

## HAJI HASSAN GROUP - CREDIT APPLICATION

### TERMS AND CONDITIONS:

#### 1. Interpretation

1.1. The definitions and rules of interpretation in this clause apply in this Agreement.

**Agreement:** the agreement entered between the Customer and the Supplier which consist of:

- (a) the Customer's Credit Application Form;
- (b) the Terms & Conditions of the Supplier; and
- (c) Any other related contractual document that the Customer & Supplier agree, from time to time

**Customer:** the person or party who entered into the Agreement with the Supplier and their successors and assigns.

**Order:** an order for Products or acceptance of a quotation submitted by the Customer to the Supplier and accepted by the Supplier in accordance with clause 3.

**Net Selling Price:** the price of Products ordered by the Customer less any discounts granted to the Customer by the Supplier from time to time.

**Products/Goods:** the products that are supplied by the Supplier in accordance with this Agreement.

**Supplier/Contractor:** Haji Hassan AlAali Group of Companies which consist of:

- (a) Haji Hassan Group BSC (Closed), registered in the Kingdom of Bahrain under commercial registration number 323
- (b) Arabian Chemical Industries (ISOLA) WLL, registered in the Kingdom of Bahrain under commercial registration number 23794.
- (c) All affiliates, sister and subsidiaries of the above-mentioned companies, whether now or in the future.
- (d) , All branches of the above-mentioned companies, whether now or in the future.
- (e) Any of successors and assigns of any of the above-mentioned companies and branches.

1.2. Words in the singular include the plural and, in the plural, include the singular.

1.3. A reference to a person includes a natural individual or a corporate body (as applicable).

1.4. A reference to any agreement or document shall be a reference to such agreement or document as updated and/or amended from time to time.

1.5. Unless the context otherwise requires, the words including and include, and words of similar effect shall not be deemed to limit the general effect of the words which precede them.

1.6. Capacity of "Supplier" or "Contractor" shall be determined by the nature of the transaction with the Customer as per commercial norms.

#### 2. Sale of the Products or Contracting Work

2.1. Subject to the terms & condition stated herein, the Supplier/Contractor shall sell the Products or perform the contracting work (as the case may be) as may be ordered by the Customer from time to time.

2.2. The terms & conditions stated herein shall apply to all future arrangements between the parties for the supply of Products unless the parties agree otherwise in writing.

#### 3. Format of the Contract

3.1. These terms of sale apply to all goods or services supplied by the Supplier to the Customer.

3.2. Any order placed by the Customer for goods or services is an offer by the Customer to purchase the goods selected in such order from the Supplier.

3.3. When the Customer wishes to place an order for Products or accept a quotation, it shall either send an order form to the Supplier or submit orally an order, provided that an order made orally must be confirmed by an order form received by the Supplier within seven days from the date on which the Customer gave the oral order. The Supplier may, at its sole discretion, accept amendments to an order after acceptance.

3.4. A binding contract shall not come into existence between the Supplier and the Customer unless and until the Supplier issues, at its discretion, a written acceptance of order acknowledgement to the Customer, or the Supplier executes the order and supplies the Products to the Customer (whichever occurs earlier). The Supplier may add any condition deemed fit and appropriate on the acceptance, which shall be binding on the customer.

#### 4. Price

4.1. All prices shall be as stated in the acceptance of order acknowledgment provided by the Supplier to the Customer. If no acknowledgement of order is given, then the price shall be the standard price of the Supplier for the ordered Products at the time of delivery. All prices are exclusive of delivery, packaging, packing, shipping, carriage, insurance, value-added-tax (VAT) and other charges and duties.

4.2. The Supplier reserves the right, by giving notice to the Customer at any time before delivery, to increase the price of the Products which have not been delivered to reflect any material market change or increase in the

cost to the Supplier which is due to any factor beyond the control of the Supplier, any change in delivery dates, quantities or specifications for the Products which is requested by the Customer, or any delay caused by any instructions of the Customer or failure of the Customer to give the Supplier adequate information or instructions .

#### 5. Delivery of the Products

5.1. The Supplier will have fulfilled its contractual obligations in respect of each order provided that the quantity delivered is no greater than 15% more or less than the quantity specified on the acceptance of order acknowledgment. The Customer shall pay for the actual quantity delivered. If the Customer paid for more than the actual quantity delivered, the Supplier shall grant to the Customer a credit equal to the difference between the amount paid and price of the actual quantity delivered.

