

Vassallo Group Terms and Conditions of Purchase

Introduction

These Purchasing Terms and Conditions shall govern all Purchases Orders and Contracts issued by the Group's Procurement Dept for any Company, and/or subsidiary and/or associated companies forming part of Vassallo Group for the purchase of goods and/or provision of services from suppliers, service providers and/or contractors.

Reference: Vassallo Group Procurement Policy VG/PR/01

Definitions

1. **Buyer** shall mean any Company, and/or subsidiary and/or associated companies forming part of Vassallo Group.
2. **Vendor** shall mean any commercial company including contractors, consultants and service providers that may provide goods and/or services to whom an official Purchase Order or Contract has been issued.
3. **Purchase Order, Contracts and Period Contracts** are all official documents of contract issued and solely recognized by the Purchaser and are subject only to the Terms and Conditions outlined within this document. This document supersedes all previous communications, negotiations, and arrangements. The Buyer shall accept no terms and conditions stated by the Vendor unless specifically outlined in the Purchase Order or Contract. The document shall include details for the provision of product and /or equipment and/or service. Details shall include quantities, delivery dates, Company and Vendor details, delivery address and other related information.
4. **Specifications** shall mean all the relevant technical details, technical drawings or descriptions for goods or services referred to by the Buyer.

Section 1:- Purchase Order Acceptance

- 1.1 The Vendor upon receipt of Purchase Order shall comply fully with the obligations of the Terms and Conditions of this document and is to supply the service/product at the price, specifications, delivery and/or milestone dates contained in the Purchase Order. The Buyer will accept no alteration, variation, modification, or amendment from the original Purchase Order unless a formal request in writing has been forwarded by the Vendor within a maximum period of five days from receipt of Purchase Order and if this is accepted by the Buyer than a newly amended Purchase Order shall then be **is** issued. If no such request is forthcoming within the five day period from the Vendor than Purchase Order shall be considered as being accepted. Any additional or different

Terms and Conditions other than those listed in this document shall be included and clearly defined in the Purchase Order.

- 1.2 The Purchase Order shall contain Specifications, Quantities, delivery time and location details, payment terms, warranty terms, reference number detailing requester details and date of receipt and any other info that is deemed relevant.
- 1.3 The Purchase Order along with its Terms and Conditions contained within this document shall prevail over any other condition, correspondence and documentation, or any other agreement or warranty agreed upon prior to date of issue of Purchase Order unless otherwise explicitly accepted, in writing between Buyer and Vendor.
- 1.4 Any additional or conflicting terms proposed by Vendor in response to an Order will not be binding unless explicitly agreed to in writing by Buyer. In case of any inconsistencies between these Terms and any other agreement or document, these Terms & Conditions of Purchase shall prevail.
- 1.5 Buyer reserves the right to modify, reschedule, or cancel any Order or any part thereof, in writing. The Vendor shall promptly comply with any such changes, and any adjustments to price, delivery schedule, or other terms shall be agreed upon in writing by both parties.
- 1.6 In special cases where a Purchase Order is issued after delivery of goods has taken place the outlined Terms and Conditions of Purchase are still applicable. Invoices, prices and rates will only be accepted once the Purchaser issues an official Purchase Order.
- 1.7 All Invoices, Delivery Notes, Service Chits or any other documentation or correspondence relating to the supply of Goods or rendering of a Service must always include the Purchase Order Number/s given by the Buyer.

Section 2 :-Contracts

- 2.1 The provision of service or the provision of goods over a specific period of times can be covered by a Contract which will include all details such as but not limited to Specifications, Quantities, delivery time and location details, payment terms, warranty terms, reference number detailing requester details and date of receipt, method of invoicing and any other info that as deemed relevant.
- 2.2 The Contract shall mirror or make reference to the Terms and Conditions of Purchase included with this document and shall prevail over any other condition, correspondence and documentation, or any other agreement or warranty agreed upon prior to date of issue of Contract unless otherwise explicitly accepted, in writing between Buyer and Vendor.
- 2.3 Any additional or conflicting terms proposed by Vendor in response to an Order will not be binding unless explicitly agreed to in writing by Buyer. In case of any

inconsistencies between these Terms and any other agreement or document, these Terms & Conditions of Purchase shall prevail.

