

1. GOODS

The Goods shall be supplied strictly in accordance with the quantities and specification (including quality & performance) and other special requirements stipulated in the Purchase Order. No deviation therefrom is permitted without prior agreement in writing by the Purchaser.

2. INSPECTION AND TESTING

All inspection and tests shall be made as required by the specification issued by the Purchaser. The Purchaser reserves the right at any time to inspect the materials to be used in the manufacture of the Goods and the finished Goods to be supplied under the Purchase Order but such inspection shall not relieve the Seller of any obligation under the Purchase Order. Failure by the Purchaser to inspect the Goods shall not relieve the Seller of any responsibility or liability with respect to such Goods.

3. DELIVERY TIME

The time stipulated for delivery of the Goods shall be adhered to and accepted by the Seller, and treated as an essential and important condition of the Purchase Order.

4. OWNERSHIP

The property in the materials to be used in the manufacture of the Goods and/or finished Goods shall pass to the Purchaser on acceptable delivery or on payment of the invoiced price, whichever is the earlier.

5. RISK

The Goods shall remain at the Seller's risk until delivery is fully and satisfactorily effected as specified in the Purchase Order.

6. PAYMENT

Payment shall be made on the terms set out in the Purchase Order following Purchaser's receipt of the Seller's undisputed invoice, the receipt not being earlier than the Purchaser's specified date of delivery.

The Purchaser reserves the right to dispute and/or delay payment to the Seller, or Sellers Agents, for items where the delivery is late or where quantities are not complete or if items not fully in accordance with specification (including quality & performance), or when required documents eg. certification is missing or if Goods are damaged or in a deteriorated state.

7. PATENTS

The Seller shall protect, indemnify and hold harmless the Purchaser and its Associates, which shall mean but not be limited to: Brunei Shell Marketing Sendirian Berhad, Brunei LNG Sendirian Berhad and Brunei Shell Tankers Sendirian Berhad, against any and all liability loss or expense by reason of any claim action or litigation in respect of any alleged or actual infringement of any patent, copyright, trademark, foreign or domestic, resulting from the use or resale of the Goods the subject matter of the Purchase Order or any part thereof.

8. LICENCES AND PERMITS

The Seller shall be responsible for ensuring that all statutory licences consents or permits required for the purpose of performance of the Purchase Order have been obtained.

9. INJURY AND DAMAGE

The Seller shall indemnify the Purchaser in respect of all damage or injury to any person or to any property and against all actions, suits, claims, demands, costs, charges and expenses arising in connection therewith caused by:

- the negligence of the Seller his sub-contractors or servants while they are on Purchaser's premises for any purpose connected with the contract; or
- defective design (other than the design made, furnished or specified by the Purchaser and for which the Seller has disclaimed responsibility in writing within one month after receipt of the purchase instructions) defective materials or defective workmanship; or
- the failure by the Seller to supply the Goods within the time and of the quality required with the contract.

10. GUARANTEE

Unless otherwise agreed in the Purchase Order, the Seller shall with all possible speed make good all defects which may arise from defective design, materials or workmanship or from any act or

ORDER CONFIRMATION

Seller shall acknowledge to Purchaser, in writing, the receipt of this order within one week of its receipt - by means of a message to the relevant Buyer.

INVOICES AND PAYMENT

In order to ensure that invoices are processed and paid within the agreed term, the Seller must observe the following procedures:

- Only original invoices are accepted for payment. If the original invoice is lost in transit or mislaid, a 'certified true copy' of such invoice, signed by an authorised signatory of the Seller, shall be submitted.
- All original invoices shall be addressed to Brunei LNG Sdn Bhd, FFC/4, Lumut - KC2935, Negara Brunei Darussalam. Payment will become due (providing Goods are in accordance with Clause 1), either 30 days after delivery of the Goods or within 30 days after receipt of Seller's invoice, whichever is the later.
- At Purchaser's discretion, Purchaser may authorise payment before unpacking and checking the Goods. In such cases payment is conditional upon Goods being subsequently found to be in accordance with the Purchase Order: quantities & specification (including quality & performance), and subject to the Goods being in undamaged & in good condition.

Your invoice must show the following details:

- Order and Order item reference or the Agreement number, country of origin, total amount payable in figures and words, our MESC Code as shown on the Order, number of packages with dimensions and weights.
- All charges & costs must be fully detailed per item. Where applicable, any agreed additional charges to be identified and costed individually, for example any costs covering: packing, insurance, import duty & transportation/delivery all to be stated separately on invoice.

TRANSPORTATION & SHIPPING (Sea, Air and Land)

As per Clause 15, the Purchaser will specify the required terms of delivery in accordance with prevailing INCOTERMS.

- Where required, as part of the Purchase Order specification, Purchaser will advise Seller of Purchasers nominated Clearing & Forwarding Agent and related delivery instructions.
- Seller is required to provide sufficient documentation so those Goods can be correctly imported & processed through Customs without delay. Documentation should be delivered in advance of Goods by means of courier to OMS/10, Brunei LNG Sdn Bhd, OMS/10 - Hj Mariam Hj Bujang, KC2935, Lumut, Negara Brunei Darussalam.
- In other cases Seller is responsible for appointment of own Freight Forwarder & Clearing Agent for clearing Customs and for final delivery to Purchaser. For example, where Purchaser stipulates delivery terms of DDP - Delivered Duty Paid, the Seller is responsible for all Freight costs, for all importation charges/duties, and taxes or any other such charges.
- SEAFREIGHT** One original of Seller's Invoice with an original signature and three copies of Invoice, plus one original Bill of Lading and one copy of itemised Packing List. All to be sent by courier, in advance of vessel arrival, to OMS/10 at the given address.
- IR SHIPMENTS** One original Airway Bill, plus one copy AWB, together with one original of Seller's Invoice (with an original signature), plus one copy of Invoice and one itemised Packing List. All these documents to accompany the Goods on all flights into Bandar Seri Begawan airport, Negara Brunei Darussalam.
- TRANSHIPMENT in Negara Brunei Darussalam** Depending on specified terms of delivery (INCOTERMS), Seller may be responsible for transshipment (including Customs formalities) and organisation of delivery to Purchaser's specified point of delivery in Negara Brunei Darussalam. Goods shall delivered with one copy of Invoice and one itemised Packing List.
- LAND** For local Purchase Orders where Seller supplies the Goods, eg. directly from his warehouse, Seller is fully responsible for transportation and packing so to ensure no damage or deterioration. Goods shall be delivered with one original itemised packing list to the store or location as specified on the Purchase Order by the Purchaser.

All the above terms and conditions are without prejudice to the Purchaser's rights and remedies at law or otherwise.
General Conditions of Purchase: Document reference: TMS-0924 BLNG-13.02.S.02.

This document: General Conditions of Purchase, forms an integral part of all Brunei LNG Sdn. Bhd. Purchase Order contracts.