



**PIONEER GROUP OF COMPANIES
TERMS & CONDITIONS OF PURCHASE (GOODS & SERVICES)**

These Terms shall apply to all orders placed by the Buyer (as defined below) unless otherwise agreed in writing on behalf of the Buyer.

1. Definitions

1.1 Unless the context otherwise requires, the following terms shall have the following meanings:-

“Buyer” OR “Company” means the relevant member of the Pioneer Group of Companies acting as the Buyer of the Goods or Services being sold under the Contract, being such of Pioneer Engineering International Limited, Branch office of Pioneer Engineering International Limited Liability Company in the Republic of Azerbaijan, Pioneer Engineering International Limited (Dubai Branch), Pioneer Engineering Services Limited, Erbil Pioneer for Supplies of Oilfield Equipment Limited and such other trading company of the Pioneer Group of Companies as may be the Buyer in the Contract from time to time, including the successors and assigns of the same.

“Conditions” these terms and conditions of purchase.

“Contract” the agreement for the sale and purchase of the Goods or Service incorporating these Conditions.

“Goods” the materials or products to be purchased or to be supplied as specified in the Order.

“Service” works or task that seller provide as specified in the Purchase Order.

“Order” the Buyer’s written order relating to the Goods & Service attached to or accompanying these Terms

“Seller” or “Contractor” the Entity or supplier defined in the Order.

"Company" shall mean, Pioneer Engineering International Limited, Branch office of Pioneer Engineering International Limited Liability Company in the Republic of Azerbaijan, Pioneer Engineering International Limited (Dubai Branch), Pioneer Engineering Services Limited, Erbil Pioneer for Supplies of Oilfield Equipment Limited organized and existing under the respective law where they operate and stated in the Purchase Order.

- 1.2** Any reference in these Conditions to any provision of a statute shall unless the context otherwise require be construed as a reference to that provision as amended, re-enacted or extended at the relevant time.
- 1.3** For the purposes of these Conditions, “in writing” when referring to the Buyer shall mean such a document as is in writing from an authorized representative of the Buyer including for the avoidance of doubt, official communication made by the Buyer in electronic form (or e-mail).
- 1.4** Any reference to any English legal term or concept (including for example any action, remedy, method of judicial proceeding, document, legal status, statute court, official governmental authority or agency) shall, in respect of any jurisdiction other than England shall be interpreted to mean the nearest and most appropriate analogous term to the English produce as nearly as possible the same effect in relation to that jurisdiction as would be the case in relation to England.

2. Supplier’s Understanding for the provision of Goods & Services

2.1 Contractor To Inform Itself

- 2.1.1** Before entering into the CONTRACT, CONTRACTOR is deemed to have satisfied itself as to:
- a) the extent and nature of the WORK, INCLUDING the GOODS, SERVICES, PERSONNEL, PLANT, facilities and all other things required for the WORK;
 - b) the correctness and sufficiency of the rates and prices stated in remuneration part and/or the PURCHASE ORDER;
 - c) the general and local conditions; and
 - d) all other matters which could affect progress or performance of the WORK.
- 2.1.2** Any failure by CONTRACTOR to take account of matters which affect the WORK will not relieve CONTRACTOR from its obligations under the CONTRACT.

2.2 Performance Of The Work

- 2.2.1** BUYER has selected CONTRACTOR for the performance of the WORK on the basis that it is an expert and professional in the type of work involved. CONTRACTOR undertakes to perform the obligations, including performance and completion of the WORK, in accordance with the CONTRACT.
- 2.2.2** Without limiting the foregoing, CONTRACTOR warrants:
- a) to perform the WORK in accordance with the CONTRACT or Purchase order terms.
 - b) to perform the WORK exercising the degree of skill, care, diligence, prudence, foresight and operating practice which would reasonably and ordinarily be expected from a skilled and experienced PERSON

engaged in a similar type of undertaking as that of CONTRACTOR under the same or similar circumstances;

- c) that the WORK will be free from DEFECTS;
- d) that the WORK will be fit for its expressed purpose as set out in the CONTRACT, or if no purpose is specified, for its ordinary purpose;
- e) that any GOODS are new, of good quality and without DEFECTS;
- f) that it has good and full title to any GOODS delivered under the CONTRACT; and
- g) to perform its obligations in accordance with the CONTRACT.

