

## GENERAL CONDITIONS FOR THE PROCUREMENT OF MINOR GOODS AND SERVICES

### 2.1 GENERAL PROVISIONS

2.1.1 These general conditions shall apply unless otherwise agreed in writing between the PARTIES.

2.1.2 Definitions

In this PURCHASE ORDER the following words and expressions shall (unless the context requires otherwise) have the meanings stated:

**AGREED INCOTERMS:** [Insert Relevant Details] 2010 conditions.

**APPLICABLE LAWS:** All relevant laws (including tax, investment, exchange and fiscal benefits laws), decrees, regulations, orders, directives and any other executive or legislative instrument (including codes, standards, rules, executive regulations, normative regulatory directives, resolutions, ordinances, notifications, or other similar directives or rules) which must be complied with within the COUNTRY.

**COMPLETION:** The date of issue of the PURCHASER's written confirmation of acceptance that the SUPPLIER 's delivery of all GOODS or SERVICES as described in the PURCHASE ORDER is complete and in accordance with the requirement of the PURCHASE ORDER, provided such acceptance does not relieve the SUPPLIER of any warranty obligations or other obligations stated in the PURCHASE ORDER.

**CONSTRUCTION:** The investigation, survey, design, engineering, procurement, construction, installation, testing and commissioning required for realising the PROJECT.

**COUNTRY:** [Insert Relevant Details]

**DEFECT:** Any defect, failure, imperfection, fault or other failure in the GOODS to meet the requirements of the PURCHASE ORDER, and "DEFECTIVE" shall be construed accordingly.

**DELIVERY DATE(S):** The date of the SUPPLIER's delivery of the GOODS or SERVICES per the agreed delivery timetable.

**DRAWINGS:** Drawings, documentation, calculations, certificates and all other technical documentation to be supplied by the SUPPLIER under the PURCHASE ORDER.

**FORCE MAJEURE:** Any circumstance beyond a PARTY's reasonable control which could not despite the exercise of reasonable diligence, have been prevented or avoided by the affected Party or its subcontractors and is not the result of a material breach or act of negligence by the affected PARTY or its subcontractors, including without limitation:

- (a) acts of God, flood, drought, earthquake or other natural disaster;
- (b) epidemic or pandemic;
- (c) terrorist attack, civil war, civil commotion or riots, war, threat of or preparation for war, armed conflict, imposition of sanctions, embargo, or breaking off of diplomatic relations;
- (d) nuclear, chemical or biological contamination or sonic boom; or
- (e) any law or any action taken by a government or public authority, including without limitation imposing an export or import restriction, quota or prohibition.

**GOODS:** All goods to be delivered by the SUPPLIER pursuant to the PURCHASE ORDER.

**OWNER:** [Insert Relevant Details]

**PARTY:** Individually the Supplier or the Purchaser and collectively, the "PARTIES".

**PROJECT:** A PV facility to be located and constructed at the SITE and which comprises all plant, machinery and equipment, all associated buildings, structures, roads (that are not national, provincial or municipal roads) on the SITE related to the use and operation of the PROJECT and all other appurtenances, including all required connection works.

**PURCHASER:** The company stated as such in the form of PURCHASE ORDER or its successors or permitted assignees.

**PURCHASE ORDER:** The contract document in which the order for GOODS or SERVICES is detailed, (hereinafter referred to as "PURCHASE ORDER ") which includes the PURCHASE ORDER, these general conditions and the appendices attached hereto (including but not limited to Exhibit A (*Pricing Schedule*), Exhibit B (*General Conditions*), Exhibit C (*Invoicing Requirements*) and Exhibit D (*Technical Specifications and Quotations*) and which has been confirmed by the SUPPLIER in accordance with the provision in clause 2.2 (*Status of Purchase Order*) and any amendments and variations to said documents agreed between the PARTIES.

**PURCHASE ORDER PRICE:** The total price specified in the PURCHASE ORDER and which shall constitute full compensation to SUPPLIER for the GOODS or SERVICES delivered, including all costs, expenses, taxes (including VAT), duties, fees or charges of any kind incurred by or levied on the SUPPLIER related to the performance of the PURCHASE ORDER and for the fulfilment of all its obligations under the PURCHASE ORDER.

