

General Conditions of Purchase

1. Scope of application

These General Conditions of Purchase ('GCP') apply, in the absence of a contract duly signed by the parties, to all purchases made by **3M Arabia Advanced Trading Company One Person Foreign Limited Liability**. Building No.7669 Secondary No.2159 Airport Rd, Qurtubah Dist.13244, Riyadh, Kingdom of Saudi Arabia (hereafter '3M') by mean of order forms referring to these GCP. Acceptance of the order form applies as acceptance of the GCP which, together with the specifications, form the contract of sale (the 'Contract').

2. Execution of the orders

2.1. In the case of an order form, the Supplier agrees to honor all orders And Supplier acknowledgement within 48 hours of order receipt. Supplier provide delivery / release date of all orders along with the order acknowledgement .and any changes to be informed in advance to designated 3M Contact .3M is in no case committed on a volume or minimum amount of order.

2.2. Any subcontracting of the services forming the purpose of the Contract must receive prior written consent from 3M.

2.3. All information communicated by 3M in connection with the Contract is Confidential. The Supplier shall keep it under strict conditions of confidentiality and shall forward it only to persons with a need to know it for the purpose of executing the orders.

3. Delivery, billing and payment for the orders

3.1 General points

Unless otherwise stipulated in the order form, the merchandise travels at the Supplier's risk and peril based on INCO terms mentioned on the purchase order and place of delivery / pickup.

The transfer of risk takes place at the time the merchandise is remitted to 3M by the Supplier, formalized by the signature of a delivery slip without reservation.

In case of delay of delivery, 3M will be entitled to apply delay penalty interest equal to 10% of the total amount of the order without prejudice to all other possibilities, or as per supplier agreement,

The Supplier shall ensure that the delivery note includes the 3M Arabia purchase order number and order details by stock keeping units (sku). This purchase order number must also be included on the invoice relating to the order which is established at the time of delivery and sent to the address specified on the order form. Invoices for the orders are payable by 3M as per payment terms agreed. To be compliant, said invoices must include the 3M Arabia purchase order number corresponding to the order as well as all legal information.

3.2. Specific points in case of international delivery

If the Supplier is located outside UAE, the 3M Arabia purchase order number must also be included on the packing lists and on the packages.

And same should be also carrying weight and volume information of stock keeping units and related packaging information. Also clearly mention Harmonized codes on all documents.

Delivery must include an Original copy of the invoice and the packing lists duly stamped and signed clearly indicating Country of Origin,

to facilitate customs clearance at the Port Exit and Entry

Unless otherwise specified on the order form, customs clearance takes place at the following address:

3M Middle East LDC

Jebel Ali Free Zone, Dubai, UAE,

Tel: +971 4 886 1973

Fax: +971 4 8861 972.

Delivery and payment proceed as per article 3.1.

4. Guarantees

4.1. Delivery of the orders, including in the case of signature of a delivery slip without reservation, does not exempt the Supplier from its obligation of guarantee. It is specified that 3M benefits from all compulsory applicable and supplementary legal guarantees as well as from the commercial guarantees usually proposed by the Supplier.

When executing the orders, the Supplier guarantees the following:

- that the items delivered (including the packing) are compliant with the desired specifications;
- that it will comply with all laws and regulations in force, notably in the areas of labeling, health and safety. In particular, the consigned packing must be clearly and individually identified by the Supplier.
- that it possesses all the intellectual property rights necessary for the lawful performance of the Contract;
- that it will comply with all legal obligations, particularly with regard to all local laws and regulations governing labor relations. It is specified that the Supplier's teams remain under the Supplier's exclusive responsibility.
- that it benefits from insurance covering all its responsibilities within the scope of performance of the Contract.

The Supplier warrants that it has a quality and traceability policy which is compliant with the demands of the Contract enabling it in all circumstances to ensure provision of services of a high level with regard to current professional customs.

The Supplier agrees to provide 3M, at its first request, with all documents making it possible to prove observance of this article and to allow 3M to proceed with visits for verification on the premises of production.