2.2.3 Except to the extent that it may be illegal or physically impossible or create a hazard to safe operations, CONTRACTOR shall comply with BUYER'S instructions and directions on all matters relating to the WORK.

2.2.4 CONTRACTOR shall promptly inform BUYER of any occurrence or circumstance that could prevent the WORK from being completed as required under the CONTRACT.

2.2.5 When required under the CONTRACT, or where requested by BUYER, CONTRACTOR shall supply to or make available for inspection and/or APPROVAL, any design calculations, drawings, equipment specifications, other documents and specifications necessary for the performance of the WORK.

2.2.6 The granting of any APPROVAL or the failure to grant APPROVAL, or the presence of and the observation or inspection of the WORK by COMPANY or its authorized representative will in no way relieve CONTRACTOR of any of its obligations under the CONTRACT.

2.3 Contractor Personnel

2.3.1 CONTRACTOR shall provide sufficient PERSONNEL at all times to ensure performance of the WORK. CONTRACTOR shall ensure that all PERSONNEL are competent, properly qualified, skilled and experienced appropriate to their respective roles.

2.3.2 CONTRACTOR is solely responsible for PERSONNEL, INCLUDING their management, employment and administration. CONTRACTOR shall bear all costs CONNECTED WITH such responsibility INCLUDING all payments in respect of:

- a) salary, bonus, overtime, allowances, pension, holiday pay, relocation redundancy, termination;
- b) medical services, passports, work permits and visas (and renewals thereof); and
- c) unless otherwise provided in the CONTRACT, training, travel and lodging.
- d) Any security clearance that required to get the access to work site.

2.3.3 Under no circumstances will PERSONNEL be considered employees of COMPANY. CONTRACTOR shall INDEMNIFY COMPANY GROUP against all employment-related CLAIMS/LOSSES CONNECTED WITH PERSONNEL.

- 2.3.4** CONTRACTOR shall ensure that all PERSONNEL comply with APPLICABLE LAWS, including possession of valid work permits and applicable Safety Trainings certification. CONTRACTOR shall immediately remove any PERSONNEL from the WORK, at no additional cost to COMPANY, whose presence is regarded by COMPANY as detrimental to COMPANY'S interests at any WORKSITE. CONTRACTOR shall provide a suitable replacement, at no additional cost to COMPANY, within three (3) days or such longer time as may be reasonably agreed by COMPANY.
- 2.3.5** When working at any COMPANY facility, PERSONNEL shall be subject to COMPANY'S administrative and safety regulations and arrangements, and CONTRACTOR shall take all necessary steps to ensure compliance with such regulations and arrangements.
- 2.3.6** CONTRACTOR shall advise PERSONNEL of those conditions contained in the CONTRACT which are relevant to such PERSONNEL'S involvement in the WORK.

3. Application of Terms

- 3.1** Subject to any variation under clause 3.4, these Conditions are the conditions upon which the Buyer is prepared to deal with the Seller, and they shall govern the Contract to the entire exclusion of all other terms or conditions.
- 3.2** Each Order for Goods by the Buyer from the Seller shall be deemed to be an offer by the Buyer to buy Goods subject to these Conditions and no Order shall be accepted until the Seller either expressly by giving notice of acceptance, or impliedly by fulfilling the Order, in whole or in part accepts the offer.
- 3.3** No terms or conditions endorsed upon, delivered with or contained in the Seller's quotation, acknowledgment or acceptance of order, specification or similar document shall form part of the Contract, and the Seller waives any right which it otherwise might have to rely on such terms and conditions.
- 3.4** These Conditions apply to all the Buyer's purchases and any variation to these conditions shall have no effect unless expressly agreed in writing and signed by a duly authorised representative of the Buyer.