**SERVICES:** All services to be delivered by the SUPPLIER pursuant to the PURCHASE ORDER.

**SITE:** The place where the WORKS are to be executed for the PROJECT and to which the GOODS are to be delivered, and any other places as may be specified as forming part of the SITE for the PROJECT.

**SUPPLIER:** The company stated as such in the PURCHASE ORDER or its successors or permitted assigns.

**TAKING OVER DATE:** The date the CONSTRUCTION of the PROJECT is completed, and the OWNER takes over risk of the PROJECT, specified in a written notice by the PRUCHASER to the SUPPLIER.

**WARRANTY PERIOD:** The warranty period starts at the delivery of the GOODS and continues for two (2) years from the DELIVERY DATE.

**WORKS:** The complete development, design, engineering, fabrication, procurement, construction, installation, commissioning, testing, connection to distribution / transmission system, delivery and handover of the PROJECT, the supply of operating and maintenance manuals for the PROJECT, and the transfer of skills to ensure the competence of persons nominated by the PURCHASER to operate and maintain the PROJECT.

2.1.3 In the event of any conflict between the provisions of the PURCHASE ORDER, the contract documents shall be given priority in the following order:

- (a) the PURCHASE ORDER;
- (b) Exhibit B (*General Conditions*); and
- (c) the other appendices in the order they are listed, unless stated otherwise.

## **2.2 STATUS OF PURCHASE ORDER**

2.2.1 The PURCHASE ORDER constitutes the entire agreement between the PARTIES and supersedes all prior agreements, promises, correspondence, discussions, representations and understandings, except these expressly set forth herein.

2.2.2 Other conditions/documents (e. g. any special conditions, etc.) shall not apply to the PURCHASE ORDER and therefore shall not be binding unless mutually agreed in writing by the PARTIES.

## **2.3 CONFIRMATION OF THE PURCHASE ORDER**

2.3.1 The SUPPLIER shall confirm the PURCHASE ORDER by signing the PURCHASE ORDER and returning it to the PURCHASER. The confirmation has to be made within seven (7) business days after receipt of the PURCHASE ORDER.

## **2.4 GENERAL OBLIGATIONS OF THE SUPPLIER**

2.4.1 The SUPPLIER warrants that all GOODS shall be new, free from defects, deficiencies, errors and damage in materials, design or workmanship and shall be designed and manufactured in accordance with the specifications agreed in the PURCHASE ORDER.

## **2.5 RIGHT TO INFORMATION**

2.5.1 Upon request, the PURCHASER shall obtain all necessary information from the SUPPLIER relevant for the PURCHASE ORDER.

2.5.2 Upon request, the SUPPLIER shall permit the PURCHASER or PURCHASER's representatives or sub-contractors to carry out inspections as the PURCHASER deems to be necessary.

2.5.3 The inspections carried out by the PURCHASER or the PURCHASER's agents or approval of documents by the PURCHASER shall not relieve the SUPPLIER of its contractual responsibilities.

## **2.6 PURCHASE ORDER PRICE**

2.6.1 The PURCHASE ORDER PRICE stated in the PURCHASE ORDER shall be considered as fixed unless expressly agreed otherwise.

## **2.7 TERMS OF PAYMENT / SECURITY**

2.7.1 The PURCHASER shall make payments in accordance with the payment terms set forth in the PURCHASE ORDER. The PURCHASER may withhold any disputed or insufficiently documented amounts. In this case the PURCHASER shall inform the SUPPLIER with immediate effect and the PARTIES shall make every effort in order to solve any uncertainties without delay.

2.7.2 No payment of the PURCHASE ORDER PRICE shall constitute any acceptance by the PURCHASER as to the performance of the SUPPLIER under the PURCHASE ORDER.