Section 3:- Prices

- 3.1** Prices shown on the Purchase Order or Contract cannot in no way be re-negotiated unless otherwise specified and are therefore fixed and inclusive of all transport, shipping, transit, delivery, packing, handling unloading, transportation, un-packing, checking, levies, insurance, trade licenses, customs clearance, eco and excise tax (if applicable) and/or authorizations documentation and any other related charges.
- 3.2** Prices shown in the Purchase Order or Contract are also inclusive of the provision of documentation, designs, drawings, samples, models, and specifications requested by the Purchaser.
- 3.3** Prices are also inclusive of Certifications, Trail Tests, Supervision and Training and where applicable also inclusive of on-site assembly and commissioning as well as all tools, PPE, power supply and any other equipment required during the provision of a service or supply of product or equipment unless otherwise agreed.
- 3.4** All prices and rates should be in Euro (€) unless otherwise specified.
- 3.5** VAT is applicable at the current legal rate on the day of the service provision or delivery of item, based on the tax laws applicable thereto.
- 3.6** The Vendor declares that the Price indicated within the Purchase Order or Contract covers the scope of Equipment and Services and/or the Specifications of any Item as defined in the Purchase Order and that is a fair price taking into consideration all foreseeable normal eventualities of those supply and services. Therefore, the Purchase Order Price or Contract are fixed and shall not be subject to any revision. Except for any variation ordered by the Purchaser, the Vendor shall not be entitled to receive any other payment for the execution of the Scope of the Supply or rendering of a Service.

Section 4:- Payment Terms

- 4.1** Unless otherwise agreed the normal payment credit terms as agreed between Buyer and Vendor are applicable.
- 4.2** Unless otherwise agreed all payments will be made in Euro (€)
- 4.3** Progress payment, payment on account or deposits shall be clearly defined in the Purchase Order.
- 4.4** Revision of prices and /or payment terms will not be accepted.

Section 5:- Correspondence

- 5.1 All correspondence between Vendor and Buyer shall be made in English Language. Technical Literature and drawings shall also be in English Language.

Section 6:- Delivery of Goods or Provision of a Service

- 6.1 The Vendor shall deliver goods in a secure and safe manner adequately marked and labelled so that goods are received in good order and condition. The Vendor is to ensure that the packing should be adequate to prevent deterioration or damage during delivery and as well as during the storage phase. Unless otherwise specified prices should be inclusive of all related packing, carriage and delivery to site or stores charges and should also be inclusive of VAT, duty, port charges and any other related taxes or customs fees.
- 6.2 Deliveries are to be made to the Delivery Address indicated in the Purchase Order or Contract and within the date/period of time indicated.
- 6.3 The packing material is to be disposed of by the Vendor unless otherwise specified.
- 6.4 Buyer shall have a reasonable time to inspect the delivered Products for compliance with the Order's specifications. Non-compliant or defective Products may be rejected, and Vendor shall promptly replace or repair them at no additional cost to Buyer.
- 6.5 All local Vendors are to send with their deliveries or when rendering a service an official delivery note, service chit or invoice. Such documentation must be signed and confirmed by the personnel authorized to receive such goods or services. The Vendor may request a list detailing all personnel authorized for such scope. No documents will be accepted after delivery has taken place or the rendering of a service is completed without the necessary approved signatures.
- 6.6 International Vendors are to provide where applicable originals of Packing lists, Invoices, ATR, Eur 1 certificates, T2L Certificate, Certificate of Origin, Bill of Lading, CMR documents, Air Way Bill and where necessary Test Certificates of Compliance and any other documentation requested by local Customs or regulatory entity. All documents which should be in English Language are to be forwarded to the Buyer by courier service prior to arrival of consignment in Malta unless otherwise agreed. Any costs relating to demurrage, bond and wharf charges or eventual loss of profit from failure to present the required documents or their delay shall be payable by the Vendor. Incoterms 2020 shall prevail on all international consignments. Such terms are to be clearly included Purchase Order, Delivery Note, Packing Lists and Invoices.
- 6.7 The Buyer may temporarily suspend or postpone the delivery of goods or the rendering of a service if the conditions for the delivery or the provision of such service to any particular location are not acceptable. In such eventuality Vendor shall be responsible for the free storage of goods up to a maximum period of three months.