4. Delivery

- 4.1** The Goods shall be delivered in accordance with the Incoterm delivery point specified in the Order.
- 4.2** The date for delivery shall be specified in the Order.
- 4.3** The Seller shall invoice the Buyer upon, but separately from, despatch of the Goods to the Buyer.
- 4.4** The Seller shall ensure that each delivery (if applicable) is accompanied by a delivery note, a packing list defining the number of bundles and pieces and a tally list which shows, inter alia, the Order number, date of Order, number of packages.
- 4.5** Time for delivery shall be of the essence.

4.6 Unless otherwise stipulated by the Buyer in the Order, deliveries shall only be accepted by the Buyer in normal business hours.

4.7 Subject to the proviso below, if the Goods are not delivered on the due date or such later date as may be agreed in writing by the Buyer then, without prejudice to any other rights which it may have, the Buyer reserves the right to:

- a) cancel the Contract in whole or in part;
- b) refuse to accept any subsequent delivery of the Goods which the Seller attempts to make;
- c) recover from the Seller any expenditure reasonably incurred by the Buyer in obtaining the Goods in substitution from another Seller; and
- d) claim damages for any additional costs, loss or expenses incurred by the Buyer which are in any way attributable to the Seller's failure to deliver the Goods on the due date.

Provided that if at any time prior to the delivery date the Seller has reason to believe that the Goods will be delivered late other than by reason of a Force Majeure Event (as defined in Clause 15), it shall inform the Buyer in writing as soon as such reason arises and the Buyer shall, in its discretion, meet or discuss with the Seller if it is possible (in the opinion of the Buyer) to agree a reasonable extension of time, upon the expiry of which or failing any agreement as to a reasonable extension of time, the above provisions of this clause 4.7 shall apply.

4.8 Where the Buyer agrees in writing to accept delivery by instalments the Contract shall be construed as a single contract in respect of each instalment. Nevertheless, failure by the Seller to deliver any one instalment shall entitle the Buyer at its option to treat the whole Contract as repudiated.

4.9 If the Goods are delivered to the Buyer in excess of the quantities ordered, subject to any delivery quantity tolerances agreed in advance in writing by the Buyer, the Buyer shall not be bound to pay for the excess, and any excess shall be and shall remain at the Seller's risk and shall be returnable at the Seller's expense.

5. The Goods & Service

5.1 The Goods & Service shall be of the best available design, of the best quality, material and workmanship, be without fault and conform in all respects with the Order and specification and/or patterns supplied or advised by the Buyer to the Seller.

5.2 The Buyer's rights under these conditions are in addition to the statutory conditions implied in favour of the Buyer by the Sale of Goods Act 1979.

5.3 The Buyer or any person on its behalf shall be entitled at its discretion and on giving reasonable notice to check progress on the Purchase Order, to inspect the goods or Service and any work thereon, and to carry out such inspection and tests as are prescribed in the Order, during manufacture and before delivery. The Seller shall afford the Buyer's representative every facility for such purposes, including access to the Seller's (or sub-contractor's) works at all reasonable times. Any such inspection or tests shall not in any way relieve the Seller from any of its obligations under the contract, or from those existing either at common law or by statute.

- 5.4** If the results of such inspection or testing cause the Buyer to be of the opinion that the Goods & Service do not conform or are unlikely to conform with the Order or to any specifications and/or patterns supplied or advised by the Buyer to the Seller, the Buyer shall inform the Seller and the Seller shall immediately take such action as is necessary to ensure conformity and in addition the Buyer shall have the right to require and witness further testing and inspection.
- 5.5** If, following the inspection and testing referred to in this clause 5, and the procedure set out in clause 5.4, the Buyer is of the opinion that the Goods & Service do not conform to the Order including by reason of not being: (i) of the quality specified, (ii) in the quantity or measurement stipulated, (iii) otherwise in accordance with the specification defined in the Order, or (iv) provided with mill test certificates, the Buyer shall have the right to reject such Goods or Service within a reasonable time of their inspection without prejudice to any other right which the Buyer may have against the Seller. The making of any prior payments by the Buyer shall not prejudice the Buyer's right of rejection.
- 5.6** Notwithstanding any such inspection or testing or right to reject, the Seller shall remain fully responsible for the Goods & Service and any such inspection or testing shall not diminish or otherwise affect the Seller's obligations under the Contract.
- 5.7** If any of the Goods or Service fail to comply with the provisions set out in clause 4 the Buyer shall be entitled to avail itself of any one or more remedies listed in clause 8.
- 5.8** The Seller will ensure that the Goods & Service will comply with the requirements of law and, to the extent that they contain toxic corrosive or hazardous materials, the Seller will ensure that a notice to that effect accompanies each consignment, together with appropriate care and handling instructions. Goods & Service supplied under the Order, which are contaminated beyond use, at the time of delivery, shall be disposed of by and at the cost of the Seller. Title to and risk in the contaminated Goods will transfer to the Seller at the time contamination is identified and notified to the Seller, who will bear all expenses for the said processes.