2.7.3 Without prejudice to any other right of set-off the PURCHASER may have, the PURCHASER may withhold any portion of an invoice due to the SUPPLIER in the following circumstances:

- (a) if a dispute exists as to the accuracy or completeness of any documentation relates to an invoice (but only with respect to the amount then in dispute);
- (b) any overpayments made by the PURCHASER in a previous payment;
- (c) termination of the PURCHASE ORDER for the SUPPLIER's default under the PURCHASE ORDER; and/or
- (d) unpaid delay liquidated damages according to clause 2.12 (*Non-Performance*).

The PARTIES shall strive to use their best endeavours to settle amicably and in good faith any dispute that may arise.

The PURCHASER can terminate the PURCHASE ORDER for convenience, in this case, PURCHASER shall compensate SUPPLIER for any justified and reasonable incurred cost.

## **2.8 TERMS OF DELIVERY / SHIPPING INSTRUCTIONS / PACKING LIST / INVOICE**

- 2.8.1 The SUPPLIER shall be responsible for any loss or damage caused to the GOODS before the risk therein has passed to the PURCHASER in accordance with the AGREED INCOTERMS.
- 2.8.2 If the PURCHASER is responsible for the transportation, the SUPPLIER shall in good time prior to dispatch, request dispatch instructions from the PURCHASER. If the SUPPLIER is responsible for the transportation, it shall as soon as possible, and not later than the date of dispatch, send an advice note advising of dispatch so that the PURCHASER may prepare for receipt of the GOODS.
- 2.8.3 Packing lists/advice notes/invoices etc. shall only relate to one PURCHASE ORDER and shall be duly marked with the PURCHASE ORDER number and part number(s) and other information required by the PURCHASE ORDER. Packing list/advice notes and invoices shall be completed so that each item corresponds to the PURCHASE ORDER with respect to item number, part number, GOODS or SERVICES description and specification.
- 2.8.4 All GOODS shall be duly marked with the PURCHASE ORDER part number and in accordance with packing lists and instructions stated in the PURCHASE ORDER. If the consignment consists of more than one package, each package shall contain a detailed list of contents.
- 2.8.5 The SUPPLIER shall submit to the PURCHASER one original invoice and one copy. The invoices must be marked with the PURCHASE ORDER number and must comply with all invoicing requirements set out in the PURCHASE ORDER, including Exhibit C (Invoicing Requirements).
- 2.8.6 For all deliveries, the GOODS and the packing lists / advice notes shall be duly marked with the gross weight.
- 2.8.7 The SUPPLIER shall comply with all APPLICABLE LAWS regarding the marking of hazardous material.
- 2.8.8 Invoices which do not comply fully with the requirements contained in the PURCHASE ORDER will be returned to the SUPPLIER. Any certificates and other documents specified in the PURCHASE ORDER shall be delivered together with the GOODS. This documentation is considered to be a part of the delivery and invoices shall not become due and payable and shall not be paid until such documentation has been received.

## **2.9 CERTIFICATE OF ORIGIN / CUSTOMS INVOICE**

- 2.9.1 The PURCHASER, or any other third party specified by the PURCHASER, shall be supplied with a certificate of origin and custom invoices for the GOODS.
- 2.9.2 Costs incurred by the PURCHASER due to lack of certificate of origin or customs invoices shall be charged to the SUPPLIER and deducted from the PURCHASE ORDER PRICE.
- 2.9.3 Upon request, the SUPPLIER shall provide assistance (including providing additional documentation, managing application forms, paper work and other administrative aspects in English or other language) to the PURCHASER in relation to and for the purposes of customs clearance and/or other import processes relating to the GOODS.