5.2. Delivery or performance dates in relation to the supply of Products by the Supplier are approximate only and, unless otherwise expressly stated, time is not of the essence for delivery of the Products.

#### 6. Payment

6.1. The Customer shall pay the Supplier for the Products in accordance with the provisions of this clause.

6.2. The Supplier shall invoice the Customer for the Net Selling Price of all orders accepted or delivered and all related expenses, including value added tax (VAT) on or at any time after delivery date. In addition, the Supplier may request the Customer to pay the price of the goods or works in advance, at his discretion.

6.3. Unless otherwise agreed, the Customer shall pay to the Supplier the total amount of each invoice in within 30 days after the date of the relevant invoice, notwithstanding that delivery may not have taken place and that property in the Products has not passed.

6.4. Unless otherwise agreed, if the Net Selling Price of all or any of orders accepted or delivered in excess of the credit amount available by the Customer (if applicable), the Customer shall pay to the Supplier the total amount in excess of such limit within 7 days of the acceptance of acknowledgment order, notwithstanding that delivery have not taken place.

6.5. All amounts of money referred to in this agreement shall be interpreted as being amounts exclusive of withholdings whatsoever. If the Customer is required under any applicable law to withhold or deduct any amount from the payments due to the Supplier, the Customer shall increase the sum it pays to the Supplier by the amount necessary to leave the Supplier with an amount equal to the sum it would have received if no such withholdings or deductions had been made. This clause shall include all expenses or taxes which may be implemented in the future, which the Customer shall bare solely.

6.6. All amounts due to the Supplier under this agreement shall become due immediately if this agreement is terminated or novated despite any other provision to the contrary.

6.7. The time for payment shall be of the essence and no payment shall be deemed to have been made until the Supplier has received payment in cleared funds without any deduction or withholdings and the Supplier issues a receipt based on it.

6.8. If the Customer does not make payment on or before the date on which it is due, interest shall be payable on the overdue amount at the rate of 10% per annum. Interest shall be payable at this rate both before and after any judgment is made against the Customer until the date on which payment in cleared funds is received in full, including all accrued interest. Courts, arbitration or experts shall calculate the interest rate when determination the amounts due to the Supplier in addition to 10% attorney's fees.

6.9. The Customer shall make all payments due under this agreement without any deduction by way of set-off, counterclaim, discount or otherwise unless the Customer has a valid court order from the courts in the Kingdom of Bahrain requiring an amount equal to or more than such deduction to be paid by the Supplier.

6.10. The Customer agrees to honour all cheques issued to the Supplier on their due date.

#### 7. Risk and ownership

7.1. Risk in and responsibility for the Products shall pass to the Customer once they have been delivered to the carrier appointed to deliver the Products to the delivery point, irrespective of who appoints such carrier or whether he is employed by the Supplier or the Customer.

7.2. Ownership of the Products shall not pass to the Customer until the Supplier has received payment in full of all monies owed by the Customer to the Supplier.

7.3. The Customer shall lose its rights to possession of the Products if:

- a) this agreement terminates, and the Customer does not pay all outstanding amounts under this agreement within 7 days; or
- b) the Customer suffers any legal execution to be levied on its property and its ability to repay.

7.4. The Customer grants to the Supplier an irrevocable licence for the Supplier, its agents and employees to enter any premises where the goods of the Customer are stored to ascertain whether any Products are stored there and to inspect, count and recover them, without the need for notice or additional written approval from the Customer. Value of the Products shall be deducted from the outstanding invoices of the Customer.

#### 8.Changes and Termination

8.1. Either party may terminate this agreement upon providing a written notice to the other party.

8.2. Following the termination of this agreement for any reason whatsoever, the Supplier shall be entitled (at its option) to cancel any orders which have not yet been delivered.

8.3. Subject to the any provision of this Agreement in respect of any rights or obligations that accrued before termination, neither party shall have any further obligation to the other under this Agreement upon termination or novation of this Agreement for any reason.

8.4. The Supplier may add to or change any part of its standard Terms & Conditions. Except where a change is generally to the benefit of the Customer, the Supplier shall notify the Customer in writing before the Supplier make such change. The Customer will be deemed to have accepted any such change, unless the Customer notify the Supplier that it does not agree to the changes within seven (7) days of receipt. If the Customer notify the Supplier of its refusal of a change, such notice shall be deemed to be a notice of termination of the Agreement and the Customer's account will be closed immediately.