6. Risk and Property

The risk and title in the Goods shall remain with the Seller until fully delivered in accordance with clause 4.1 (including but not limited to the provision of any certification which may have been specified) at the point specified in the Order. If the Goods are delivered by instalment, risk and title in the Goods shall pass on delivery of each instalment.

7. Price and Payment

- 7.1** The price of the Goods shall be stated in the Order and unless otherwise agreed in writing by the Buyer shall be exclusive of VAT but inclusive of all other charges.
- 7.2** No variation in the price nor extra charges shall be accepted by the Buyer.
- 7.3** The Buyer shall pay the price of the Goods in accordance with the terms of the Order.
- 7.4** Without prejudice to any other right or remedy, the Buyer reserves the right to set off any amount owing at any time from the Seller to the Buyer against any amount payable by the Buyer to the Seller under the Contract.

8. Confidentiality

Any Order placed by the Buyer shall be treated as confidential and in particular the Seller shall not make use of the Buyer's name (or the name of any companies associated with the Buyer) for publicity purposes without the prior written consent of the Buyer. Designs, drawings, specifications and information which may be supplied by the Buyer in connection with the Purchase Order are confidential and shall only be used for the purpose of the Purchase Order and shall not be disclosed to any third party without the prior written consent of the Buyer and shall remain the property of the Buyer and be returned to the Buyer at the conclusion of this contract. The Buyer shall be entitled to use all designs, drawings, specifications and information provided hereunder for any purpose and the Seller warrants the Buyer's right to do so. All such designs, drawings, specifications and information provided to the Buyer shall become the property of the buyer.

9. Termination

9.1 The Buyer shall have the right at any time and for any reason to terminate the Contract in whole or in part by giving the Seller written notice whereupon all work on the Contract shall be discontinued and the Buyer shall pay to the Seller fair and reasonable compensation for work-in-progress at the time of termination but such compensation shall not include loss of anticipated profits or any consequential loss.

9.2 The Buyer shall have the right at any time by giving notice in writing to the Seller to terminate the Contract forthwith if:

- a) The Seller commits a material breach of any of the terms and conditions of the Contract;
or
- b) Any distress, execution or other process is levied upon any of the assets of the Seller; or
- c) The Seller makes an arrangement or composition with its creditors, or otherwise takes the benefit of any statutory provision for the time being in force for the relief of insolvent debtors, or convenes a meeting of creditors (whether formal or informal), or enters into liquidation (whether voluntary or compulsory) except a solvent voluntary liquidation for the purpose only of reconstruction or amalgamation, or has a receiver or manager, administrator or administrative receiver appointed of its undertaking or any part thereof, or documents are filed with the court for the appointment of an administrator of the Seller or notice of intention to appoint an administrator is given to the Seller or its directors or by a qualifying charge holder or a resolution is passed or a petition presented to any court for the winding-up of the Seller or for the granting of an administration order in respect of the Seller, or any proceedings are commenced relating to the insolvency or possible insolvency of the Seller; or
- d) The Seller ceases or threatens to cease to carry on its business; or
- e) The financial position of the Seller deteriorates to such an extent that in the reasonable opinion of the Buyer the capability of the Seller adequately to fulfil its obligations under the Contract has been placed in jeopardy.

9.3 The termination of the Contract, however arising, shall be without prejudice to the rights and duties of the Buyer accrued prior to termination. The conditions which expressly or impliedly have effect after termination shall continue to be enforceable notwithstanding termination.

