

Hisaka Middle East - Dammam Workshop

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Hisaka Works - Konoike Plant

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WE ARE CREATIVE-HIGH QUALITY AND GREAT SERVICE PROVIDER

P.O. No :
Issued Date :
Quotation Ref. No :

PURCHASE ORDER - Terms & Conditions

1. Acceptance of Purchase Order

By accepting this Purchase Order ("PO"), the seller agrees to provide the goods and/or services described in the PO in accordance with these terms and conditions. Any modifications or variations to this PO must be agreed upon in writing by both parties.

2. Order Details

This PO specifies the products, quantities, prices, delivery schedules, and other relevant details. The seller is required to deliver the exact products and services listed in the PO unless otherwise agreed upon in writing.

3. Price and Payment Terms

3.1 - Price: The price for the goods or services is as specified in the PO. Prices are fixed and non-negotiable unless mutually agreed upon in writing.

3.2 - Payment Terms: Payment will be made in accordance with the payment terms specified on the PO (e.g., Net 30, Net 60, etc.), and payments will be processed upon receipt of an accurate invoice with supporting documents.

3.3 - Currency: All payments will be made in Saudi Riyals (SAR), unless otherwise agreed in writing.

4. Delivery and Shipment

4.1 - Delivery Schedule: The seller agrees to deliver the goods or services by the delivery date(s) specified in the PO.

4.2 - Shipping Terms: Delivery terms (e.g., DDP CIP, FOB, CIF, EXW) and the shipping method are defined in the PO. The seller is responsible for all shipping charges unless otherwise specified.

4.3 - Risk of Loss: Risk of loss or damage to the goods passes to the buyer upon delivery, unless specified otherwise.

5. Delivery Delay Terms & Conditions

5.1 - Delivery Date

The seller agrees to deliver the goods and/or services by the date specified in the Purchase Order (PO), unless otherwise agreed upon in writing by both parties. Time is of the essence with respect to delivery.

5.2 - Notification of Delay

a.) If the seller anticipates a delay in delivery, the seller must notify the buyer in writing as soon as possible, but no later than [X] days prior to the scheduled delivery date.
b.) The notification must include the reasons for the delay, the expected new delivery date, and the seller's proposed action to minimize the delay.

5.3 - Buyer's Rights in Case of Delay (In the event of a delay in delivery, the buyer has the following rights:)

a.) Extension of Time: The buyer may agree to an extension of the delivery date if the delay is due to valid reasons and the seller has provided appropriate notice.

b.) Cancellation of Order: If the delay exceeds 30 days beyond the original delivery date, the buyer reserves the right to cancel the

c.) Right to Purchase from Third Parties: If the seller fails to deliver the goods or services within a reasonable time, the buyer may purchase the goods or services

5.4 - Penalty for Delay (Liquidated Damages)

a.) If the delivery is delayed beyond the agreed delivery date, the seller will pay liquidated damages of 0.5% of the total order value for each week of delay. However, the aggregate amount of liquidated damages shall not exceed Ten percent (10%) of the Purchase Order price of the delayed items. The buyer will deduct such amount directly to the amount of Invoice submitted by the Seller after completion of delivery.

b.) For Purchase Order which under Advance payment terms, The Seller must pay back the amount to buyer account to cover the liquidated damages cost by delay to deliver the items as per agreed PO delivery date.

6. Inspection and Acceptance

Upon receipt of the goods, the buyer shall inspect the goods for compliance with the PO in terms of quality, quantity

The buyer reserves the right to reject any goods that do not meet the agreed specifications.

The buyer's acceptance of the goods will be final unless defects are discovered post-delivery.

7. Warranties

The seller warrants that the goods or services provided are of satisfactory quality, free from defects in materials and workmanship, and conform to the specifications stated in the PO. Any defects discovered within the warranty period must be repaired or replaced by the seller at no additional cost to the buyer.

8. Confidentiality

Both parties agree to maintain the confidentiality of any proprietary or sensitive information exchanged during the course of the transaction.

This obligation remains in effect for Five(5) years after the completion of the contract.

9. Force Majeure

Neither party shall be liable for failure to perform its obligations under this PO due to circumstances beyond their control, such as natural disasters, acts of government, war, or other unforeseen events that render performance impossible or impractical.

10. Indemnity and Liability

The seller shall indemnify and hold harmless the buyer from and against any claims, damages, losses, and expenses arising out of the seller's failure to perform its obligations, including any violation of applicable laws and regulations.

11. Compliance with Laws

The seller agrees to comply with all applicable local, national, and international laws, regulations, and standards relating to the production, sale, and delivery of the goods and services provided.

12. Termination

a.) For Convenience: The buyer may terminate this PO at any time for convenience by providing 60 days' notice to the seller.

b.) For Cause: Either party may terminate this PO immediately if the other party fails to perform its obligations under the PO or breaches any of the terms and conditions, provided that the breach remains uncured after 60 days' notice.

13. Governing Law

This PO and the rights of the parties shall be governed by and construed in accordance with the laws of Kingdom of Saudi Arabia, without regard to its conflict of law principles.

14. Entire Agreement

This PO, together with any other documents referenced herein, constitutes the entire agreement between the buyer and the seller with respect to the subject matter of the PO and supersedes all prior or contemporaneous communications, representations, or agreements.

15. Severability

If any provision of this PO is found to be invalid or unenforceable, the remainder of the PO will remain in effect.

16. Amendments

Any amendments to this PO must be made in writing and signed by both parties.