- 6.8** International and Local Vendors are also to ensure where applicable that all related Drawings, Calculations, Technical Descriptions, Operator's Manuals, Installation Manuals, Maintenance Manuals, Parts Manuals, Workshop Manuals, Material and Safety Data Sheets are all supplied in English Language and are to be sent prior to delivery of goods or rendering of a service.
- 6.9** All costs relating to personnel carrying supervisory duties or any other task related to technical support sent by International Vendors inclusive of any local taxes, work permits, insurances shall be borne by the Vendors unless otherwise specified. All lodging transfers transport and airfares shall also be borne by Vendor unless otherwise agreed. The Vendor both local and foreign shall in the execution of works observe and fulfil the obligations upon contractors as laid down in the Conditions of Employment Regulations and take the necessary action to comply with the local Environmental and Health and Safety regulations.
- 6.10** The Vendor is to deliver the said goods within the agreed delivery period and end destination (local) as shown in the Purchase Order.
- 6.11** Where indicated by the Buyer, the Vendor shall mark and label all goods and provide documentary traceability of items delivered. In case of equipment Vendor shall ensure that a heavy-duty identification plate is affixed in a firm manner to the delivered items.
- 6.12** The Buyer reserves the right to return any unused material/products which are still in good order and condition and not to pay for these goods until the Vendor forwards an official Credit Note.
- 6.13** Any additional costs incurred by the Buyer relating to short, delivered items, long due deliveries or late completion date or any other directly or indirectly related expenses or losses shall be charged to the Vendor. The Purchaser also reserves the right to cancel Purchase Order in whole or in part if the Vendor is in breach of any of the Terms and Conditions outlined in this document and to make all the necessary arrangements for the supply of the required material or completion of works at the expense of the Vendor.
- 6.14** All personnel carrying deliveries or rendering a service on behalf of the Vendor to sites, locations or stores indicated by the Buyer shall be doing so at the sole responsibility of the Vendor.
- 6.15** Personnel delivering goods or providing a service shall ensure that this is done within the days and times indicated by the Buyer and the Vendor binds itself to follow any instructions given from time to time by the Buyer.
- 6.16** The Vendor shall take all reasonable precautions not to create inconvenience to the Buyer's operations and/or Buyers' clients or third parties whilst delivering goods or rendering a service.

Section 7: Nature of Goods/Services

- 7.1 The Vendor shall supply Goods/Services in accordance to samples, technical drawings, surveys, models or specifications given and unless otherwise specified all goods supplied shall be new and in good order and condition. Whenever used goods are supplied these should be free from defects, toxic materials, or any form of hazard. All Goods/Services are to be of the highest quality material and workmanship and are to fit in every respect the purpose expressly or by implication requested by the Buyer.
- 7.2 Should the Vendor seek advice or information from the Buyer, this will in no way relieve or reduce the Vendor's requirement to make his own independent assessment in order to confirm that goods/service supplied are fit for the intended use and purpose.
- 7.3 The Vendor shall supply all products/services in accordance and in conformity to EU standards and specifications that are applicable in Malta or that are internationally recognized and accepted locally.
- 7.4 The Vendor shall provide upon request all the necessary documentation, certification and carry out tests relating to the specifications and standards of item being supplied. The Buyer reserves the right to inspect, examine, measure, test and verify at the expense of the Vendor that the items/products supplied are in accordance to the specifications, quality, quantity, workmanship, and standards requested.
- 7.5 The Vendor shall provide an identification number, batch number or serial number in order that the original source and consignment/batch number or manufacture date can be easily traced. This is applicable to all products/items that are delivered, supplied, or installed. This number is to be clearly indicated on all official documentation issued by the Vendor.

Section 8:- Assignment, Delegation and Sub-Contracting

- 8.1 The Vendor shall not assign, delegate or sub-contract whether in whole or in part any works or provision of services or products listed in the Purchase Order without the prior express written approval of the Buyer.
- 8.2 The Vendor shall be responsible for all defaults, omissions, negligence of its subcontractors including its agents and employees and approval by the Buyer of subcontractors will not exempt the Vendor from such liabilities.
- 8.3 Provided that any variation in the share capital of the Vendor whereby any third party were to acquire a right or interest amounting to or in excess of thirty per cent (30%) of the Vendor's share capital as varied shall be deemed to be a prohibited assignment for the purposes of Purchase Order.
- 8.4 The Buyer will not recognize any links between themselves and the Vendors' subcontractors.

Section 9:- Additional Items/ Works

- 9.1 Where additional items and works are required than Vendor is obliged to perform additional works or provide other services or supply more goods than originally ordered at the same rates and prices unless otherwise agreed.
- 9.2 Such works, services and goods will be supplied on the same Terms and Conditions as outlined in this document and will be confirmed and accepted by the Buyer once a Purchase Order is issued within a maximum period of five working days from notification to proceed with supply of goods or rendering of a service.