10. Indemnity

- 10.1** Irrespective of negligence on the part of the Buyer or any of its parent, affiliated or subsidiary companies, the Seller shall assume all liability for and shall defend indemnify and hold harmless the Buyer and any of its parent, affiliated or subsidiary companies from and against any loss, liability, damage or claim arising out of or in connection with (1) personal injury to or sickness or death of any employees of the Seller and any of its parent, affiliated or subsidiary companies and sub-contractors and (2) loss of or damage to any property of the Seller and any of its parent affiliated or Subsidiary companies and sub-contractors and any of its or their employees arising from the performance of the Contract or failure to perform the Contract by the Seller.
- 10.2** Any indemnity expressed to be given by the Seller to the Buyer under this clause or under any other provision of the Contract shall extend to any customer of the Buyer or end user of the Goods (or their employees etc) or any other relevant third party.

11. Warranty

- 11.1** Without prejudice to any other rights whether implied, statutory or otherwise which the Buyer may have the Seller shall, if requested by the Buyer during the period of eighteen months after the date of delivery or twelve months after the date of installation whichever shall first occur with all possible speed and without cost to the Buyer replace or repair the Goods or re-do the Service any part thereof found not to conform to the specification requirements of the order or to be defective due to faulty materials workmanship or design or to any act or omission of the Seller. In particular the Seller shall reimburse any transport and other charges incurred by the Buyer in effecting such removal and/or at the Buyer's option replacement or repair at the point of use. The warranty period for such repaired or replaced part shall be effective for a further twelve months.
- 11.2** Any warranty given by the Seller under this clause or under any other provision of the Contract shall extend to any customer of the Buyer or end user of the Goods & Service.

12. Insurance

- 12.1** The Seller warrants to the Buyer that it has and shall maintain levels of insurance (including (without prejudice to the generality of this clause) public liability insurance of no less than US\$10 million) sufficient to cover its respective liabilities and obligations under the Contract and at law.
- 12.2** Commercial Automobile/Motor Vehicle Liability Insurance, covering the use of any automobile by CONTRACTOR GROUP including owned, hired, and non-owned automobiles, with minimum limits of One Million United States Dollars (US\$1,000,000) for any one occurrence for damage to property and death of or injury to persons, or such greater amount as required by APPLICABLE LAWS;
- 12.3** Workers Compensation and Employer's Liability Insurance or similar social insurance as required by APPLICABLE LAWS. The employer's liability insurance will have minimum limits of Five Million United States Dollars (US\$5,000,000) each accident, or such greater amount as required by APPLICABLE LAWS;
- 12.4** The Seller shall promptly produce evidence of such insurance cover to the Buyer on the Buyer's request.

13. Patents and other rights

The Seller shall indemnify the Buyer, any of its parent, affiliated or subsidiary companies, and any Buyer on whose behalf the Buyer is acting as operator or operators agent against any claim or infringement of patents, registered mark, trademark, service mark copyright, registered designs or other rights which arise as a result of the sale or use of the Goods supplied by the Seller. This indemnity shall extend to all expenses, costs and damages, which the Buyer may incur as a result of such action. This indemnity shall not extend to instances where the goods concerned have been supplied to the design of the Buyer.

14. Drawings and Technical Data

14.1 Any deviation from or modification to specifications or drawings set out in the order is subject to the Buyer's written approval. If the Seller considers there is any omission, inconsistency or inaccuracy in such specifications or drawings, or that any modification shall be made, the Seller shall notify the Buyer in writing forthwith. Drawings Supplied by the Buyer in connection with the contract shall be maintained in confidence by the Seller and shall not, without the Buyer's prior written consent, be either disclosed to any third party or used by the Seller except in implementing the contract.

14.2 The Seller shall when requested by the Buyer provide drawings and technical data to the Buyer for approval and/or record purposes and shall in any event provide such copies of such documents as are specified in the order. Any such approval shall not imply that the Buyer has checked or is responsible for the accuracy of any drawings or technical data other than its own.

