SOUTH PACIFIC INTERNATIONAL CONTAINER TERMINAL / MOTUKEA INTERNATIONAL TERMINAL
(the "Company" or "Customer")
PURCHASE ORDER: TERMS AND CONDITIONS

The Purchase Order ("P.O.") is prepared by the **COMPANY** in accordance with the **SUPPLIER**'s (or seller, vendor, SUPPLIER etc., as the case may be) quotation and the full quantity/lot mentioned should be filled/completed at the prices within the need-by date stipulated. All the terms in the P.O. are deemed integrated herein and vice-versa.

THESE TERMS AND CONDITIONS ("P.O. CONDITIONS") SHALL SERVE AS A BINDING AGREEMENT BETWEEN THE COMPANY AND THE SUPPLIER. THE SUPPLIER ACKNOWLEDGES IT HAS FULLY READ THE P.O. CONDITIONS AND ACCEPTED AND AGREED TO THE SAME AND THAT ITS CONFIRMATION OF RECEIPT OF THE P.O. AND/OR COMMENCEMENT/DELIVERY OF THE ORDERED REQUIREMENTS SHALL BE TANTAMOUNT TO SUPPLIER'S EXPRESS AGREEMENT WITH THESE P.O. CONDITIONS.

Should the Parties execute a **formal agreement**, the P.O. Conditions and the said agreement shall be considered integrated and construed together. In case of conflicting provisions, the provision more advantageous to the COMPANY shall prevail, unless a contrary interpretation is expressly stipulated in the formal agreement.

1. **DELIVERY OF GOODS AND SERVICES**

Delivery to the COMPANY (for goods), and completion of project (for services) must be made **timely and on or before the P.O. need-by date**, unless deferred shipment/delivery and/or completion has been authorized by the COMPANY. Otherwise, this is considered as delivery delay.

We have a "No P.O., No Delivery, No Payment Policy". SUPPLIER may only deliver without a PO if authorized by the COMPANY Procurement Department.

For **Goods** or **Materials**

- Unless stated in the P.O., all deliveries must be directed to (For Local and Indent Orders**):**

  SPICTL: SOUTH PACIFIC INTERNATIONAL CONTAINER TERMINAL
  LAE TIDAL BASIN, INTERNATIONAL TERMINAL ADMIN BUILDING
  BUMBU ROAD, LAE 411
  MOROBE PROVINCE
  PAPUA NEW GUINEA

  MITL: MOTUKEA INTERNATIONAL TERMINAL
  MOTUKEA ISLAND, INTERNATIONAL TERMINAL ADMIN BUILDING
  POREBADA ROAD, PORT MORESBY 121,
  NATIONAL CAPITAL DISTRICT
  PAPUA NEW GUINEA

- Receiving time is from 8:00a.m. to 5:00p.m., Mondays to Saturdays, except for emergencies identified by the Procurement Officer/s. The COMPANY's Security Personnel will not allow deliveries direct to the end users, unless pre-arranged and approved by the Procurement Officer.
- Delivery Receipts:
  - *For engineering materials:* must be forwarded to SPICTL/MITL Stores Officer upon delivery.
  - *For non-engineering materials:* must be forwarded to end users / point of contact (POC) per department upon delivery.

For Services:

- All Services must be directed to the end user.
- Service Reports (or any equivalent document) must be submitted to the end user upon rendering of service.

2. Documentation

Prices reflected in the P.O. are **Goods and Services tax (GST)-Inclusive**.

3. Invoicing

The GST Exemption or GST, whichever is applicable, should be included in the Original Invoice, unless stated in the agreed P.O. Incoterm. The appropriate amount of withholding tax for local suppliers will be deducted from the purchase/contract price, when applicable.

The SUPPLIER must indicate the P.O. No., the name of the COMPANY's contact person and bank details (if non-PGK) on the face of the cash / charge invoices, billing statements or Statement of Account (SOA), whichever is applicable.