Section 10:- After Sales Service

- 10.1 The Vendor shall guarantee availability of spare parts for equipment and/or products supplied for a period of at least ten years after the lapse of warranty period.
- 10.2 Following the ten-year period Vendor is to inform Buyer in writing about discontinuation of production/availability of spare parts.

Section 11:- Transport Insurance Cover

- 11.1 Unless otherwise agreed insurance cover should be the sole responsibility of the Vendor from Vendor's ex-works up to the delivery site or stores indicated by the Buyer (door to door basis).
- 11.2 However, when the insurance is the responsibility of the Buyer than the Vendor shall notify at least five days prior to departure of goods from Vendor's ex-works and is also to provide the necessary documentation and supporting certification and documentation confirming that goods have been loaded in a good order and condition and have been adequately secured to avoid damage during transit.

Section 12:- Commissioning and Acceptance of Goods and Related Risks

- 12.1 Buyer shall have a reasonable time to inspect the delivered Products for compliance with the Order's specifications. Non-compliant or defective Products may be rejected, and Vendor shall promptly replace or repair them at no additional cost to Buyer.
- 12.2 The Buyer shall not accept any responsibility or liability to any equipment and goods that require commissioning until this is carried out to the full satisfaction of the Buyer or any other third party appointed by the Buyer to verify this. Any guarantees and warranties will commence on date of successful commissioning.

12.3 The acceptance and full responsibility of Goods supplied shall be transferred to the Buyer once all the terms and conditions have been satisfied and Goods have been accepted or paid for by the Buyer. Should the Buyer reject any goods the responsibility will remain that of the Vendor until such rejected goods have been repaired, replaced or collected.

Section 13- Complaints, Disputes and Claims

13.1 Issues relating to discrepancies in quality and quantity, delays, poor quality of service or any other issues relating to the supply of product or service will be addressed with the Supplier following notification by the Buyer.

13.2 The Vendor and Buyer shall make all reasonable efforts to resolve the dispute amicably through good faith negotiations.

13.3 If both the Vendor and Buyer are unable to resolve the dispute through negotiations within forty-five days from the date of the first written notice of the dispute, either party may escalate the matter to senior management or designated representatives for further discussion and resolution.

13.4 If the dispute remains unresolved after senior management discussions and in the absence of a successful resolution the necessary legal and regulatory measures to safeguard the Company's interests may be taken.

Section 14:- Liquidated Damages

14.1 Vendor shall pay any costs, damages, disbursements, and any other expenses and shall also be subject to the rejection of the product, equipment or service, in whole or in part, in accordance with details listed in the Purchase Order or Contract in the following cases:

- a. If the delivery time or completion date as indicated in the Purchase Order or Contract is not met due to delays attributable to the Vendor or any other issues under the direct control of the Vendor.
- b. Goods or the provision of service is not in line with the requested specifications and standards.

14.2 The Buyer is to provide evidence of all costs incurred resulting from omission, delays, or incompliance of the Supplier.

14.3 The Buyer reserves the right to withhold any payment in part or in full and/or deduct the amount of Liquidated Damages and apply penalties where applicable from balance due to Vendor.

Section 15:- Health & Safety

- 15.1** The Vendor is to provide all the necessary safety data sheets and in particular cases the necessary training to the Buyer's personnel relating to products supplied indicating handling, method of use and application and other precautions to be taken whilst making use or storing specific goods. All equipment, vehicles, plant, tools, machinery, lifting/hoisting gear used by the Vendor during the rendering of a Service or delivery of Goods are to be certified as safe and in conformity with the local Health and Safety regulations and where applicable in conformity with all HACCP regulations and standards.
- 15.2** The Vendor upon demand shall present the necessary documentation, inspection log sheets, and tests certifying or carry out tests at the Vendor's expense confirming compliance to Clause No. 2. In addition to this the Vendor shall keep all equipment, vehicles, tools, plant, and machinery in a good and well-maintained running order whilst rendering a service to the Buyer.
- 15.3** The Vendor is to ensure that its personnel or any other person/s entrusted to carry out work on its behalf have a valid driving license or operator's license when rendering a service and that such personnel are physically able and professionally competent to operate such equipment, tools, vehicles, or machinery.
- 15.4** The Vendor shall be responsible for compliance with relevant regulations issued by the Government, Nominated Authorities, Local Authorities, including but not limited to Regulations under the Act XXVII of 2000 as amended, Subsidiary Legislation 424.09 – Workplace (Health, Safety and Welfare Regulation), and any insurance made necessary thereby.
- 15.5** Crane Providers, Equipment Rental Providers and Transport Service Providers shall ensure that all the necessary safety precautions are taken on each location prior to the provision of service or supply of equipment.
- 15.6** Crane Providers, Equipment Rental Providers and Transport Service Providers are to comply as far as practical with BS 7121 for planning, supervising, and controlling the lifting, handling, and transportation operations, including the preparation and distribution of risk assessments, method statements and for the safe slinging of the goods to be lifted or handled.
- 15.7** If advice or information is sought from and given by any person employed or contracted by the Buyer, then the Vendor understands and accepts that such advice or information is given without responsibility and not to relieve or reduce the Vendor's requirement to make his own independent assessment.
- 15.8** During deliveries, provision of service or execution of works the Vendor is to provide for all the necessary safety and protection wear and equipment to all of its personnel and to any of its sub-contractors.