15. Force Majeure

15.1 No failure or omission by either the Seller or the Buyer to carry out or observe any of the stipulations, conditions or obligations to be performed hereunder shall except as herein expressly agreed to the contrary, give rise to any claim against the other party or be deemed to be a breach of contract if such failure or omission arises from force majeure. Force majeure shall be defined as a cause reasonably beyond the control of the party claiming force majeure ,including fire, the elements, war, civil commotion, strikes or lock-outs, industrial dispute, shortage of raw materials or fuel, notwithstanding that the Seller has taken all reasonable steps to procure the same, shortage of labour, breakdown or partial failure of plant or machinery, late receipt of the Buyer's specification or other necessary information, acts, orders or regulations of Governments or the decisions or directives of the Commission of the European Communities ("a Force Majeure Event").

15.2 Where a Force Majeure Event occurs, the party suffering the event shall notify the other immediately in writing and should such event continue for a period of 21 days (or such other period as the parties may agree) the Buyer shall have the right to terminate the Contract by notice in writing to the Seller.

16. Safety

The Seller is responsible for the safety of all persons engaged in the supply of the Goods and all persons who may be affected by activities of the Seller and shall comply with all the relevant safety regulations and procedures and with applicable safety and other legislation whether of the Buyer, set out by law or otherwise.

17. Notices

Any notices to be given under the Contract shall be delivered personally or sent by post or by facsimile transmission to the Branch Operations Manager (in the case of the Purchaser) or to the address set out in the Purchase Order (in the case of the Supplier). Any such notice shall be deemed to be served, if delivered personally, at the time of delivery, if sent by post, 48 hours after posting or, if sent by facsimile transmission, 12 hours after proper transmission.

18. Information

The Seller shall promptly provide such information concerning the Goods or their manufacture or any other relevant details to the Buyer as the Buyer shall from time to time require.

19. Assignment and Sub-Contracting

19.1 The Seller shall not assign the Contract or any rights or obligations hereunder without the prior written consent of the Buyer.

19.2 No part of the Contract is to be sub-contracted by the Seller without prior written agreement of the Buyer, such consent not to be unreasonably withheld.

20. Entire Agreement

These Conditions and the Order, together with any subsequent amendments made in accordance with Clause 2 represent the entire terms and conditions of the agreement between the Buyer and the Seller.

21. Special Conditions

Where special conditions are stated on the Order those conditions shall apply equally with these Conditions except where there is any inconsistency between these Conditions and the special conditions, the special conditions shall apply.

22. Law

The Contract shall be governed, construed and shall take effect in accordance with the Laws of England and Seller hereby submits to the exclusive jurisdiction of the English Courts.

23. Code of Conduct & Business Ethics

23.1 Both Parties shall at all times ensure that the actions of its employees and representatives comply with all applicable laws, statutes and regulations. Nothing in this Purchase Order shall be interpreted as requiring either Party to do or refrain from doing anything which would result in a breach or violation of any applicable laws, statutes or regulations.

23.2 Both Parties agree that they will not directly or indirectly in any way that relates to this Purchase Order:

23.2.1 Give, offer, pay, promise or authorise any financial or other advantage or anything else of value to any other person or organisation (including, without limitation, giving or offering anything of value to a government official or representative or a political party official or candidate for political office, or to anyone acting on behalf of a public international organization, or to anyone

employed by a government-owned or controlled company or other entity (together defined as "Governmental and Political Appointees")) with the intent to exert improper influence over the recipient, induce the recipient to violate his or her duties, secure an improper advantage, or improperly reward the recipient for past conduct;

- 23.2.2** Offer, promise, pay, give, authorise, request or receive an improper advantage, or accept an offer thereof, in connection with a position, office or assignment;
- 23.2.3** Request, receive or accept, for the benefit of itself or anyone else, any financial or other advantage, or anything else of value, as an inducement or a reward for violating a duty of loyalty to the other Party, or improperly performing a function that relates in any way to the Purchase Order or to the other Party; or
- 23.2.4** Otherwise, be involved in any activity, practice or conduct that would be in breach of the requirements of the Purchase Order in relation to ethics and anti-corruption and/or which would constitute an offence under any applicable laws in relation to ethics and anti-corruption (including, without limitation the UK Bribery Act 2010 or the U.S. Foreign and Corrupt Practices Act of 1977).
- 23.2.5** Otherwise, be involved in any activity, practice or conduct that would be in breach of the requirements of the Purchase Order in relation to ethics and anti-corruption and/or which would constitute an offence under any applicable laws in relation to ethics and anti-corruption (including, without limitation the UK Bribery Act 2010 or the U.S. Foreign and Corrupt Practices Act of 1977).
- 23.2.6** Be involved in any activity, practice or conduct that would be in breach of the requirements of the Purchase Order in relation to child labour, slavery, servitude and forced or compulsory labour or human trafficking which would constitute an offence under any applicable laws in relation to ethics and labour laws (including, without limitation, the UK Modern Slavery Act 2015);
- 23.2.7** Be involved in any activity, practice or conduct that would be in breach of the principles set out in the Pioneer Engineering Code of Conduct / Responsibility.

