

The following Terms and Conditions of this sub contract agreement– are established by RAK Precast FZC hereinafter referred in this document as Second Party to govern the subcontract works at the below stated project which are processed through the Second Party

Project Name :
Client :
Consultant :

This contract was prepared on -----by and between----- as “First Party” and represented by ----- and with postal address-----

And

Messrs **RAK Precast FZC** as “ Second Party” and represented by **Mr. Emad Abdullah, Managing Partner** with postal address **29109, Ras Al Khaimah, United Arab Emirates.**

1. PLACING OF ORDERS:

Orders are normally accepted only after the Second Party submits a written proposal also known as quotation or offer to its customer. Quotations may be revised until all technical and commercial issues are mutually agreed between the First Party and the Second Party

Once all issues are mutually agreed upon and are included in a final proposal made by the Second Party the First Party’s authorized representative and the Second Party’s .authorized representative shall sign a standard contract as per the blank form of the contract enclosed with all proposals.

2. ACCEPTANCE OR ORDERS

2.1 The Sales and Marketing Department shall register the job once the Signed and Dated Contract is received.

2.2 The Sales and Marketing Department shall not proceed with any of the activities for all incomplete contracts.

3. **STANDARD PAYMENT TERMS**

3.1 **Letter of Credit and Validity**

Payment of the full contract price shall be settled by the First Party through irrevocable Letter of Credit (L/C) confirmed by the negotiating bank in United Arab Emirates.

All the L/C Charges shall be borne by the First Party and the validity period for the L/C shall be established at the time of signing the contract. **The minimum validity period of the L/C shall be 90 days for shipment and 111 days for negotiation.**

3.2 **Correspondent Banks**

Following is a list of UAE correspondent banks, their addresses and account numbers held by the Second Party. L/C openers are free to choose any of these banks at their convenience.

3.2.1 Bank : HSBC
Post Box No.: 9
Branch : Ras Al Kaimah
Account No. : 128971-001

3.2.2 Bank : Union National Bank
Post Box No.: 7138
Branch : Abu Dhabi
Account No. : 650 1889578

3.2.3 Bank : First Gulf Bank
Post Box No.: 6316
Branch : Abu Dhabi
Account No. : 101-100-1161054-010

3.3 **Mode of Payment**

A. For Ex-Factory Contracts:

The L/C value should be payable according to and against presentation of the documents specified hereinafter.

25% of the L/C Value shall be due immediately upon signing the contract, where the Second Party shall commence the basic process such as design, drawings, submissions etc., only upon receipt of advance payment. Should any delay in settlement of this payment, the Second Party shall at its own discretion will reschedule the works as per the priority basis and the revised schedule of production and delivery shall be mutually agreed upon after settlement.

75% of the balance payment (i.e., for the produced elements) shall be settled by revolving Letter of Credit which will be opened by the First Party payable at sight as per the delivery milestone agreed prior to collection of precast element from the plant. The First Party shall with the precast element collection representative present the required authorized representative's signed L/C documents to Second Party on a daily basis or as per the agreement made between both the parties in order to collect the precast element from the factory and continue the process until completion of agreed quantity.

B. For Supply and Erection Contract:

25% of the L/C Value shall be due immediately upon signing the contract, where the Second Party shall commence the basic process such as design, drawings, submissions etc., only upon receipt of advance payment. Should any delay in settlement of this payment, the Second Party shall at its own discretion will reschedule the works as per the priority basis and the revised schedule of production and delivery shall be mutually agreed upon after settlement.

75% of the balance payment shall be settled within 30 days as per the progress of works and shall be subject to the following:

- Second Party shall submit the invoice as per the progress of works i.e., delivery or execution
- First Party shall sign and return the relevant documents not later than 7 days. If any disputes in the claim of Second Party, the First Party shall notify the Second Party within 3 days from the date of receipt of invoice.
- Second Party shall not accept any dispute claim after that date and shall be mutually agreed upon in the next progress claim, subject to receipt of documents as stipulated above.
- Second Party shall be entitled to claim up to 65% from the above said balance 75% of the agreed contract sum against complete delivery precast elements to the job site.