15.9 Vendor shall maintain safe and healthy working conditions for its employees and provide appropriate training to prevent accidents and occupational health hazards.

15.10 The Vendor shall ensure that its personnel comply with all the Health and Safety regulations, indications and requirements when supplying goods or rendering a service at the Buyer's premises or those of the Buyer's client/s or end user/s.

Section 16:- Environmental and Social Responsibility

16.1 The Buyer and The Vendor shall comply with all applicable environmental laws, regulation, and standards locally as well as from countries where they operate in case of international Vendors.

16.2 Vendor shall make reasonable efforts to minimize the environmental impact of its operations, products, and services. This includes but is not limited to reducing waste, conserving resources, implementing sustainable practices, and sourcing from renewable sources and/or sources where recycling is in use.

16.3 Vendor shall properly handle, transport, and dispose of hazardous materials in accordance with all relevant laws and regulations. Vendor shall promptly provide Buyer with any necessary information regarding the presence of hazardous materials in the Products supplied.

16.4 Vendor shall keep a track record of the items sourced and forward such information along with any certifications that may be required by the Buyer.

16.5 Vendor shall uphold fundamental labour rights, including but not limited to the prohibition of child labour and forced labour, as defined by the International Labour Organization (ILO) conventions.

16.6 Vendor shall provide its employees with fair wages and benefits in compliance with applicable laws and industry standards. Working hours should not exceed the maximum limits set by local laws.

16.7 Vendor shall not discriminate against employees based on race, color, gender, religion, age, disability, national origin, or any other protected characteristic.

16.8 Vendor shall provide all necessary documentation and certifications in relation to environmental and social standards. The Buyer may request periodical reports which shall include amongst other things relevant data and statistics and any improvement initiatives.

16.9 Buyer may conduct audits or assign other to conduct such audits to confirm compliance with Environmental and Social Responsibility obligations.

16.10 The Vendor may request corrective action in case of non-compliance with Environmental and Social Responsibility obligations.

16.11 In case the Vendor fails to take the appropriate corrective action, the Buyer may terminate the Purchase Order or Contract with immediate effect.

Section 17:- Indemnity

17.1 The Vendor is to assume all responsibility whatsoever for any damages in relation to loss of, damage to or destruction of property and/or bodily injury, illness or death incurred by the Buyer or any of its employees, clients or third parties and their property caused by or arising out of the supply of a product or provision of a service, use of any equipment, vehicles, plant, tools, and machinery belonging to the Vendor or from any negligence whatsoever on the part of the Vendor or any of Vendor's personnel during the execution of works or provision of a product in relation to this agreement and any costs incurred directly or indirectly are to be borne by the Vendor. In any case the Buyer, his directors, partners and/or employees will not be held responsible or liable for any actions, suits, claims, proceedings, costs, and expenses whatsoever arising therefrom.

Section 18:- Insurance

18.1 In line with the service/s or products that the Vendor is being engaged for as noted on the Purchase Order or Contract, the Vendor must ensure to have adequate insurance throughout the duration of the service/s and/or during the entire period for the provision of a product being provided and/or in line with any legal requirements including but not limited to injury and/or death towards the Vendor's employees, injury and/or death to any employee and/or official of the Buyer, injury/death to any other third parties and /or property damage to Buyer's property and/or property damage to any other third parties, and/or property damage to the service/s being provided where applicable.