#### **PART THREE: INDIVISIBLE PERSONAL INDEMNITY & GUARANTEE**

To induce the Supplier to extend credit to the above named Customer and in consideration thereof, the undersigned, jointly and severally, irrevocably and unconditionally guarantee to pay the Supplier in the first written demand and without set-off or counterclaim and free and clear of any withholdings, all present and future indebtedness amounts and regardless of how the indebtedness incurred (including but not limited to principal amounts, interest legal charges and any other expenses) (referred to hereafter as the "Liabilities") which are from time to time due to the Supplier by the Customer upon such terms as may from time to time determine .

The undersigned confirm that this guarantee may be enforced without first having recourse to any rights or without taking any steps or proceedings against the Customer or any other party. Each guarantor shall be liable in respect of such Liabilities as if he was the principal debtor without the right to demand enforcement measures against the Customer or any other party or guarantor.

This guarantee shall constitute a separate, independent and primary obligation to indemnify the Supplier from time to time on demand from and against any loss incurred by the Supplier as a result of non-payment, for any reason, of the Liabilities of the Customer, or as a result of any such Liability being or becoming illegal, unenforceable, discharged by insolvency proceedings or dissolution, ineffective or irrecoverable as against the Customer for any reason whatsoever, whether or not known to the Supplier, the amount of such loss being the amount which the Supplier would otherwise have been entitled to recover from the Customer.

The undersigned further consent that neither the Liabilities hereunder nor the rights or powers conferred in respect of the undersigned upon the Supplier by this guarantee or by law shall be discharged or affected in any way whatsoever by (i) any time or indulgence granted by the Supplier to the Customer or to any other person in respect of any of the Liabilities, or (ii) by the invalidity, unenforceability, ineffectiveness or illegality in whole or in part of the any related agreement, transaction or Liabilities , or (iii) by neglect to exercise any rights or enforce any remedies or security against the Customer or any other person, or (iv) any other act,

8.5. If this agreement is terminated or novated for any reason and the Customer owe the Supplier any money on account at that time, it will become immediately due and payable to the Supplier notwithstanding any provision to the contrary.

#### 9. Assignment

9.1. The Customer shall not, without the prior written consent of the Supplier, assign, transfer or deal in any other similar manner with this Agreement or any of its rights or obligations hereunder.

9.2. The Supplier may assign, novate, transfer or deal in any other similar manner with this Agreement or any of its rights or obligations under this Agreement to another party without the need to give a prior notice or obtain the Customer's prior consent.

#### 10. Law and Jurisdiction

10.1. This agreement shall be governed by and construed in accordance with the laws of the Kingdom of Bahrain.

10.2. The parties submit to the jurisdiction of the courts of the Kingdom of Bahrain.

event or matter which (but for this provision) might discharge, lessen, affect or impair the liability of the Customer under any related agreements or the obligations of the undersigned under this guarantee or any other rights, powers or remedies conferred upon the Supplier by this guarantee or by law, other than the satisfaction in full of all Liabilities in respect of this guarantee.

This guarantee shall be an open, unlimited and continuing guarantee in effect until the undersigned has notified the Supplier in writing of its cancellation, but such cancellation shall not alter any obligation of the undersigned or right of the Supplier under this guarantee prior to receipt of such written notice. This cancellation, also, does not affect the continuity of this guarantee against any of the other guarantors (if applicable).

It is understood that this guarantee shall also extend to the obligations of the Customer under any amendment, increase, extension or revision of the credit to the Customer and any rescheduling of the outstanding amounts thereunder, whether such amendment, extension or revision of the credit was notified to the guarantor(s) or not. In addition, it is understood that this guarantee extends to the benefit to any affiliate, sister or subsidiary company or those that may be incorporate in the future or formed from them for the purpose of restructure of Haji Hassan Group of Companies as mentioned in the standard terms and conditions of the Supplier.

The undersigned further agrees to pay all costs, expenses and attorney's fees incurred in the enforcement of this guarantee, whether a suit is filed or not. The law of the Kingdom of Bahrain shall govern this guarantee and the undersigned consents to such jurisdiction.

Terms and references defined in the terms and conditions of the Supplier (as amended from time to time) will have the same meaning in this guarantee, except to the extent otherwise defined herein, or as the context requires. The guarantor(s) acknowledge that they have reviewed Terms and Conditions of the Supplier and agree to it in full.