3.4 Other Terms:

Should any of the Payment method not in line with the above said two contract conditions(Ex-Factory or Supply and Erection Contract), the Second Party shall reserve its rights to hold the production / delivery / erection works, where the First Party shall compensate the Second Party with the following without holding any liability, loss or damage claims:

- Settle the relevant interest charges for the delayed payment prior to the next invoice.
- Storage Charges as stipulated in Clause 27.
- Revised delivery and execution schedule should be agreed upon
- Any other overhead charges
- Mobilization and Demobilization Charges
- Can reserve its right to stop or hold the production and erection works if the overall payment delays exceed a period max. of 30 days on overall invoices submitted.
- Can reschedule the production and erection works as per the schedule of RAK Precast and if the days are extend after the agreed final date due non-payments / stoppages, new rates will be applicable.

Second Party shall not commence the “On Hold” works due to the non settlement of payment by the First Party unless the above conditions are fulfilled or any mutual written agreement made between both the parties for the settlement.

4. APPROVAL OF DRAWINGS

- 4.1 Approval drawings shall be prepared to ensure that the Second Party interpretation of all the First Party's requirements is accurate if and when requested by the First Party or if considered necessary by the Second Party.
- 4.2 If the building is tied up to an existing building, the Second Party will not issue approval drawings until a report from a certified surveyor or third party report is received by Second Party or through an undertaking letter holding all responsibilities by First Party for any disputes which may arise of.
- 4.3 The First party shall provide the Second Party with approved issued for construction drawings upon which the Second Party will base its design. Second Party shall not hold any liability for the accuracy of the datas and information received from First Party.

- 4.4 The First party or its nominated project representative must keep the Second Party supplied with up-to-date documents and written information. The Second Party should not be held responsible for issues arising from outdated or obsolete contract documents.
- 4.5 When approval is required two (2) sets of drawings are provided free of charge to the First Party, of which one set must be signed by the First Party or its nominated project representative and returned to Second Party's office stating "Approved" or "Approved As Noted".
- 4.6 The Second Party shall immediately proceed with contract works upon receipt of such drawings. Should any changes made to the earlier issued "Approved" or "Approved As Noted" drawings, the Second Party shall reserve its right to claim for the relevant cost and time to execute such works through Change Order Request and shall execute such works subject to approval of Change Orders.
- 4.7 The information presented in the approval drawings is preliminary in nature and is not to be used for the purpose of setting anchor bolts, design of foundations and other construction activities, unless confirmed in writing by the Second Party to execute such works.
- 4.8 Approval of the submitted drawings shall be accepted by the Second Party only in the form of the First Party's authorized or nominated project representative signature within the "Approved" or "Approved As Noted" stamp. Approval by any other means shall not be accepted by the Second Party.
- 4.9 Should if the drawings issued by the Second Party "For Approval" and delayed by the First Party or its nominated project representative for more than 60 days, the Second Party shall reserve its right to reschedule the price which was mutually agreed upon to the price that is in effect at the time of drawings returned to Second Party's Project Management Department. The Second Party at its sole discretion shall cancel the orders for the drawings delayed more than 90 days awaiting receipt of response from the First Party or its nominated representative or otherwise, where the relevant Engineering Charges shall be settled by the First Party immediately upon issuance of Invoice by the Second Party.
- 4.10 Comments on returned approval drawings with changes on the previously agreed scope of work must be in highlighted in "RED INK" and should be covered by a change order for any major works which is duly signed and accepted by the First Party prior to commencement of such works.

- 4.11 Approval drawings for standard buildings shall be submitted for approval within 2 weeks, subject to the availability of all required details and for complicated buildings it requires longer period for submission, which shall be mutually, agreed upon.
- 4.12 It is recommended by the Second Party that Approval drawings should be returned to its Area Office/ Head Office within 2 weeks of receipt by the First Party or its nominated representative and any delay in returning approval drawings may affect the overall project cycle.

5. MANUFACTURE:

Except as expressly noted otherwise Precast Concrete Elements shall be manufactured in accordance with the Second Party's standard Quality Control Procedures and shall be presented if requested.

6. DESIGN CALCULATIONS (Optional)

- 6.1 For jobs requiring structural design calculations for approval may be included with the approval drawings if requested.
- 6.2 Two (2) sets of structural design calculations are provided for approval
- 6.3 Standard structural design calculations shall include:
- a) Material specifications & design assumptions
 - b) Design of the primary and secondary structural framing
 - c) Wind bracing design
 - d) Column reactions.
- 6.4 Additional Engineering fees may be levied for design calculations, which require more analysis than what is included in the standard calculations if required by First Party.

