be bound by any such deviating general terms and conditions, even if: (i) FSD does not object to them explicitly; (ii) the Supplier states that it wishes to deliver only according to its general terms and conditions; or (iii) they are included in the Supplier's declaration of acceptance pursuant to Clause 2.1, the delivery note or, as the case may be, the purchase order.
- 1.3. The GPC shall form an integral part of the purchase order, subcontract, or contract (collectively, the "**Order**" or "**Contract**") that FSD may issue to the Supplier. Each Order shall contain a description of the Products or Services and identify the material, specifications, quantities, prices, delivery schedule, and place of delivery. Each Order must be signed by FSD's authorized representative to be valid.
- 1.4. The Supplier shall bear exclusive responsibility for the performance of all of its obligations associated with its direct or indirect presence and/or with the performance of activities within the territory of Qatar.

2. Conclusion of Contract.

- 2.1. FSD must receive acceptance of the Order by the Supplier in writing and within two weeks of the Supplier receiving the Order.
- 2.2. The acceptance of the Order shall be duly signed by the authorized representative of the Supplier and sent by email to FSD within the above specified period. The Order shall be deemed as accepted only upon receipt by FSD of the Supplier's acceptance. The Supplier may not commence performance of the Order before execution and it will perform the Order in accordance with the procedures and terms set in the Order.
- 2.3. FSD reserves the right to make changes at any time to the Order.
- 2.4. In the event FSD elects to make any changes in material, quality, quantities, drawings, specifications or methods of shipment or destination that cause an increase in the cost or time required for delivery, the Supplier may request FSD to evaluate an adjustment within ten (10) days of notification from FSD of such change.

3. Prices.

- 3.1. The Supplier warrants that the prices for the Products or Services are not less favorable than those currently extended to any other customer of the Supplier for the same or similar Products or Services in equal or lesser quantities.
- 3.2. The agreed prices are fixed prices and exclude subsequent claims or price increases of any kind. If any price is omitted in any Order, the Products or Services shall be billed at the price last quoted or paid by FSD for such Products or Services, or the prevailing market price, whichever is lower.
- 3.3. Deliveries are to be made DDP INCOTERMS 2020, unless otherwise provided in the Order.

4. Payment Terms.

- 4.1. Invoices of the Supplier shall be submitted by courier in two originals and anticipated via email and shall contain all information required in the Order for each delivery.
- 4.2. Subject to invoice verification, FSD will make payments by electronic bank transfer/cheques to the Supplier's bank account as notified to FSD. FSD will make payments only for those Products and Services which are delivered or performed in accordance with the terms of the Order and the GPC.
- 4.3. The Supplier's invoices are due and payable sixty days (60) from the date of the acceptance certificate signed either by FSD or the end user.
- 4.4. In the event of a dispute between the parties, FSD shall be entitled to withhold the payment of any disputed invoice until resolution of such dispute.
- 4.5. Payments by FSD shall not be deemed as an acknowledgement that the Products or Services are in accordance with the Order.

5. Delivery Date, Inspection & Acceptance.

- 5.1. The agreed delivery and performance dates and deadlines are binding. Deliveries and performances before or after the agreed delivery date are permitted only with the consent of FSD.
- 5.2. In order to be considered timely, deliveries and performances must be completed at the receiving place specified by FSD and in complete accordance with the terms and conditions of the Order.