## **2.10 OWNERSHIP AND RISK IN GOODS**

- 2.10.1 The SUPPLIER shall not permit the creation of and shall promptly discharge any lien, charge or other encumbrance created in or over the GOODS and shall not enter any agreement with any third party which shall prevent the PURCHASER acquiring clean title thereto. The SUPPLIER shall indemnify the PURCHASER against any costs and expenses (including legal fees) incurred by it as a result of any breach of this sub-clause by the SUPPLIER.
- 2.10.2 The GOODS supplied by the SUPPLIER in accordance with the PURCHASE ORDER shall become the property of the OWNER once the SUPPLIER receives 90% payment of the value of the GOODS. For avoidance of doubt, this shall not release the PURCHASER from its obligation to pay the full value of the GOODS to SUPPLIER.
- 2.10.3 The SUPPLIER shall procure that the GOODS are clearly and visibly marked, or otherwise identified, as appropriate (individually or in sets, by letters or by figures or by reference to a pre-determined code) as being the property of the OWNER and having as their destination the SITE.
- 2.10.4 The PURCHASER shall be under no obligation to accept or pay for any GOODS delivered in excess of the quantity ordered. The risk in any over-delivered GOODS shall remain with the SUPPLIER.
- 2.10.5 The PURCHASER shall be under no obligation to accept or pay for and shall not have any liability in respect of any GOODS supplied earlier than the agreed DELIVERY DATE(S).

## **2.11 DELIVERY, ACCEPTANCE AND DELAY**

- 2.11.1 Delivery of the GOODS or SERVICES shall take place according to the agreed DELIVERY DATE(S) and the SUPPLIER shall be deemed to have fulfilled its delivery obligations upon COMPLETION. PURCHASER has in all cases the right to demand delivery of the GOODS upon payment of the outstanding amount due to SUPPLIER under the PURCHASE ORDER.
- 2.11.2 As soon as the SUPPLIER believes, or has grounds for believing, that the delivery will be delayed, it shall immediately notify the PURCHASER in writing of the delay and the cause thereof. The SUPPLIER shall implement all necessary actions and bear all reasonable costs incurred to minimize the delay. The SUPPLIER shall furthermore inform the PURCHASER of the measure it will initiate in order to minimize the delay.
- 2.11.3 The SUPPLIER shall respond in writing to all delivery reminders put forward by the PURCHASER.

## **2.12 NON-PERFORMANCE**

- 2.12.1 If the SUPPLIER's delivery is delayed due to SUPPLIER's fault and deviates from any of the DELIVERY DATE(S), the PURCHASER is entitled to receive the payment of delay liquidated damages amounting to 0,5% of the price of the delayed GOODS, per calendar day of delay. The liquidated damages shall not exceed fifteen percent (15%) of the total PURCHASE ORDER PRICE. The SUPPLIER's reaching of the delay liquidated damages cap of fifteen percent (15%) is a substantial breach of the PURCHASE ORDER.
- 2.12.2 If the delay is caused by gross negligence or wilful misconduct on the part of the SUPPLIER, the PURCHASER may, instead of the liquidated damages, claim compensation for actual losses suffered due to the delay in accordance with the provisions in clause 2.14 (*Liability and Insurances*).
- 2.12.3 The PURCHASER shall notify the SUPPLIER in writing of a DEFECT without undue delay after the DEFECT has been discovered.
- 2.12.4 The SUPPLIER shall without undue delay and at its own costs rectify all DEFECTS arising in the WARRANTY PERIOD in accordance with the warranty terms set out in clause 2.12 ).
- 2.12.5 Subject to clause 2.12.7, the SUPPLIER shall under the warranty pursuant to this clause ensure that the GOODS shall be rectified to comply with the PURCHASE ORDER. The PURCHASER can demand replacement of defective GOODS if he can prove that a repair may not be sufficient.