Procedures for the **Invoice submission for both Goods and Services** based on the relevant Payment Term (PT) for proper payment processing are as follows:

a) **Local Orders**

- For queries or concerns regarding PO, send email to procurement@ictsispl.com
- Cash on Delivery (COD) / Advance Payment
  - *Forward e-copy of the invoices with supporting documents to the Project Manager / end user for Request for Payment processing.*
  - *Forward original hard copy invoices and supporting documents* to Accounting Section when claiming the payment.*

  Main Point of Contact:
  - **MITL and ISPL:** mit.invoices@mit.com,pg
  - **SPICTL:** spict-invocies@spict.com.pg

  Location/Address: Same address as for the delivery of goods or services

  When sending a copy of the invoices to the above e-mail address, the format for the e-mail subject should be as follows:

  1. ICTSI entity on which the charges are billed
     - ISPL: ICTSI South Pacific Limited
     - MITL: Motukea International Terminal Limited
     - SPICTL: South Pacific International Terminal Limited
  2. Name of the Vendor
  3. Purchase Order Number
  4. Invoice Number

- Progress Billing
  - *Forward original hard copy invoices and supporting documents directly to the Project Manager for their concurrence. Project Manager shall forward approved invoices to Accounting section for payment processing.*

- For PT 30 Days, unless otherwise agreed and approved by both parties
  - *For engineering materials: Forward to SPICTL/MITL Stores Officer(s) upon delivery.*
  - *For non-engineering materials: Forward to end users / point of contact (POC) per department.*
  - *End users / Stores officer will forward invoices to Accounting section for payment processing.*

b) **Foreign Orders** (Services; Subscriptions)

- For queries or concerns regarding PO, send email to *procurement@ictsispl.com*
- *Forward e-copy and hard copy (if applicable) of All Tax Invoices to Accounting section for payment processing.*

c) **Indent Orders** (Materials)
- *Forward all Shipping Documents (i.e. Original Pro-Forma Invoices, Commercial Invoices, Bill of Lading / Airway Bills, Packing List, Certificate of Origin, etc.) to SPICTL/MITL Procurement Section, Administration Building (not to the end user). E-mail advance copy to procurement@ictsispl.com*
- *Forward e-copy and hard copy (if applicable) of All Tax Invoices to Accounting section for payment processing.*

Payment Term Baseline Date

a) For foreign suppliers: e-copies of invoices / billings should be sent to *mit.invoices@mit.com.pg; spict-invoices@spict.com.pg*. Baseline date to determine the due date of payment will be upon receipt of correct and complete e-copies of invoices/supporting documents, or GR date, whichever is later.

b) For local suppliers: hard copies or e-copies of invoices must be sent to *mit.invoices@mit.com.pg; spict-invoices@spict.com* . Baseline date to determine the due date of payment based on the P.O. payment terms will still be upon receipt of the hard copies of invoices/supporting documents, or GR date, whichever is later.

For **Indent Orders made under Cost and Freight (CFR), Cost, Insurance and Freight (CIF), or Delivered Duty Unpaid (DDU) Incoterms**, the SUPPLIER must prepay the freight and other delivery expenses. For **Free on Board (FOB) orders**, the SUPPLIER must prepay the delivery, handling, and port charges in placing the goods on board the carrying vessel or aircraft. The original Bill of Lading or Airway Bill must be presented to the Procurement Officer upon shipment of the goods. Moreover, the SUPPLIER must submit via e-mail a Pro- Forma Invoice to the Procurement Officer concerned for Telegraphic Transfer (T/T) processing upon receipt of the P.O.

For **Indent Orders via Sea Freight**, *Loose Cargo Load (LCL) must be unloaded at the Shipping Lines Bond Store while Full Container Load (FCL) must be unloaded at SPICTL/MITL Terminal Port*. Otherwise, all charges incurred due to unloading at the incorrect terminal (i.e. clearing, arrastre, storage, trucking, etc.) will be paid for by the SUPPLIER.

4. Warranty and Returns

The COMPANY may demand or cause correction or revision of **defects** at the SUPPLIER's sole expense within the applicable warranty period. Materials are subject to the Engineering warehouseman's inspection and approval at a reasonable time after delivery to the COMPANY (for both local and indent materials). If specifications are not met or articles are defective, the Materials may be returned by the COMPANY also at the SUPPLIER's sole expense.