- 5.3. Any excess supply may be refused. Any deliveries not accompanied by a delivery note setting out the name of the Supplier, reference to the Order made by FSD, a clear description of the Products supplied and a detailed breakdown describing the Products on each package may be refused. Any such refused Products shall be returned and replaced at the cost, risk and liability of the Supplier.
- 5.4. All Products will be subject to final inspection and approval by FSD after delivery, notwithstanding prior payment if any, it being expressly agreed that payment will not constitute final acceptance.
- 5.5. The planning of the inspection/s will be timely communicated to the Supplier's representative. At the completion of each successful inspection in relation to deliverables of milestones as detailed in the Order, a certificate of receipt and acceptance will be handed over by FSD to the Supplier after being signed by the end user.
- 5.6. Upon successful completion of the Supplier's obligations under the Order, FSD will submit to the Supplier a Final Acceptance Certificate. Following issuance of such certificate the Supplier will be paid its last instalment, unless stated otherwise in the Order.
- 5.7. The Supplier shall notify FSD without undue delay, if and as soon as it becomes apparent that it will be unable to meet the delivery or the performance date as set out in the Order. The acceptance of a late delivery or service by FSD does not contain any waiver of compensation claims or liquidated damages.
In the event of delay of Products or Services, FSD may request the Supplier to deliver such Products or Service by the fastest means of transport. If FSD's request is reasonable based on the potential implication on FSD, the Supplier shall meet FSD' request. Any additional delivery charges more than those that would apply for the usual means of delivery shall be borne by the Supplier.

6. Liquidated Damages.

- 6.1. If the Supplier does not deliver the Products or Services at the agreed time of delivery, FSD is entitled to liquidated damages as from the agreed delivery date. The liquidated damages will amount to one (1) percent of the total Order amount per week, for each of the first two weeks of the delay, and two (2) percent per week for each following week. The liquidated damages will not exceed ten (10) percent of the total Order sum. The liquidated damages shall fall due for payment immediately upon FSD's written demand. Partial deliveries shall not exempt the Supplier from liability pursuant to this provision.

7. Shipment and Export Control.

- 7.1. The Supplier shall package, ship, and insure the Products properly and comply with all relevant packaging and shipment provisions. The Supplier shall be liable for all damages which FSD may suffer because of improper or insufficient packaging, shipping or insurance coverage.
- 7.2. Shipping papers such as e.g. delivery notes and packing slips shall be included with the deliveries. All documents shall state the Order number and the identification required by FSD for the Order. No later than on the day of shipping, a shipping notice shall be sent to FSD in advance by fax or e-mail.
- 7.3. Any additional costs, which FSD incurs because of noncompliance with the above rules, shall be borne by the Supplier.

8. Transfer Of Ownership.

- 8.1. Qualitative and quantitative acceptance of Products or Services is subject, among others, to delivery at the place of delivery as indicated in the Order. Transfer of ownership of the Products shall take place upon acceptance.

9. Transfer Of Risk.

- 9.1. All risks relating to the Products shall be borne by the Supplier up to and until acceptance by FSD at the place of delivery as provided in the Order.

10. Warranty and Responsibility for Defective Products.

- 10.1. The Supplier warrants to FSD the proper implementation/supply/performance of the Products, in compliance both with the technical data and operating requirements, and the quality of the materials used, the processing and operation of each of its parts and of the whole. Moreover, the Supplier warrants that Products or Services, as the case may be, delivered/performed: (i) are designed and manufactured in a professional and workmanlike manner; (ii) are fit for any normal or agreed purpose; (iii) are free from defects in design, materials and workmanship; (iv) comply with applicable law; and (v) comply with specifications and requirements agreed on with FSD.
- 10.2. The warranty shall remain valid for a period of 24 months as of the date of delivery or final acceptance, whichever is the later. The Supplier shall meticulously examine its Products for defects and undertakes to do everything feasible in order to avoid any product liability. If FSD is held responsible by a third party because of the defectiveness of a Product and if the defectiveness is due entirely or in part to a defect of the Supplier's Products or Services, FSD may instead of compensation of all losses also demand indemnification vis-a-vis the third party. The Supplier's obligation to pay damages shall also include the costs of a precautionary recall measure in order to prevent damage, if this is appropriate.
- 10.4. If any Products do not comply with these terms and conditions and the Order or are in any way defective FSD may at its discretion reject and/or require the Supplier to replace the Products at the Supplier's cost and expense. This

right to reject and/or replace shall be without prejudice to any other remedy to which FSD may be entitled to under the Order or by law. The time required for repairing and replacement of the Products sent back to the Supplier under this Article shall in no case exceed six (6) months from the date of receipt of the Products by FSD or the end user.