18.2 For the purpose of this clause the Buyer shall extend to include subsidiary and/or associated companies and/or directors and/or shareholders and/or partners **and/or** employees.

Section 19:- Cancellation of Purchaser Order by Buyer :

19.1 In cases of the Vendor's repeated or serious breach of the provisions of these Terms and Conditions or any legal provisions applicable to this document, the Buyer reserves the right to cancel Purchase Order in the following cases:

- a. Bankruptcy of the Vendor;
- b. Liquidation or dissolution, except liquidation or dissolution for the purpose of merger or corporate restructuring, subsection to any judicial company recovery

measure or judicial or administrative disqualification from conducting business with regard to the Vendor;

- c. Conviction of the Vendor, by judgment which has the force of *res judicata*, for any offence that seriously affects its good repute and negatively affects the proper performance of the agreed works/service or the delivery of goods.
- d. Fraudulent activity by the Vendor, to the detriment of the Buyer;
- e. The Vendor's failure to abide by court decisions or judgments rendered by competent authorities, whenever this non-compliance negatively affects the proper performance of the agreed works/service or the delivery of goods.
- f. The failure to arrange or maintain the insurances for which the Vendor is responsible according to the Terms and Conditions outlined in this document and applicable law;
- g. Serious negligence or fault, in particular the use of unacceptable materials or resources that affect the proper performance of product or service.
- h. Repeated failure by the Vendor to carry out any repairs or modifications considered necessary for the proper functioning of the supplied product or equipment;
- i. Abandonment of works during the rendering of a service or inaction by the Vendor to provide the requested goods.

19.2 If any of the situations referred on a), b), c), d), and e) occurs, the Buyer shall notify the Vendor in writing of the cancellation of the Purchase Order with immediate effect.

19.3 If any of the situations referred on f), g), h) or i) occurs, the Buyer shall inform the Vendor in writing of its intention to cancel Purchase Order or Contract, granting the Vendor a reasonable and adequate time limit for performance of obligations in default or the restoration of the normal situation.

19.4 Once the time limit granted to the Vendor has expired without the failure having been remedied or the normal situation restored, the Buyer shall take a decision on the cancellation Purchase Order or Contract and on the effects attributed, which shall take immediate effect regardless of any other formality, as soon as the Vendor is informed thereof.

20.1 If any of the situations referred to in sub-clause 1 above occurs, the Vendor shall inform the Purchaser in writing of its intention to cancel Purchase Order, granting the Buyer a reasonable and adequate time limit to rectify the relevant failure.

20.2 Once the time limit granted to Buyer has expired without the failure having been remedied or the normal situation restored, the Vendor shall take a decision on the termination of the Purchase Order or Contract.

Section 21:- Breach of Terms and Conditions

21.1 Should the Vendor fail in whole or in part to any of the above-mentioned Terms and Conditions the Buyer without prejudice to any other right and remedies established in applicable law, reserves the right to:

- a. Reject the Goods or Services in whole or in part and cancel Purchase Order
 - b. Cancel the Purchase Order even though goods have been accepted in full or in part by the Buyer and it subsequently transpires that goods are not of conforming quality or standard.
 - c. If the Vendor does not comply within a reasonable timeframe to carry out the necessary repairs, changes or replacement for products provided or to make good for any defective works or whilst rendering a service.
 - d. If Vendor acts in a negligent manner or fails to adhere to instructions given by the Buyer that could negatively affect the Buyer's operation, performance and/or obligations.
- 21.2** Make alternative arrangements to complete any outstanding work and/or supply of items at the expense of the Vendor and charge the Vendor any additional costs, losses or expenses which may be incurred directly or indirectly due to Vendor's failure to meet the agreed Delivery and/or Completion date or as a result of negligent, intentional or defective works or supply of poor quality or non-compliant goods or due to the Vendors poor professional advice. The Vendor shall also be responsible for injury or death to the Purchaser's staff, customers, end users and/or property attributable to the negligence of the Vendor's personnel whilst rendering a service or supplying goods at any of the locations indicated by the Buyer or due to or other terms and conditions included in this document.
- 21.3** The Vendor's obligations shall be subject to all the terms and conditions listed in this document and shall in no way be affected by whether or not:
- a. Goods were purchased by description or specified under a patent or trade name.
 - b. The Buyer has examined the Goods or the sample and the non-conformance with description (e.g. specification, brand, model and/or technical designs) is not obvious.