7. WORK SCHEDULE

- 7.1 Second Party shall submit the detailed programme of works based on the First Party's master schedule of works and as mutually agreed dates. The First Party shall issue the Second Party, together with the contract drawings the provisional work schedule for the supply and erection of elements for each phase apart. Drawings relating to each phase should be completely approved by First Party atleast _____ days prior to the confirmed delivery and erection date.

- 7.2 First Party shall in writing periodically inform the Second Party for any changes made to the original agreed work schedule.
- 7.3 Any works extended the agreed completion date due to reasons which the issues not related to Second Party, the Second Party shall revise the price for the balance works as per the market rates at that time.

8. CHANGE OF ORDERS

- 8.1 Any works deviated from the originally agreed contract or any additional works requested by requested by the First Party or its nominated project representative which need to be executed apart from the original agreed contract, the First Party shall agree with Change Order for the price, time for execution of works and the method of payment prior to commencement of such works.
- 8.2 Second Party reserves its right to submit Change Orders as per the market rate fluctuation at the time of receipt of request for executing such additional works and not as per rates which was already agreed upon.
- 8.3 The Second Party shall also submit Change Orders for any cancelled works which is already casted and ready for delivery as per agreed schedule.
- 8.4 The First Party has the right to increase or decrease the scope of works of a contract within 10% of contract value plus or minus without changes in the contract unit rates and in case of increase or decrease of scope of works beyond 10% of contract value, where the Second Party has the right for re-pricing.
- 8.5 Should any change to Second Party approved submittals be notified at any time after manufacturing of elements, Second Party shall be entitled to submit a claim for any cost incurred with respect to abortive works carried out to the date of notification by the First Party.

9. JOB ON HOLD

- 9.1 All costs (material, workmanship, storage, overhead etc.,) incurred when a job is placed "On Hold" by the First Party, after the commencement of manufacturing will be to the First Party's account.
- 9.2 A Job that is not released for production within 90 days from the date of its entry in the sales register, for whatever reason (including lack of technical clarification) will be put "On Hold" status by the Second Party and shall

also reserve the right to re-price such job according to the rates that are valid at the time of release its "On Hold" status.

- 9.3 Jobs kept "On Hold" by the Second Party due to non-settlement of dues as per the terms and conditions agreed by the First Party shall be released as per the terms and conditions stipulated in Clause 3.4.

10. MATERIAL DESPATCH

- 10.1 The material dispatch commitment is measured, in weeks from the date of the latest receipt and acceptance by Second Party of all the following job related documents.
- Signed contract
 - Acceptable Letter of Credit/ Final Accepted Amended L/C
 - Final change order including any amendments to L/C price
 - Approval drawings signed as "Approved" or "Approved As Noted" where applicable
- 10.2 Production and dispatch schedules shall be determined when all of the followings are fulfilled.
- Receipt of the final "Approved" or " Approved As Noted" drawings by Second Party, where applicable (see Clause No.4)
 - Receipt and acceptance of the final change order, where applicable (see Clause No.4 & 8)
- 10.3 The Second Party's Project Management Department regularly notifies its plant for all production and dispatch schedules on jobs entered.

11. DESIGN AND SUPPLY EXCLUSIONS

- 11.1 Second Party's supply includes only materials, which are clearly described in its proposal or should be covered by written accepted and signed change orders.
- 11.2 Second Party does not supply nor does it accept responsibility for the design or any other works which is not included in its scope of works.
- 11.3 Second Party's does not supply, nor does it accept responsibility for plumbing services, electrical services, air conditioning services, or any other material or service not specified in the final accepted proposal contract or change order.

12. MISCELLANEOUS OBLIGATIONS OF THE SECOND PARTY

- 12.1 Shall employ skilled labour forces, who comply with the rules and regulations of the United Arab Emirates, sufficient to execute and maintain the works.
- 12.2 Shall provide technical tests and certificates from its In-House laboratory only, however, tests and certificates from Independent Laboratories (if required) can be arranged by First Party at its own cost.
- 12.3 To inform the First Party at least 2 days in advance regarding the requirement of crane such as its type, capacity, and duration based on erection programme.
- 12.4 The Second Party's technical representative shall visit the site as and when required by the First Party or its nominated project representative, and also shall verify the as-built dimensions and co-ordinate with First Party.
- 12.5 Although the Second Party is completely covered through First Party's insurance policy, Second Party also shall have its own insurance policy to cover its works.