10.5. FSD may exercise the right to reject and/or replace in Clause 10.4 within any period necessary for FSD to be reasonably able to detect that the Products are defective taking into account the nature of Products and the usual custom adopted for inspecting the relevant Products or, if longer, within 120 days of delivery or until usage of such Products. Without prejudice to any of FSD's rights, the Supplier acknowledges that it is aware that it is not usual practice for FSD to inspect any Products on delivery as FSD relies on the Supplier's quality assurance procedures and FSD shall not be under any obligation to do so under the Order, by operation of law or else. Rejected Products may be returned at the Supplier's risk and expense at the full invoice price plus transportation charges and FSD's handling charges. FSD shall not be required to accept replacements without its prior written consent.

11. Quality, Access Right.

11.1. The Supplier shall comply with all applicable rules in relation to quality standards. It shall furthermore advise FSD about any special, not generally known handling and disposal requirements and shall provide for each delivered Products a manufacturer's certificate or certificate of conformity (CE) within the meaning of the applicable Directives of the European Union or other statutory provisions. Any change to the Products and Services will require the prior written consent of FSD.

11.2. Employees authorized by FSD and the representatives of public authorities or their delegates may access all business premises at all times during regular business hours in which work is carried out by the Supplier and/or its subcontractors for FSD, irrespective of whether these are business premises of the Supplier or of its subcontractors and may inspect all applicable and Order-related documents for auditing purposes or to verify legal requirements. These access rights during visits must in particular be granted to all persons authorized by FSD, who are responsible for monitoring progress of the work commissioned by FSD from the Supplier and for related audits, examinations, or for the qualification of the Supplier.

12. Environment, Health and Safety (EHS).

12.1. The Supplier represents and warrants that:

12.1.1. The Product or Services to be supplied to the FSD shall not include any arsenic, asbestos, lead or any other hazardous and/or contaminated substances, elements or waste of any kind that are restricted by law or regulation at the place of origin and/or any temporary and/or final destination of the Product or any part thereof pursuant to the Contract, or by good international practice;

12.1.2. The Supplier shall not in the course of any activity arising in connection with the Contract cause any of the FSD's employees or representatives or any third party authorized by the FSD to act on its behalf to be exposed to any such hazardous and/or contaminated substances, elements or waste as specified in 12.1.1 above, whether at the Supplier's premises, workshop, manufacturing sites or at any other location;

12.1.3. The Products shall be delivered complete with all instructions, warnings and other data necessary for safe and proper operation;

12.1.4. The Products or Services are in strict compliance with all applicable EHS requirements, at the place of origin and at any temporary and final destination of the Product or any part thereof pursuant to the Contract, including as applicable Qatari laws and regulations, as it may be amended from time to time;

12.2. In case of conflict between different EHS requirements, the most stringent standard shall apply.

12.3. Any Product or Service which does not comply with all of the requirements of this Clause shall be considered to be defective and any breach of this Clause shall constitute a material breach of the Contract. The Supplier shall indemnify and hold harmless FSD, its affiliates, officers, employees and agents against any and all liabilities, claims, expenses, loss and/or damage which may arise as a result of the breach of its obligations and/or warranties under this Clause.

13. Insurance.

13.1. The Supplier is liable for all the damages to things or persons that may occur during performance of the Order.

13.2. In the event set forth in Clause 13.1 the Supplier, if so requested by FSD, shall be obliged to intervene in the proceedings instituted by damaged third parties and to indemnify, defend and hold FSD harmless.