The COMPANY shall have the **right to purchase elsewhere and/or cancel** the **unfulfilled and/or undelivered portion** of the P.O. upon giving the SUPPLIER written notice at least three (3) days before the date of cancellation and without incurring any liability with the SUPPLIER, provided that all invoices for the fulfilled/completed deliveries as of date of cancellation are payable by the COMPANY to the SUPPLIER:

a. For any cause, unless expressly excluded by the Parties;
b. In case of material breach by the SUPPLIER, including delay; and/or
c. In case the COMPANY is unable to secure any license, permit or authorization required by any government entity in connection with this transaction.

The COMPANY shall be immediately refunded of the portion of its advance payment, if any, for unfulfilled/ uncompleted deliveries, if any. Likewise, the COMPANY shall also have the option to take any goods, works, or other items covered by b P.O. whether finished, unfinished or in process.

5. **Non-Exclusivity.** If this P.O. is for the **purchase of machines or equipment**, the COMPANY reserves the right to buy its spare parts, accessories, and supplies from other suppliers.

6. **Penalties**
   In case of any delay, the SUPPLIER shall be liable to the COMPANY for **delivery penalty** equivalent to 1/10 of 1% of the 10% Vat-inclusive contract sum for every day of delay, but not to exceed ten percent (10%) of the said sum, without prejudice to other remedies the COMPANY may be entitled to.

   The SUPPLIER shall be liable to the COMPANY for **liquidated damages** equivalent to **five percent (5%)** of the GST-inclusive contract sum for breach or default by the SUPPLIER of any of its obligations under the P.O.

7. **Force Majeure.** In case the SUPPLIER is prevented from delivering or the COMPANY from receiving and/or using any of the items covered by the P.O. due to **force majeure**, the force majeure shall operate to suspend deliveries or acceptances, as the case may be, during the affected period. This is subject, however, to the COMPANY's right under ***Clause 1*** hereof. Force majeure is any event such as fire, typhoon, flood, strikes, lock-out, epidemic, accident, war, blockade, civil commotion, or other similar events beyond the reasonable control of the concerned Party.

8. **Compliance with Laws.** The SUPPLIER shall maintain and solely be responsible for compliance with all laws, rules, regulations, and orders of any governmental authority as well as possession of all required permits, licenses, and other authorizations for the conduct of its business and its performance of the Agreement. The COMPANY may, at any time, undertake an audit of the SUPPLIER's performance of its obligations under this Agreement to ensure that the SUPPLIER, its employees, and agents are compliant with this Clause.

9. **ICTSI SP and SPICT / MITL Policy Commitment.** The SUPPLIER shall comply with the COMPANY's, as well as its Principal's (International Container Terminal Services, Inc. / ICTSI), company policies, rules, and regulations ("Policies") related to the needs and requirements for the Agreement. The SUPPLIER, hereby, acknowledges access to and endeavors regular updating with copies of the COMPANY's latest (i) **Code of Business Conduct**; (ii) **Procurement Guidelines**; (iii) **Global Principles on Human Capital**; and (iv) other applicable COMPANY and ICTSI Policies. The SUPPLIER agrees to inform each of its concerned employees, sub-contractors, and agents of these Policies and undertakes that the performance of the Agreement shall be consistent with the same.

10. **Anti-Bribery Compliance Policy.** The SUPPLIER further represents and warrants that it has not, or any of its directors, officers, employees or representatives, condoned, accepted, received or has taken any action in furtherance of, an offer, payment, promise to pay, or authorization or approval of the payment or giving of money, property, gifts or anything else of value, directly or indirectly, to any government or public official/candidate or any director, officer or employee of the COMPANY or its affiliates to unlawfully influence official action or secure an unlawful advantage. The SUPPLIER and its Personnel shall not condone, tolerate, solicit, ask for, accept or attempt to accept, directly or indirectly, a bribe, kickback, or other personal benefit, monetary or otherwise, from the COMPANY's customers, employees, officers, any port users, or government officials, where such request or receipt would amount to an improper or unlawful performance of a function or activity, such as a breach of trust, impartiality, or good faith. A violation of this Clause is a ground for termination of this Agreement. The SUPPLIER shall ensure that it conducts its business in compliance with applicable anti-corruption laws and maintains policies and procedures designed to promote and achieve compliance with such laws and, furthermore, the ICTSI Revised Anti-Bribery Compliance Policy and Procedure. The SUPPLIER agrees that the COMPANY shall have the right, after written notice to the SUPPLIER to conduct an investigation and audit of the Supplier's policies, books, records and accounts to verify compliance with this Clause.