- 2.12.6 Subject to clause 2.12.7, if the SUPPLIER fails to rectify the DEFECTS within a reasonable time, the PURCHASER is entitled to rectify the DEFECT himself or employ a third party to do so for the SUPPLIER'S risk and account. In such cases, the PURCHASER shall notify and consult with the SUPPLIER before commencement of the rectification work and PURCHASER is obliged to follow SUPPLIER's instructions. If PURCHASER fails to do so PURCHASER'S warranty rights shall be excluded. The PURCHASER is entitled to retain an appropriate amount due to SUPPLIER insufficient to ensure rectification of the GOODS.
- 2.12.7 The warranty does not cover defects or damages that occur due to:
- transport damage
  - normal wear and tear
  - incorrect/improper installation or commissioning due to failure to observe the user manual
  - modifications, changes, or attempted repairs in contradiction with the user manual
  - incorrect or abnormal use and/or inappropriate operation in contradiction with the user manual
  - failure to observe the applicable safety regulations (VDE standards, and/or other applicable standards)
  - FORCE MAJEURE
- 2.12.8 The SUPPLIER 's failure to rectify DEFECTS within a reasonable time is a substantial breach of the PURCHASE ORDER.
- 2.12.9 The PURCHASER is entitled to claim compensation for any damages and losses suffered due to DEFECTS limited to 100% of the total PURCHASE ORDER PRICE.
- 2.12.10 If the SUPPLIER fails to fulfil its obligations in accordance with the PURCHASE ORDER or becomes insolvent then the PURCHASER may choose one or more of the following alternatives:
- (a) demand a new delivery timetable (partially or wholly);
  - (b) terminate the PURCHASE ORDER; and
  - (c) claim compensation for damages and losses in accordance with clause 2.14 (*Liability and Insurances*).

## **2.13 FORCE MAJEURE**

- 2.13.1 Neither PARTY shall assume responsibility to the other PARTY for results of non-fulfilment or delays in fulfilment of its obligations under the PRUCHASE ORDER due to causes under an event of FORCE MAJEURE over which the PARTIES have no control. Either PARTY who desires to rely upon an event of FORCE MAJEURE shall notify the other PARTY in writing within three (3) Days of becoming aware of the event of FORCE MAJEURE and provide detailed particulars of such event and the direct effect, and anticipated duration thereof, on the fulfilment of its obligations under this PRUCHASE ORDER.
- 2.13.2 Any reduction in the production capabilities of the SUPPLIER due to an event of FORCE MAJEURE shall be to the greatest extent possible limited in relation to the PURCHASER whereby the SUPPLIER hereby undertakes to ensure that all production capabilities maintained during an event of FORCE MAJEURE shall be used to ensure timely delivery to the PURCHASER in accordance with the PURCHASE ORDER.
- 2.13.3 Each party is entitled to terminate the PURCHASE ORDER if the event of FORCE MAJEURE continues, or it is obvious that it will continue, for more than thirty (30) days.
- 2.13.4 In the case of FORCE MAJEUERE, each party shall cover its own costs resulting from the event of FORCE MAJEURE.

## **2.14 LIABILITY AND INSURANCES**

- 2.14.1 The SUPPLIER shall indemnify the PURCHASER from and against any justified claim concerning personal injury to or loss of life of any employee of the SUPPLIER or the SUPPLIER 's sub-suppliers arising out of or in connection with the GOODS supplied or SERVICES rendered by the SUPPLIER.
- 2.14.2 This applies regardless of any form of liability, whether strict or by negligence, in whatever form, on the part of the PURCHASER.
- 2.14.3 The SUPPLIER shall indemnify the PURCHASER and hold harmless against all liability for death, disease or injury to any third party and loss of or damage to any third-party property and against all claims, losses, damages, costs and expenses (including legal fees) resulting therefrom arising out of any act, omission or neglect by SUPPLIER, its servants, sub-contractors or agents in the performance of the PURCHASE ORDER arising out of or in connection with the GOODS supplied or SERVICES rendered by the SUPPLIER.

Neither PARTY shall be liable to the other PARTY for any loss of profit or for any other indirect or consequential loss or damage that may be suffered by the other except for loss or damage arising out of the PARTIES' wilful misconduct or gross negligence.

Notwithstanding anything in this PURCHASE ORDER to the contrary, SUPPLIER's liability, whether in contract, tort, or otherwise, including warranty, arising out of or in connection with this PURCHASE ORDER shall not per calendar year either exceed the equal of 200.000 EUR (two hundred thousand Euros) or the aggregate purchase volume supplied by SUPPLIER under this PURCHASE ORDER in the year in question, whatever is higher.