13.3. In relation to the liabilities borne by the Supplier, the Supplier shall on entry to the place of performance of the Order and/or delivery of the Products, deliver to FSD a suitable insurance policy taken out with a leading insurance company to cover civil liability for damage to third parties and/or workmen, and to installations, machinery, works and personnel associated with or otherwise relating to the implementation of the Order and works on the Products. This insurance policy must be taken out with a reasonable minimum ceiling for each individual accident for damage to persons for damage to things. The policy taken out by the Supplier herein must cover the entire duration of the effectiveness of the Order and must, without reservation, also cover any damage caused by its subcontractors (or associated/consortium companies) or suppliers. The insurance policy shall expressly cover gross negligence of the insured party and gross negligence or willful misconduct of individuals which the Supplier is liable for, pursuant to the law, or to the terms of these GPC or of the Order.

14. Confidentiality.

14.1. Any Order and any related correspondence, information or document shall be treated confidentially. The Supplier furthermore shall keep all commercial and technical information and documents, which become known to it through the business relationship, and which are not generally known, secret and use these exclusively for providing the ordered Products or Services. Drawings, models, samples, and similar objects shall not be submitted or made available to unauthorized third parties. Duplicating such objects is permitted only within the limits of copyright provisions and to the extent required in order to fulfill the obligations incumbent upon the Supplier. Any subcontractors shall be bound to confidentiality accordingly. It is moreover expressly agreed that the Supplier shall not use the name of FSD nor its clients for any advertising or publicity purposes (e.g. by mentioning the FSD or its clients in any customer lists) without the FSD prior written consent. The end user of the Products may request and have direct access to the previous mentioned information contained in this article.

15. Taxes and Duties.

15.1. All taxes, duties, stamps, and other fees imposed outside the Qatar in connection with the execution of the Order will be for the Supplier's account. All taxes, duties, stamps, and other fees imposed in Qatar will be at FSD's charge.

16. Rights to the Products and Services; Open Source Software.

16.1. If the Products or the Services provided by the Supplier are subject to patent or copyright protection, FSD shall be granted all rights of reproduction, use, operation, release, adaptation, modification or translation of the Products or the Service as far as this is necessary for the purpose of the Order. The grant of rights under this Clause shall be determined.

16.2. FSD will acquire full property of the Products or the Services covered by the respective Order.

17. Indemnification.

17.1. The Supplier will indemnify, defend and hold FSD harmless from and against any and all claims, demands, losses, liabilities, suits, causes of action, legal proceedings, damages, costs, and expenses (including reasonable attorney's fees), arising out of or related to: (i) any patent, trademark, copyright, trade secret or other intellectual property infringement claim relating to the names, Products, materials, or packaging, supplied by the Supplier; (ii) any breach of any provision of this Agreement or of the Order by the Supplier or of any representation or warranty made by the Supplier herein; or (iii) any injuries to or the death of any person(s), including employees of FSD or the Supplier, or the loss of or damage to the property of any person(s), caused by or resulting from the negligence of the Supplier or any of its employees, or from improper or defective Products or materials, except that the Supplier shall not be liable for any such claims resulting from the sole negligence of FSD. Such indemnification obligations shall survive termination or expiration of this Agreement. FSD may participate in such defense to such extent as FSD in its discretion may determine. FSD shall not under any circumstances be liable to the Supplier for incidental, special, punitive or consequential damages (including without limitation lost profits).

18. Financial Guarantees.

18.1. The Supplier acknowledges that FSD shall request suitable guarantees from third parties to cover the advance payments, if any, or the quality and operation of the subject of the supply and of the guaranteed performances which the Supplier is to provide.

19. Sanctions, Anti-Bribery and Anti-Corruption.

19.1. The Supplier shall comply with all applicable laws and regulations relating to international sanctions, anti-bribery and anti-corruption, including but not limited to such laws of the countries in which the Supplier has operations and of the countries where the FSD and its affiliates have operations and shall not engage in any activity, practice or conduct that would constitute an offence under any applicable laws. The Supplier shall have and maintain in place throughout the term of this Contract its own policies and procedures to ensure that it and any of its employees, agents, suppliers and sub-contractors, who provide services under, or in connection with, the Order and/or these GPCS, comply with international sanctions, anti-bribery and anti-corruption laws and regulations and will enforce them where appropriate. Any breach of, or noncompliance with, any undertakings under this provision shall be reported by the Supplier to the FSD as soon as it becomes aware of such occurrence. Breach of this provision shall be deemed a material breach of the Order and/or these GPCS.