13. MISCELLANEOUS OBLIGATIONS OF THE FIRST PARTY

- 13.1 Access roads for the trailers and crane to the nearest unloading point clear from obstacles and restrictions.
- 13.2 To Provide Second Party the temporary Site facilities (office, water, electricity. Etc) free of charge.
- 13.3 Shall provide established reference points for horizontal and vertical control to enable Second Party to proceed with the work.
- 13.4 All finishing works including but not limited to painting, water proofing and other protective coatings, etc.
- 13.5 All fees required for consultants and for building permits along with any other charges that may be applicable by the authorities due to the construction of the building.
- 13.6 Third party inspection, testing of precast concrete elements and other related tests.
- 13.7 Structural or non structural screed.

- 13.8 All accessories such as bearing pads, steel brackets, steel hangers etc. except for the supply of hollow core slabs plugs, along with the panels, where applicable.
- 13.9 Precast concrete element and works associated with the supply and installation of MEP works, such as but not limited to conduits, boxes, fixtures, etc. First Party has to depute his nominated representative to fix all MEP works in the precast elements at his own cost if not agreed in the contract.
- 13.10 Concrete special additives or admixtures, GGBS and micro silica.
- 13.11 Provision and maintenance of access roads and hard standing areas.
- 13.12 The First Party shall provide good and suitable protection for all completed and on going works by the Second Party, where the Second Party shall not hold any responsibility on damages which occurs after completion of erection (if erected by Second Party) or after the delivery to precast elements job site.
- 13.13 Supply and assembling of scaffolding (if required) are First Party's responsibility.
- 13.14 Supply and fixing of all embeds in the CIP Concrete (such as steel plates, starter bars, dowel bards. Etc) are First Party's responsibility.
- 13.15 Technical tests, approvals or certificates by Third Party(if required).
- 13.16 Painting, skim coating and finishing works, grouting, screed, signboards, logos and all CIP works.
- 13.17 Cranes for whole erection period till the Preliminary Handing Over date (P.H.O)
- 13.18 Excavation, backfill, bitumen, blinding, foundation, fence footings, fencing, damp and waterproofing, slab on grade, ground beams and all civil works.
- 13.19 Site accommodation with necessary facilities for Second Party's erection crew for whole erection period.
- 13.20 Foundation system of connection materials required are First Party's responsibility.

- 13.21 Supporting structure (concrete or steel), beams, ring beams, columns and all other supports to fix Precast Concrete and Hollow core slabs are First Party's responsibility.
- 13.22 Floor and roof slabs, ornamental steel works, fence steel grills, signs, aluminum and stainless steel works, block works, chain link fence, soil mix, filter cloth, embedded Pvc drainage pipes, coarse sand mulch, beach land mark and other works not mentioned in this contract scope of works are all First Party's responsibility.
- 13.23 Preparation of mock-up samples (if required) and associated visits expenses by concerned party.
- 13.24 All accessories such as bearing pads, steel brackets, etc. except for the supply of hollow core slabs plugs, along with the panels, where applicable.
- 13.25 All fees and duties that may be levied by customs and free zone authorities for permits, gate passes, custom duties, etc. or the like.
- 13.26 Holes 50 mm in diameter or less shall be made by First Party if required unless specifically mentioned otherwise.
- 13.27 Extra or additional openings or cutouts after production of the precast concrete walls, slabs, columns, foundations elements, etc.
- 13.28 All earth works including but not limited to site clearance, cutting, filling, compacting, leveling, etc.
- 13.29 Entrance gates, wicket gate columns, Barbed wire fencing, metal grill works to be installed on the panels, etc.
- 13.30 Expansion joint boards, sealants, metal inserts, GRC works, plot number plate.
- 13.31 Increase in foundations depth, in excess of the design depth due to site conditions.
- 13.32 Setting out points, Municipality surveys and soil investigation reports.
- 13.33 Demolition of any existing structures or temporary fencing.
- 13.34 Additional structural works to our proposal required for jointing the fence with other structures.

- 13.35 The joints between the panels are designed with open free expansion joints and do not require any sealant filling. If required, sealant works between the precast elements shall be done by Second Party subject to receipt of required materials from First Party.
- 13.36 Additional concrete works required to support or protect the boundary wall if not included in the scope and if required shall be done subject to approval of Change Order Request.
- 13.37 All works that are not specifically mentioned to be included in the Scope of Works
- 13.38 Props required to support all types of precast elements during erection unless specifically mentioned to be included in the scope of works.