11. **Supplier Code of Business Conduct.** In addition, the SUPPLIER shall abide by all the terms indicated in the ICTSI Supplier Code of Business Conduct available at Supplier Code of Business Conduct. The SUPPLIER shall also ensure to submit the filled out Disclosure Form of Conflict of Interest on an annual

basis and as the need to disclose arises.

12. **Sustainability**. The ICTSI Group is committed to uphold the principles of sustainable development in its operations and corporate stewardship of its people, customers, corporate resources, and the environment. These thrusts are documented in ICTSI's Annual Sustainability Report available at https://www.ictsi.com/what-we-do/sustainability. In the performance of the Services, the SUPPLIER undertakes to observe the foregoing or analogous principles and commitment and shall cooperate with the COMPANY in its sustainability efforts in the Terminal and its community.

13. **Health and Safety.** The SUPPLIER must perform the works/services, if any, in the Company premises safely so as to protect person and property based on applicable laws as well as the Health, Safety, and Environment (HSE) Policies (Health, Safety, Security and Environmental Policy | ICTSI SPL). The SUPPLIER shall provide the COMPANY HSE documentations that may include: risk assessments; work methodologies; licenses and certificates; and standard Operating Procedures. The SUPPLIER shall immediately notify the COMPANY of any health and safety and/or environmental incident (e.g. injury, property damage, oil spill, etc.) by the quickest practicable means (e.g. by phone call). The SUPPLIER shall follow this notice with a formal incident report in writing within eight (8) hours from the occurrence.

14. **Confidentiality and Data Protection.** The SUPPLIER acknowledges that by reason of its business relationship with the COMPANY, it may have access to Confidential Information of the COMPANY, the value of which would be impaired if such information were disclosed to third parties. The SUPPLIER hereby agrees that it shall not use in any way for its own account or the account of any third party, nor disclose to any third party, any Confidential Information of the COMPANY during the duration as well as after the termination or expiration of this Agreement. "Confidential Information" shall mean the proprietary, confidential, or trade secret information or know-how belonging to the COMPANY or which the COMPANY is under an obligation to maintain as confidential, whether or not it is in written or permanent form. Confidential Information shall include, without limitation, technical and business information relating to the COMPANY's services and products, research and development, finances, customers, marketing, production, and future business plans. The SUPPLIER shall ensure that it complies with the Data Privacy Act and with the COMPANY's data privacy and protection policies.

15. **Intellectual Property**
    The SUPPLIER guarantees that any articles furnished under this P.O. and the use thereof do not infringe on any **patent or trademark rights** and that the same will comply in all respect with the laws and regulations of Papua New Guinea.

    The COMPANY name, logo, trademark and other intellectual property, trade secret or any proprietary right shall not be used by the SUPPLIER, unless with written consent of the COMPANY. No public announcement concerning or related to this Agreement shall be made without the prior written consent of the COMPANY. If such consent is obtained, the text of the proposed release or plans for the public relations activities shall be submitted to the COMPANY for review prior to the release date.

16. **Indemnification.** The SUPPLIER assumes full responsibility and shall hold free and harmless and indemnify the COMPANY against any and all claims, liabilities, losses, damages, and expenses arising out of the P.O. caused by the fault, negligence, or breach of obligations or violation of any applicable local laws and regulations by the SUPPLIER or its directors, officers, employees, agents or representatives.

17. **Governing Laws.** This Agreement and all its subsequent variations shall be governed by and construed in accordance with the **laws of Papua New Guinea**. In case of any dispute arising in connection with the P.O., it is agreed that the venue for the settlement of the dispute shall exclusively fall within jurisdiction of the proper courts of the **City of Papua New Guinea, Port Moresby.**

****** Nothing follows. *****