20. Insolvency/Termination.

20.1. Without prejudice to any other termination right of FSD existing at law or in these GPCS and to any other rights or remedies, FSD may terminate forthwith, without liability, the whole or part of the Contract by written notice to the Supplier in the following cases: (i) where the Supplier is in material breach of this Agreement or any other agreement with FSD; or (ii) the Supplier does not begin performance in a timely manner, fails to make progress as per the Order, or is otherwise in delay and fails to provide adequate assurances that delivery of the Products or Services in accordance with the Order will occur in a timely manner as per the Order; or (iii) in the event of the Supplier's bankruptcy, insolvency, liquidation, appointment of receiver (or analogous occurrence).

20.2. Effect of Termination.

- 20.2.1. Upon receipt of FSD's termination notice, the Supplier shall immediately discontinue further delivery/performance of the Products and/or Services affected by the termination.
- 20.2.2. Upon FSD's request and at the Supplier's costs, the Supplier shall: (i) promptly turn over to FSD any or all portions of the Products or Services whether or not completed; (ii) assign to FSD (at FSD's discretion) all subcontracts and vendor contracts relating to the performance of the Contract to the extent possible; and (iii) do and procure all things necessary to vest and secure FSD's good title in the Products or Services.
- 20.2.3. The Supplier shall promptly upon FSD's request compensate FSD for all costs, expenses, damage and loss incurred by FSD as a result of or in connection with the termination for the Supplier's default, including: (i) all costs and expenses incurred to complete the Products/Services, or have it completed by third parties; (ii) any damages and losses suffered by FSD in the event that the Products or Services fails to comply with the terms of the Contract.
- 20.2.4. FSD will compensate the Supplier for the parts of the Products or Services taken over by FSD, for an amount equal to the value of the same as determined by FSD less the amount of FSD's prepayments, if any.

21. Force Majeure.

- 21.1. In any case of force majeure whatsoever which the parties are not able to foresee using due diligence, the parties shall be entitled to request the discontinuance and the resumption of the performance of the Order within a term to be determined by mutual agreement.
- 21.2. Events of force majeure include wars, revolutions, sabotage, epidemics, explosions, fires, natural disasters, and any other element that may not be predicted using due diligence.
- 21.3. In the cases referred to in the preceding paragraph, delivery terms shall be extended for a period corresponding to the working days lost due to occurrence of the aforementioned force majeure events.
- 21.4. The party who cannot perform its obligations or who may not benefit from the other party's performance due to a force majeure event undertakes to notify to the other party, within 3 (three) days from the occurrence of said event, the date on which it has occurred and the date on which it presumably shall cease its effects.
- 21.5. Should the occurrence of force majeure events delay the progress of other works already scheduled in close association with the delivery of the goods affected by such events, the Supplier shall take all action and apply all remedies necessary in order to minimize such delay to any extent possible. In the event of negligent omissions by the Supplier, any additional costs which FSD may incur shall be entirely charged to the Supplier, without prejudice to the right to compensation for any damages suffered by FSD.
- 21.6. Should the events of force majeure continue for more than 30 (thirty) days, the parties shall be entitled to consider the Order as terminated according.

22. Supplier Claims.

- 22.1. The Supplier shall only be entitled to make a claim in the circumstances and timelines set forth expressly in the Order. The Supplier shall not be entitled to exercise any lien on any FSD property. As a condition precedent to any claim, the Supplier shall: (i) give notice to the FSD of any circumstance which in the Supplier's view might give rise to a claim within three (3) days of the occurrence; and (ii) submit any claim in writing to the FSD including all such substantiation and evidence as reasonably practicable within ten (10) days of the occurrence giving rise to the claim.

