

APPLUS Standard Terms of Purchase

1 Application

These standard terms (the "Terms") shall apply to all the Supplier's deliveries of goods (the "Goods") to the Buyer.

These Terms supersede all the Supplier's standard terms and conditions of sale and delivery and such terms and conditions shall not be binding on the Buyer, regardless whether such terms and conditions are forwarded to the Buyer prior to delivery of any Goods.

Any deviation from these Terms can only be made by a written agreement between the Supplier and the Buyer.

2 Documentation

The Goods shall be delivered together with such manuals and other documentation, which are customary for the relevant type of goods or which are required by any applicable law or regulation, in the purchase agreement or in the Buyer's purchase order.

Each delivery shall be clearly marked with the Buyer's name, address and order number on the outside of the packaging.

3 Payment

Unless otherwise agreed in writing, terms of payment shall be thirty (30) days from the date of invoice approval. The invoice must as a minimum contain a description of the Goods and quantity supplied, time and place of delivery and the name of the Buyer and the Buyer's order number. Payment is conditional upon the Supplier's correct and total fulfillment of all its obligations with respect to the supply of the relevant Goods. The Buyer reserves the right to deduct from any payment due by the Buyer to the Supplier, any amounts payable by the Supplier to the Buyer from time to time.

The Supplier's invoice may not be submitted until the Goods have been duly delivered.

The Supplier's invoice must be forwarded to the address of the Buyer indicated in the Purchase Agreement or Purchase order, or otherwise in

4 Delivery

The Supplier shall deliver the Goods and any documents in relation thereto

at the time and place stipulated in the purchase agreement or the Buyer's purchase order or as otherwise indicated by the Buyer. If the Buyer has not stipulated the time of delivery, the Supplier shall deliver the Goods within reasonable time.

Terms of delivery shall be Delivered Duty Paid (DDP as defined in the Incoterms 2010) at the place established by the Buyer.

5 Prices

All price lists and other prices offered by the Supplier or agreed by the Parties shall be deemed to be inclusive any ancillary services relating to the supply of the Goods, including without limitation handling and invoicing.

6 Ownership and Passing of Risk

Title to the Goods and the risk for the Goods shall pass from the Supplier to the Buyer at the time of delivery as set out in Clause 4.

7 Delay

In the event of a delay in the delivery of the Goods or any of the documents related thereto, the Supplier shall notify the Buyer immediately of such delay and suggest a new time of delivery. If the Buyer does not accept the new time of delivery, the Buyer shall be entitled to exercise any of the remedies set out below in respect of such late delivery.

Any delay shall be deemed a material breach of the Supplier's obligations and the Buyer shall be entitled to (i) cancel the order and claim damages from the Supplier (including indirect and consequential damages) and/or (ii) exercise any other remedies available to the Buyer under applicable law.

The Supplier shall not be entitled to deliver in installments unless otherwise agreed in writing by the Buyer. Any partial delivery shall be considered as late delivery and the Buyer shall be entitled to refuse such partial delivery and to exercise any of the remedies set out above.

If the Buyer has ordered a specific brand of Goods, the Buyer shall be entitled to refuse any replacement products of another brand delivered by the Supplier and to exercise any of the remedies set out above.

8 Warranties

The Supplier warrants that all Goods delivered to the Buyer (i) will be of a nature, quantity, quality, description and fitness for purpose as required in the purchase agreement, the Buyer's purchase order or otherwise known to the Supplier; (ii) will comply with any applicable laws and regulations; (iii) will be fit for the purposes for which goods of the same description would ordinarily be used; (iv) will possess the qualities of goods which the Supplier has held to the Buyer as a sample or model; (v) will be contained or packaged in a manner usual for such goods and as required in the purchase agreement or the Buyer's purchase order and (vi) will be free from any defects. This warranty shall expire twenty four (24) months after time of delivery.

9 Non-conformity

If any of the Goods delivered by the Supplier to the Buyer do not conform with the warranties set out in Clause 8, or any other provisions in these Terms, the purchase agreement or the Buyer's purchase order, the Buyer shall be entitled (in its own discretion and without prejudice to any other remedy available under applicable law) to (i) require that the Supplier replaces the non-conforming Goods with fully conforming Goods promptly upon the Buyer's request or (ii) claim a reduction in the purchase price in proportion to the reduction in the value of the Goods caused by the non-conformity. In any case, the Buyer shall be entitled to claim damages for any loss or damage incurred by the Buyer as a consequence of the non-conforming Goods, including any indirect or consequential damages, and for any third party claims. In the event of a material non-conformity or if the Supplier fails to replace the Goods promptly upon the Buyer's request, the buyer shall be entitled to cancel its order and claim damages, including any indirect or consequential damages.

Any non-conformity shall be regarded as having been present at the time of delivery of the Goods, unless otherwise proven by the Supplier.

10 Inspection

The Supplier is aware that the Buyer might not upon receipt of the Goods carry out an inspection of the Goods and that the Buyer may raise claims against the Supplier in respect of any non-conforming Goods at any time after delivery of such Goods. However, claims concerning non-conformity shall be submitted by the Buyer to the Supplier within a reasonable time after such non-conformity has been detected by the Buyer.

11 Product Liability

The Supplier shall indemnify the Buyer against (i) any losses or damages (including any indirect or consequential damages) which the Buyer or any of its employees and officers may incur as a consequence of any defects in the Goods, (ii) any product liability, which the Buyer, any of its employees and officers may incur towards any third party, including the Buyer's employees and officers and (iii) any other claims from any third party against the Buyer, any of its employees and officers arising out of or in connection with any defect in the Goods.

The Supplier shall be obliged to execute and maintain product liability insurance on customary terms with a reputable insurance company, which shall cover a sum of no less than EUR 5,000,000. The Supplier shall upon the Buyer's request forward an insurance certificate to the Buyer evidencing such insurance cover.

12 Intellectual Property Rights and other Third Party Rights

The Supplier warrants that the Goods will be free from any third party rights (including any encumbrances) at the time of delivery and that the Goods will not infringe any patents, licenses, trademarks, copyrights, know how or any other intellectual property rights of any third party. The Supplier shall indemnify the Buyer, its employees and officers against any claims from any third party arising as a consequence of any such third party rights.

13 Confidentiality

The Supplier shall keep confidential all information and knowledge about the Buyer and the Buyer's business, which the Supplier may obtain in connection with its supply of Goods to the Buyer.

The Supplier is not permitted, without written consent from the Buyer, to use the Buyer's name or any commercial

relation with the Buyer for the purpose of advertising, as a reference or in any other way.

14 Subcontractors

The Supplier shall be strictly liable for any subcontractors used by the Supplier.

15. Amendment of the APPLUS standard Terms of Purchase.

The Buyer shall be free to amend, at any time and at its sole discretion, these standard terms of purchase.

Any amendment of the APPLUS Standard Terms of Purchase shall be effective on the Supplier on the date of notice of the same by the Buyer.

16 Severability

If any provision in these Terms, the Framework agreement or the purchase order is or shall become invalid or unenforceable in whole or in part, the other provisions of these Terms, the Framework agreement or the purchase order shall remain valid and enforceable.

17 Law and jurisdiction

The Framework agreements, purchase orders and confirmations and all other agreements or documents relating to the supply of Goods from the Supplier to the Buyer, including these Terms, shall be subject to the laws of Saudi Arabia.