## **2.15 CONFIDENTIALITY**

- 2.15.1 The PARTIES shall keep confidential all information received from the other PARTY and all information arising out of the PURCHASE ORDER that by its nature is confidential, including the terms of the PURCHASE ORDER. The PARTIES shall not divulge to a third party the said information without the written consent of the other PARTY, unless such information:
- (a) is already known to the party in question at the time the information was received,
  - (b) is or becomes part of the public domain (except by default of the receiving party),
  - (c) is rightfully received from a third party without an obligation of confidentiality,
  - (d) is required to be disclosed by law, or
  - (e) is independently developed by the party in question.
- 2.15.2 The PARTIES shall not make public the content of the PURCHASE ORDER or its existence unless accepted by the other PARTY.
- 2.15.3 The DRAWINGS, documentation or any other written material, software and printed material, in whole or in part shall not be copied under this PURCHASE ORDER except for the purpose of the fulfilment of the PURCHASE ORDER.

## **2.16 CORRUPTION AND FRAUD**

- 2.16.1 For the purpose of this Sub-Clause 2.16 (*Corruption and Fraud*), "APPLICABLE LAWS" shall also include any national (or state, regional, municipal or local) legislation, statutes, ordinances, decrees and other laws, and regulations and by-laws of any legally constituted government authority (not limited to those of the COUNTRY). Without prejudice to any other provision of this PURCHASE ORDER, in connection with the negotiation, bidding (if applicable), execution and performance of the PURCHASE ORDER and all other transactions contemplated herein, the SUPPLIER:

a) shall (A) not engage, (B) ensure that none of the directors, officers, employees, contractors, representatives or agents of the SUPPLIER or any entity that directly or indirectly owns more than 10% of the shares in the SUPPLIER (the "SUPPLIER PARTIES"), engages, and (C) exercise its best efforts to ensure that each of the SUPPLIER

PARTIES does not engage, in Corrupt Practices, Fraudulent Practices, Coercive Practices, Collusive Practices or Obstructive Practices as the Anti-Corruption Guidelines for IFC Transactions defines such terms (each, a "Sanctionable Practice");

b) shall (A) comply, (B) cause each of the other SUPPLIER PARTIES to comply, and (C) exercise its best efforts to cause each of the SUPPLIER PARTIES to comply, with all APPLICABLE LAWS of the COUNTRY and the Kingdom of Norway relating to anti-bribery and anti-money laundering, including the legislation implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions; and

c) represents and warrants to the PURCHASER on the date of signature of this PURCHASE ORDER that (A) neither it nor any of the other SUPPLIER PARTIES have engaged in, and (B) to the best of its knowledge after performing reasonable due diligence, no SUPPLIER Party or other individual person performing the WORKS has engaged in, any action or omission that (x) constitutes a Sanctionable Practice; or (y) violates any of the rules or regulations described in this sub-paragraph (a).

2.16.2 The SUPPLIER agrees, and undertakes that in connection with this PURCHASE ORDER, the SUPPLIER and each of its affiliates and subcontractors shall: (i) implement and maintain effective disclosure controls and procedures; (ii) maintain books, records, and accounts which, in reasonable detail, accurately and fairly reflect the transactions undertaken and the disposition of assets; and (iii) maintain internal accounting control systems that ensure the proper authorization, recording and reporting of all transactions and provide reasonable assurance that violations of APPLICABLE LAWS relating to anti-corruption of the applicable jurisdictions will be prevented, detected and deterred.

2.16.3 Should any employee of the SUPPLIER or any of its subcontractors at any tier be determined to have engaged in Sanctionable Practices during the execution of the obligation under the PURCHASE ORDER, then that employee shall be removed. The SUPPLIER shall ensure that all of its subcontractors at any tier comply with the provisions of this clause 2.16 (*Corruption and Fraud*) as if such subcontractor had entered into this PURCHASE ORDER as the SUPPLIER.

## **2.17 NO WAIVER**

2.17.1 No waiver by the PURCHASER of any breach of any of the terms and conditions of the PURCHASE ORDER shall be construed as a waiver of any subsequent breach whether of the same or of any other terms or conditions hereof. No waiver shall be validly made unless made in writing.