23. Documentation.

- 23.1. Delivery of the Products and Services shall not be deemed complete until delivery of all required documentation in accordance with the Order has occurred.

24. Suspension.

- 24.1. FSD may at any time instruct the Supplier to suspend the performance/supply of Products/Services or portion thereof by giving notice to the Supplier. In such case, the Supplier shall: (i) discontinue performance of the Order to the extent specified in the suspension notice, (ii) other than to the extent required in the suspension notice, place no further orders or subcontracts with respect to the suspended part of the Products/Services, (iii) take all other reasonable steps to minimize costs associated with the suspension. Except where FSD has suspended the Order due to the Supplier's breach and/or force majeure, if and to the extent that the suspension exceeds 30 days, FSD shall reimburse the Supplier for the direct costs (excluding any profit) attributable to the suspension which are incurred during the suspension period, provided that the same are reasonable and properly documented in writing by the Supplier. The Supplier shall be entitled to no other payment or compensation during the period of the suspension or because of the suspension. Except as expressly provided in Clause 21 (Force majeure) and this Clause 24, any suspension in the supply of the Products or Services by the Supplier shall be deemed a willful breach of the Order and/or these GPCs.

25. Applicable Law and Disputes Resolution.

- 25.1. These GPCs and particular conditions of the Order shall be governed by the laws of Qatar, excluding any other sources of law not expressly mentioned herein.

- 25.2. All disputes between the Parties concerning the formation, existence, validity, performance, interpretation or termination of these GPCs or any Order or Contract or otherwise arising out of or in connection with these GPCs or any Order or Contract in any manner whatsoever shall be finally settled by an arbitrator appointed by the Registrar of Qatar International Court and Dispute Resolution Centre. The seat, of the arbitration shall be Doha. The arbitration shall be conducted in the English language and under and in accordance with such rules and procedures as the arbitrator may determine. The arbitration award shall also be in the English language and shall be final and binding upon the Parties and not subject to appeal to or review by any court or in any other manner whatsoever.
- 25.3. Unless the Order has already been suspended and/or terminated pursuant to the appropriate provisions, the Supplier shall in every case proceed with the performance of all of its obligations under the Order during and notwithstanding any dispute resolution and/or arbitration proceedings or litigation.

26. Notices and Communications.

- 26.1. Any communication dealing with the day-to-day business between the parties may be made by electronic mail.
- 26.2. Any notice to be given to either party under the Order shall be in writing and shall be served by delivering it by hand, or sending it by courier, post or facsimile to the respective addresses stated in the Order. Any such notice shall be deemed to have been given:
- on the date of delivery or refusal to accept delivery if delivered by hand;
 - on the first business day in the country of the receiving party after dispatch if sent by facsimile;
 - on the date of delivery if sent by courier or post.

27. Miscellaneous.

- 27.1. The Supplier and its employees, officers and representatives will perform their duties in respect of the execution of the Order with utmost care and diligence. They shall comply with applicable Qatari laws and all other applicable laws.
- 27.2. Any assignment or subcontracting of rights or delegation or performance of this Agreement without the prior written consent of FSD shall be void. The unauthorized subcontracting of third parties entitles FSD to rescind the Order in whole or in part and to claim damages.
- 27.3. In the event any one or more of the provisions of these GPC shall be held to be void, illegal or unenforceable in any respect, such voidance, illegality, or unenforceability shall not affect any other provisions hereof. The rights and remedies set forth herein are not exclusive and are in addition to any other rights and remedies available. No failure or delay in exercising any right or remedy under these GPCs operates as a waiver or estoppel of any right, remedy, or condition. The headings are for convenience only and do not affect this GPC's construction or interpretation. No modification or waiver of these GPC shall bind either party unless signed by its authorized representative.