Section 22:- Warranty

- 22.1** The period of warranty unless otherwise specified and accepted will end after twenty-four months from the delivery and/or commissioning of goods to end location.
- 22.2** The Vendor warrants that all items delivered are in conformity with the technical specifications, samples, models, designs, drawings, and descriptions and in addition guarantees that such items are fit for the intended purpose and free from latent defects, omissions, defects of design, defects resulting from materials and/or bad workmanship and are of good quality and standard.
- 22.3** Acceptance of receipt of goods, approval upon commissioning and payment of invoices will not mean renunciation by Buyer of the warranty terms included in this document.

- 22.4** During the Warranty Period, Vendor shall replace and/or repair at its own option and at its own cost all Works, Items or parts thereof supplied by Vendor that are defective by reason of defective workmanship or defective materials if and provided:
- a. The Equipment or product has been maintained and/or used properly by Buyer or its end customer according to the terms and conditions specified in the Operator's Manual supplied by Vendor;
 - b. Has not been modified nor linked with or transported or sited in such a way as to cause the damage;
 - c. The defect or damage is not induced by normal wear and tear.
- 22.5** Vendor shall be responsible for all costs including, but not limited to, costs of labour and transportation, custom duties and taxes costs required.
- 22.6** Vendor's liability for defects shall be limited to its obligation to replace or repair all works, items, or parts thereof.
- 22.7** Should the Vendor decline to take any action for the immediate repair, make good or replacement of parts within ten days from official notification and complete the works within a reasonable time frame the Purchaser may without any prejudice to any future legal action that might be taken, carry out repairs, replacements and/or make use of third parties to carry out the work at the Vendor's expense. This is irrespective of any warranties or guaranty periods given by the Vendor on the Goods supplied or Works carried out.
- 22.8** Any repair, replacement or performance by the Vendor hereunder shall extend the Warranty Period for a further period of time which is equivalent to the time taken by the Vendor to replace damaged or defective item or carry out the necessary repairs.
- 22.9** Vendor providing a service shall warrant that the requested works have been carried out in accordance with good workmanship and best industry practices.

Section 23:- Ethics and Anti-Bribery

- 23.1** Both the Buyer and the Vendor shall adhere to the highest ethical standards in all business activities including but not limited to the fulfilment of the Purchase Order or Contract.
- 23.2** Vendor shall comply with all applicable laws, regulations, and international conventions related to anti-corruption, anti-bribery, and ethical conduct and agrees not to engage in any corrupt, unethical, or illegal activities whilst supplying goods or rendering a service to the Buyer.
- 23.3** Vendor shall not offer, promise, give, request, or accept, directly or indirectly, any bribes, kickbacks, facilitation payments, or improper advantages to or from any

individual, including but not limited to Buyer's employees, agents, representatives, or any third party, with the purpose of influencing business decisions or obtaining or retaining business.

- 23.4** Vendor shall not offer lavish or excessive gifts, hospitality, or entertainment to any individual connected to Buyer, which could be perceived as an attempt to gain an unfair advantage or compromise their integrity.
- 23.5** In the event of a breach of this Ethics and Anti-Bribery Clause, Buyer may terminate any Order with immediate effect, without liability, and may pursue any other available remedies under applicable law.
- 23.6** Vendor shall indemnify and hold Buyer harmless from any losses, damages, costs, or expenses arising from any breach of this Clause or any corrupt, unethical, or illegal conduct by Vendor, its employees, agents, or representatives.

Section 24:- Confidentiality

- 24.1** Both the Vendor and the Buyer shall treat and maintain all documents, technical and business information as confidential, as well as any information that is not of public knowledge, and neither party shall copy or disclose such information to third parties.
- 24.2** The Vendor and the Buyer may only use the Confidential Information for the purposes outlined in the Purchase Order or Contract and may provide its employees, directors, agents, subcontractors, rating agencies and professional advisers with access to Confidential Information on a strict "need-to-know" basis only.
- 24.3** Clauses 1 and 2 shall not apply to the disclosure of Confidential Information if and to the extent that such disclosure is:
- a. Required by any law;
 - b. Required by any court of competent jurisdiction or any competent judicial, governmental, supervisory, or regulatory body;
 - c. Required by the listing rules of any stock exchange;
 - d. The disclosing Party has given written consent to the disclosure;
 - e. Such information is or will become in the public domain by other means than through breach of this Clause;
 - f. Such information was known by the recipient at the time of disclosure as shown by written record to this effect;
 - g. Such information which recipient can show was received by it from a third party who did not to the best knowledge of recipient acquire the information, directly or indirectly, from discloser under an obligation of confidence;
 - h. Such information which recipient can show was independently developed by an employee of recipient, the said employee having no knowledge of the disclosure pursuant to these Terms and Conditions outlined in this document and having had no access to any of discloser's information.