14. INSURANCE

Second Party will be covered through First Party's insurance policy for any loss or damages of any nature which might occur during the execution of works.

15. PERMITS AND FEES

- 15.1 First Party shall obtain and pay for all building permits licenses public assessment, prorated utilities, utility connections, occupancy fees and any other fees required by any government authority in connection with the work provided for the contract.
- 15.2 If erection contract is assigned to Second Party's erection crew, the First Party shall provide a copy of the building permit prior to commencement of works. Should the erection works to be kept on hold due to building permit issues, the cost of such stoppages, standing time or demobilization charges shall be settled by the First Party.

16. INSPECTION OF FABRICATED MATERIALS

- 16.1 The Second Party is an ISO 9001 certified company and has its own standard Quality Plan, which outlines the quality control procedures that are followed during the production and shipment of its products. This plan describes the sampling techniques, types of tests conducted, control procedures and reporting format used in the production of all manufactured components. The approved procedures described in this Quality Plan are maintained within the Second Party's Quality Control Department.

16.2 For a specific contract, inspection of Second Party's products at their plant by First Party, or by its nominated project representative if required may be arranged. Such inspection will be scheduled after receipt of a written request for such inspection by the First Party or its nominated project representative. Inspections will be arranged in such a manner so as not to delay production and / or shipment in the event that the customer or his representative fails to conduct inspections as scheduled or prior to shipment the goods shall be considered "Release By Concession".

17. DELIVERY NOTE

17.1 The Second Party's Planning Department advises the concerned internally of the actual dispatch date agreed between the First Party.

17.2 The Second Party shall notify the First Party the actual dispatch date upon receipt of confirmation from its plant.

18. PARTIAL DELIVERY

18.1 On large jobs, it is the standard practice of Second Party to make partial deliveries.

18.2 When partial shipments are requested or agreed between the First Party and Second Party, the Second Party shall claim the prorated value of the dispatched materials according to the accepted terms of payment covering the total job value.

19. EX-STOCK DELIVERIES

19.1 The Second Party does entertain any First Party pick up precast elements from its plant, unless agreed through written contract. In the event of an agreement made between both the parties, the First Party shall obtain a specific date and time for the collection of precast elements from the Project Management Department.

19.2 The First Party should provide suitable trailers for loading by Second Party. The Second Party will not load any of the precast elements in a closed van trailers and trailers with sidings.

19.3 The First Party's assigned driver or its authorized representative must check and sign a receipt for the materials collected and after signing the receipt, it shall relieve the Second Party from all its obligations against the delivered material from the time of loading.

- 19.4 Should the First Party not familiar with the pick up procedures, this information can collected from the responsible at material dispatch section.
- 19.5 Second Party will not hold any responsibility for any materials after loading the vehicle provided by the First Party.

20. UNLOADING OF PRECAST ELEMENTS AT JOB SITE FOR SUPPLY ONLY CONTRACTS

- 20.1 For the supply only contracts, it is the responsibility of the First Party to unload the materials at their respective job site. The First Party should arrange a suitable equipments for the unloading of material under their supervision. In such a case if a site is inaccessible or not ready to accept the material the First Party shall arrange an accessible unloading area at a nearer location within the agreed area of delivery.
- 20.2 The First Party shall be solely responsible for the condition of job site as far as the safety of the trucking company driver and the Second Party's material is concerned.
- 20.3 The First Party shall assign its representative to check for the accuracy and for any damages to materials upon arrival at the job site and prior to offloading. Any discrepancies must be noted on the material dispatch note prior to offload of materials. The Second Party will not entertain any complaints or defects claim on its materials after signing the material dispatch note.
- 20.4 The First Party's assigned representative to receive the material cannot refuse to accept an entire shipment due to damages of some portion or missing. As stated above, any damages can be noted on the material dispatch note and to be reported to Second Party's office immediately.

21. ERECTION OF PRECAST ELEMENTS FOR SUPPLY ONLY CONTRACTS

- 21.1 The First Party shall be fully responsible for the quality of erection precast elements when the erection is not carried out by the Second Party.
- 21.2 Second Party assumes no liability for and the First Party shall not hold the Second Party harmless on account of any defects in the erection of buildings or such defects as loose connections, missing parts, roof leaks, damaged sheets, omission of sealer, scratched surfaces, poor alignment, inadequate drainage and defects caused by others. The First Party shall permit the Second Party's personnel to inspect the erection work at any time during the erection process if required.