2.17.2 No failure or delay on the part of the PURCHASER to exercise any power, right or remedy under this PURCHASE ORDER shall operate as a waiver thereof nor shall any single or partial exercise by the PURCHASER of any power, right or remedy preclude any other or further exercise or the exercise of any power, right or remedy.

## **2.18 ASSIGNMENT, SUB-CONTRACTING AND RIGHTS OF SUBSTITUTION**

2.18.1 Upon prior written notice the PURCHASER is entitled to assign its rights and obligations under the PURCHASE ORDER, fully or partly, to any affiliates or any third parties (including the OWNER) without the consent of SUPPLIER but in accordance with clause 2.10.2 (*Ownership and Risk in Goods*). The SUPPLIER may not assign its rights and obligations under the PURCHASE ORDER without the PURCHASER's prior written consent. The SUPPLIER may not subcontract the whole or any major or fundamental part of the provision of GOODS or SERVICES under this PURCHASE ORDER without the PURCHASER's prior written consent.

2.18.2 The OWNER or any substitute assigned by the OWNER shall have the right to utilize and enforce the warranty rights of the PURCHASER under the PURCHASE ORDER but only to the extent as agreed between PURCHASER and SUPPLIER under the PURCHASE ORDER.

2.18.3 The OWNER shall have the right to substitute the PURCHASER as contracting party under this PURCHASE ORDER (i) in the event that the OWNER becomes entitled to terminate the engineering, procurement and construction contract between the OWNER as employer and the PURCHASER as contractor in respect of the PROJECT or (ii) in the event that the SUPPLIER becomes entitled to terminate the PURCHASE ORDER for any reason (including default by or insolvency of the PURCHASER).

## **2.19 COMPLIANCE WITH LAWS, APPLICABLE LAW AND DISPUTES**

- 2.19.1 The SUPPLIER undertakes to comply with all APPLICABLE LAWS including, but not limited to, health and safety regulations applicable to the PROJECT as shall be notified in writing by the PURCHASER to the SUPPLIER.
- 2.19.2 The PURCHASE ORDER shall be governed by and interpreted in accordance with the laws of England where the PURCHASER's registered corporate main office is located.
- 2.19.3 Disputes arising in connection with or as a result of the PURCHASE ORDER, and which are not resolved by mutual agreement, shall be settled by the London Court of International Arbitration.

## **2.20 INSURANCE**

- 2.20.1 During the term of this PURCHASE ORDER and for a period of one (1) year afterwards the SUPPLIER shall maintain in force in relation to the PURCHASE ORDER and provide proof of the following insurance policies with reputable insurance companies in accordance with the AGREED INCOTERMS set forth in the PURCHASE ORDER:
  - 2.20.1.1 third party liability insurance (General liability and products liability) with a limit of not less than one hundred and twenty percent (120%) of the PURCHASE ORDER value for any one claim and in aggregate; and
  - 2.20.1.2 professional liability insurance with a limit of not less than one hundred and twenty percent (120%) of the PURCHASE ORDER value for any one claim and in aggregate.
- 2.20.2 On the PURCHASER's written request, the SUPPLIER shall provide the PURCHASER with copies of the insurance policy certificates and details of the cover provided.
- 2.20.3 The SUPPLIER shall:
  - 2.20.3.1 do nothing to invalidate any insurance policy or to prejudice the PURCHASER's entitlement under it; and
  - 2.20.3.2 notify the PURCHASER if any policy is (or will be) cancelled or its terms are (or will be) subject to any material change.
- 2.20.4 The SUPPLIER's liabilities under this PURCHASE ORDER shall not be deemed to be released or limited by the SUPPLIER taking out the insurance policies referred to in clause 2.20.
- 2.20.5 If the SUPPLIER fails or is unable to maintain insurance in accordance with clause 2.20 or fails to provide evidence that it has paid the current year's premiums in accordance with clause 2.20 the PURCHASER may, so far as it is able, purchase such alternative insurance cover as it deems to be reasonably necessary and shall be entitled to recover all reasonable costs and expenses it incurs in doing so from the SUPPLIER.