Section 25:- Intellectual Property Rights

- 25.1** The Vendor acknowledges that any and all of the Intellectual Property Rights used or embodied in or in connection with the supply of goods or the provision of a service shall remain the sole property of the Buyer or of such other party as may be identified therein or thereon.
- 25.2** The Vendor expressly agrees that the use of such Intellectual Property Rights shall be limited to the performance of the provision of products or services as listed in the Purchase Order and such Intellectual Property Rights shall not be used for any other purpose whatsoever unless the Buyer gives its prior express written consent.
- 25.3** For the purposes of this document 'Intellectual Property Rights' means patents, trademarks, registered and unregistered designs, copyright and all other intellectual property protection wherever in the world enforceable.

Section 26:- Force Majeure

- 26.1** "Force Majeure" means any act, event or condition whether affecting the site, warehouse, location, Vendor, Buyer, or the End Customer to the extent that it materially and adversely affects the ability of either Party to perform any obligation under the Terms and Conditions contained within this document (except for payment obligations), if such act, event, or condition:
- a. Is beyond the reasonable control of and is not the result of the wilful or negligent action or inaction the Party relying thereon as justification for not performing an obligation or complying with any condition required of such party hereunder and;
 - b. Could not be avoided or overcome by the reasonably diligent actions of such party.
- 26.2** Provided, however, that the contesting in good faith or the failure in good faith to contest such action or inaction shall not be construed as wilful or negligent action or a lack of reasonable diligence of either Party.
- 26.3** Such acts or events may include, but shall not be limited to the following:
- a. War, hostilities (whether war be declared or not), invasion, act of foreign enemies;
 - b. Rebellion, terrorism, revolution, insurrection, military or usurped power, or civil war;
 - c. Riot, commotion, or disorder;
 - d. Munitions of war, explosive materials, ionizing radiation, or contamination by radioactivity;
 - e. Natural catastrophes such as floods, earthquake, hurricane, typhoon, or volcanic activity;

26.4 In no event shall Purchaser and/or Vendor be liable for performance of any obligation materially and adversely affected by a Force Majeure event and shall be entitled to receive schedule relief to the extent necessary to overcome the delay at least for a period equal to the delayed duration resulted by the Force Majeure event.

26.5 The party affected by a Force Majeure event shall notify the other party within a deadline of 7 (seven) days after occurrence of the Force Majeure event specifying the impact that such event has on its ability to comply with the Terms and Conditions outlined in this document.

Section 27:- Compliance

27.1 Each party guarantees and undertakes to the other whilst providing service or supplying goods it shall comply with all the laws, rules, regulations, decrees and other acts and ordinances issued by any supra governmental, governmental, state or other authority relating to the subject matter of the outlined Terms and Conditions of this document and to the performance by the parties hereto of their obligations hereunder.

Section 28:- Generic

28.1 Foreign Staff and Labour: Vendor may use any personnel deemed necessary for the execution of the works. Vendor must ensure that such personnel have the required residence visas, work permits and necessary insurance covers during their deployment.

28.2 Any alterations to the Purchase Order are valid only provided that they are object of the provision of a revised Purchase Order which must be signed by the Buyer and the Vendor. An amended Purchase Order can be considered.

28.3 The illegality, invalidity or ineffectiveness of any clause or part of these Terms and Conditions will not affect the legality, validity, or effectiveness of the rest of this document. If any of these clauses or part of them is considered illegal, invalid, or ineffective by a court or competent authority, the Buyer and the Vendor hereby agree to proceed with their replacement by others as similar as possible to the provisions affected, without thus making them illegal, invalid, or ineffective.

Section 29:- Disputes and Legal Action

29.1 The Buyer and Vendor shall make all possible attempts to reach an amicable settlement of any disputes arising from provision of goods or service or for works carried out. If settlement is not reached within a maximum period of one hundred and twenty days from receipt of dispute notification than either party may take the necessary legal measures.

29.2 All disputes and legal action arising from interpretation or fulfilment of these Terms and Conditions shall be subject and in accordance to the laws of the Republic of Malta and the Courts of Malta shall have exclusive jurisdiction over such disputes and legal action.