21.3 The Second Party will not be responsible for the quality of erection or damages made to the precast elements during erection process arranged by the First Party.

22. ERECTION OF PRECAST ELEMENTS BY SECOND PARTY

22.1 Second Party's erection crew shall undertake building erection only on a clear, leveled and unobstructed concrete slab with suitable clear access.

22.2 The First Party shall provide specified clear storage area to Second Party for all its materials required for erection including precast elements. The ground of all working areas shall be clearly compacted for the use of forklifts or cranes or any equipment required for erection works.

22.3 Prior to the arrival of Second Party's erection crew on site, the First Party shall ensure the scheduled erection works at the agreed areas which are ready to receive the precast elements. In the event of any delay occurs due to setting up works or due to the non-completion of First Party's scheduled works or other caused, the Second Party shall claim for the additional working hours used to complete the scheduled works. In such a case if the additional worked hours are not accepted or approved by the First Party, the Second Party shall reserve its right to claim for the time extension with related overheads to complete its agreed scope of works

22.4 Second Party's erection team may check the position and level of the anchor bolts prior to the pouring of the concrete foundations. This does not absolve the contractor from the responsibility for accuracy. Any rework required due to misplacement of anchor bolts or faulty concrete shall be the responsibility of the customer.

22.5 If at the sole discretion of Second Party's erection team, erection takes place on footings and beams prior to pouring of the concrete slab, Second Party shall not be responsible for any cleaning of the steel columns or cladding after pouring of the concrete slab.

22.6 The Second Party shall not be responsible for the repair of damages caused by others to its erected or stored precast elements.

22.7 Any repairs necessary shall be undertaken due to damages caused by other parties only after receipt of written acceptance by the First Party for the charges in the form of a Change Order.

22.8 Any deviation from these standard erection conditions shall be subject to price review.

22.9 The Second Party if required shall subcontract part or all of its erection contract to a qualified contractor who will execute the job professionally and in accordance with Second Party's strict erection requirements and guidelines.

23. SHORTAGE OF MATERIALS

23.1 On contracts where a material consignment is received on site by anyone other than Second Party's erection crew, the First Party or his nominated project representative's dated signature constitutes a formal acknowledgement of the correct receipt of the consignment on both quality and quantity.

23.2 It is the First Party's (or his representatives) responsibility to check the materials before signing and dating acceptance Second Party's material dispatch note.

23.3 Claims of shortages by the First Party shall only be accepted by Second Party, if received in writing within seven (2) days of the date of the material dispatch signature by the First Party's representative.

23.4 If after receipt of such claims, the Second Party shall verify its bills of materials and shipping lists and if its record are found to be correct, replacement materials shall be supplied at the earliest possible schedule, after receipt of First Party or its nominated project representative's written acceptance or the additional ex works costs and delivery costs for such replacement material.

23.5 The Second Party shall not accept any consequential claims or liabilities alleged to arise from losses or shortages.

24. FIELD MODIFICATIONS

24.1 Minor field modifications and adjustments in any precast concrete elements are to be anticipated. Minor field work does not constitute grounds for back charges. This field work should be provided for within the contingency element of any construction estimate.

24.2 Only repairs due to casted errors may be cause for filing a claim. Such repairs shall only be undertaken after consultation and consent with Second Party.

25. COMBINED SHIPMENTS

Second Party if required shall include a shipment destined to another customer in the same shipment of material consigned to First Party.

26. STORAGE

26.1 Should the First Party advise the Second Party to hold any supply of precast elements which is already casted and ready for delivery as per the agreed schedule, the Second Party shall levy the storage charge as 1% of stored element (cumulative) per week up to a maximum of 10% of the total contract value until receipt of confirmation to deliver.

26.2 Second Party shall not be held responsible for any type of damages caused to the exposed precast elements after it has been stored longer than 10 days.

27. WARRANTY

27.1 Second Party shall provide the warranty for the precast elements one year from the date of dispatch from its factory (for ex-factory and supply only contracts) and one year from the date of completion of erection works (for supply and erection contracts) and this warranty extends only to materials casted at Second Party's factory in that such material shall not fail due to defective materials or workmanship when utilized in the intended manner and shall not be limited up to damages caused due to force majeure.