The Supplier alone bears all consequences of failure to comply with the Contract. In case of dispute with regard to an order, the costs for keeping and returning the non-compliant merchandise are payable by the Supplier without prejudice to any compensation at a later time.

The Contract entails no transfer of intellectual property rights nor any authorization to use elements of the 3M group's intellectual property.

4. 2. Without prejudice to article 4.1, the products or the 3M products into which these products are incorporated [and/or the packing and components of packing] may be subject to observance of the regulations as it concerns their composition or packaging in relation to any local laws or regulations in effect at the time including, but not limited to, any regulation or directive issued by the relevant Ministry or other regulatory bodies **Regulations**). The Supplier guarantees that the Products contain no substances prohibited by the Regulations and that all substances, including substances covered by REACH and contained in the Products, do not exceed the applicable values of concentration under the Regulations in force on the day the Products are delivered (hereafter the **Threshold Limits of Restriction**). The Supplier shall send 3M: (i) all documents demonstrating that the Threshold Limits of Restriction are not exceeded; (ii) the precise concentration of each substance subject to restriction such that 3M will be able to determine whether or not the 3M products associated with other non-3M products exceed the Limit Thresholds of Restriction; and (iii) it shall declare the presence of any other substance(s) that it might be required to forward to the authorities, clients and/or recycling companies.

5. Conformity

The Supplier declares and warrants that it has not made and will not make, authorize, or propose to make, directly or indirectly, any loan, present, donation or any payment of any kind or any transfer of any object of value for the purpose of (a) influencing any action or decision by any member of the government, local authorities, administrative services or any member of or candidate to a political party (hereafter 'Public/Elected Official'), and/or (b) causing a Public/Elected Official to refrain from carrying out any act coming within his duties or to proceed with any illegal act or act contrary to the acts coming within his duties, and/or (c) of causing a Public/Elected Official to use his influence with another Public/Elected Official in view of facilitating performance of the Supplier's obligations within the scope of this Contract. Supplier represents, warrants and covenants that Supplier and its affiliates, owners, officers, directors, employees, agents, subcontractors, consultants, and representatives (collectively referred to as "Representatives") will perform all of Supplier's obligations under this Contract in compliance with all local, state, national, and international statutes, rulings, regulations, ordinances, and governmental directives, including, without limitation, those pertaining to anti-bribery (example: U.S. Foreign Corrupt Practices Act, U.K. Bribery Act), money laundering, competition, regulation of trade, the environment, transportation, safety, health, and employment (collectively referred to as "Laws") that apply to 3M, Supplier, either party's business, and the 3M products and/or services to which this Contract relate. Supplier further represents and warrants that neither it nor its Representatives will take any action that might cause 3M to violate any Law. Supplier will advise 3M immediately if it learns, or has any reason to know, of (i) any violation of any Law by Supplier or its Representatives that occurred or may have occurred in performing Supplier's obligations under this Contract or (ii) any failure of Supplier or any of its Representatives to comply with Supplier's obligations under this Article.

The Supplier further agrees to hold accounts and to keep records reflecting accurately and fairly all financial transactions and application of funds by virtue of this Contract. The Supplier certifies that all information or documents sent to 3M in connection with execution of each order are complete and true to reality.

6. Competence o Governing law

The Contract, as it related in particular to its validity, interpretation and performance, is governed solely by the local laws of the country to which the delivery of products is destined for. In the event of dispute, the parties will be entitled to choose to meet prior to any legal action in order to negotiate an amicable solution in good faith. This negotiation can be conducted between internal mediators of the company, if they exist, or by any other person specially authorised by the party that person represents. Moreover, the parties will be entitled to choose, by mutual consent, to refer the matter to any institution for outside mediation, the costs arising there from then being born equally between the claimant parties. ANY DISPUTE NOT SETTLED OUT OF COURT SHALL BE REFERRED BY THE MOST DILIGENT PARTY TO THE COURTS OF RELEVANT JURISDICTION IN THE COUNTRY WHERE PRODUCTS ARE, OR INTENDED TO BE, DELIVERED.