27.2 Second Party warrants that the structure shall support the loads described in approved drawings and contract. If properly erected, as part of a complete structural system designed Second Party and comprising only of parts included by Second Party and the structure is used in the manner and the purposed for which it was designed.

27.3 No warranties are expressed or implied other than those described in these terms and conditions of sale.

27.4 In the event of breach of warranty the limit of any claim shall be the correction or replacement of defective materials and correction of defective workmanship.

27.5 Under no circumstances shall the Second Party be responsible for consequential damages that are alleged to arise from any such claim of breach or warranty.

28. FORCE MAJEURE

Second Party shall not be held accountable for delays or damages to its precast concrete elements resulting from circumstances outside its control, such as strikes acts of war revolution, riot or civil disturbance trade sanctions or restrictions occurrences of meteorological or geophysical nature etc. to the extent that these affect transport communications, manufacturing and/or erection by Second Party or its suppliers and its sub contractors.

29. LAW

Any other terms and conditions which is not included in this agreement shall be construed and interpreted in accordance with the law and regulations of the United Arab Emirates.

30. ADDITIONAL CLAIMS

Any claim(s) for additional expenses, losses, or damages that either party may consider itself entitled to, under the terms and conditions of this contract shall be presented in writing by the affected party (as full and detailed as possible) to the other party. Both parties shall discuss and settle such claim(s) within reasonable time. Unresolved claims shall be considered disputes provided always that neither party is entitled to withhold or deduct amounts in respect of such claims from any sums due or may become due to the other party under the contract.

31. SUSPENSION OF THE WORK AND/OR TERMINATION OF THE CONTRACT AND/OR CANCELLATION OF CONTRACT

31.1 If the progress of the works is suspended by the First Party and if permission to resume is not given by the First Party within a period of ten (10) calendar days from the date of suspension, Second Party may issue a written notice on the First Party requiring permission to proceed with the work, and if such permission is not granted within four (4) calendar days, Second Party may by further written notice, treat the suspension as a termination of the Contract.

31.2 In the event if the First Party failed to pay any sum due within the maximum 15 days period from the date of receipt of Invoice, may at the option of Second Party be treated as a suspension of the Work by the First Party that may lead to termination under Article 7.1 unless otherwise clarified.

31.3 In the event of suspension of the Work, leading to termination of the Contract by the First Party or the notice issued by Second Party due to non-settlement of payments, release of shop drawings etc., the Second Party shall be entitled to full reimbursement of the value of the work completed as of that date of such termination.

32. ADDITIONAL CLAIM DUE TO INCREASE IN COST OF RAW MATERIALS

In the event of increase of market's materials prices (i.e. steel, cement, diesel, transportation etc). Second Party will re-price the contract rates accordingly with any increase in cost of raw materials as per the percentage associated with the production and delivery of the works for the un-cast elements, at the date of price increase regardless of the amount of paid advance payment or as per the agreement mutually made upon.

33. ARBITRATION

In the event of any conflict between any of the documents comprised in the Subcontract they shall prevail over each other in the order in which they are set out in this Clause. The final interpretation shall be made through mutual agreement and if differences and disputes continue to persist then the same shall be referred to an Arbitrator appointed through Mutual consent among the parties and the decision of such Arbitrator so appointed shall be final and binding on the parties

34. DELAYS AND EXTENSION OF TIME

- 34.1 Any delay caused to the Work and approved by First Party or by others employed or retained by the First Party.
- 34.2 Late payment of invoices as stipulated in Clause 3, will lead to revision of schedule of works.
- 34.3 Additional work directed by the First Party, which will cause/ effect extension of performance time, equivalent to its work content or value of the whole scope of work.
- 34.4 Instructions from the First Party to postpone, delay or suspend the Work or any portion thereof.
- 34.5 Failure of First Party to fulfill in a timely manner any obligation set forth in this agreement.
- 34.6 In the event of delay of the progress of the Work being caused by force majeure or any other circumstances beyond the control of either Second Party or First Party, the Second Party shall be entitled to a corresponding extension of performance time only.

No changes in these terms and conditions shall be allowed unless agreed to in writing, by the Second Party's authorized representative.

IN WITNESS WHEREOF, the First Party and the Second Party hereby affix their signatures in two copies both intending to act as originals. All pages of this Contract Document have been initialed by both Parties.

(FIRST PARTY)

(SECOND PARTY)