23.3 The Supplier shall, as soon as reasonably practicable to do so, report to Pioneer Engineering any act or omission which could possibly be seen as a breach of this Clause 23.

23.4 If the Supplier breaches any provision of this Clause or Pioneer Engineering has any reason to suspect that the Supplier has breached any provision of this Clause then, without prejudice to its other rights and remedies, Pioneer Engineering shall be entitled to terminate this Purchase Order (or part thereof) immediately on notice to the Supplier.

24. Audit Rights

24.1 During the ongoing provision of Goods and/or Services under the Purchase Order and for a period of twenty four (24) months after (a) termination of the Purchase Order, howsoever arising, or (b) final payment to the Supplier, whichever occurs last, the Pioneer Engineering or its and their duly authorised representative(s) shall have right to audit at all reasonable times and, upon request, take copies of all of the Supplier Group's records (written, electronic form or media), books, personnel records, accounts, correspondence, memoranda, receipts, vouchers and other papers of every kind relating to:

24.2 All invoiced charges made by the Supplier on Pioneer Engineering; and

24.2.1 Any provision of this Purchase Order under which the Supplier has obligations the performance of which is capable of being verified by audit, including in particular, but not limited to, Clause 23

24.2.2 In this respect Pioneer Engineering shall not be entitled to investigate the make-up of rates and lump sums included in this Purchase Order except to the extent necessary for the proper evaluation of any changes relating to the provision of the Goods and/or Services.

24.2.3 The Supplier shall co-operate fully with Pioneer Engineering and/or its representatives in the carrying out of any audit required by Pioneer Engineering. Pioneer Engineering will conduct any audit in a manner which will keep to a reasonable minimum any inconvenience to the Supplier. In the event that such audit or audits reveal any error or discrepancy of any nature whatsoever, such error or discrepancy shall be promptly corrected and any amount owing or due to Pioneer Engineering or the Supplier shall be promptly paid by the indebted Party. Pioneer Engineering and/or its representatives shall have the right to audit the Supplier Group's accounts and records only after delivery of written notice to the Supplier in accordance with Clause 16.

25. SANCTIONS ILLEGALITY

25.1 The CONTRACTOR confirms it has obtained all consents and corporate and regulatory / governmental approvals and authorizations as such are required by its respective constitutive acts, internal policies and applicable laws, as well as any other consents and clearances necessary to perform all of its obligations and enjoy its corresponding rights and enter into, perform and complete the terms and obligations agreed under this CONTRACT. To the best of CONTRACTOR's knowledge, there are no facts or circumstances which would or could likely give rise to suspension or a premature termination of the CONTRACT or otherwise limit or prevent the CONTRACTOR from duly entering into and performing the CONTRACT.

25.2 If it becomes illegal pursuant to any sanctions laws applicable to the CONTRACTOR or the COMPANY enacted, issued or amended after the date of this CONTRACT, for the CONTRACTOR or the COMPANY to perform any obligations under this CONTRACT (a "**SANCTIONS ILLEGALITY EVENT**"),

- the PARTY that wishes to be excused from performing the relevant obligation(s) shall promptly notify the other PARTY upon becoming aware of that event;
- each PARTY shall in consultation with the other PARTY, use its best endeavors and take all reasonable steps to mitigate the circumstances which give rise to such SANCTIONS ILLEGALITY EVENT including (but not limited to):
 - (a) promptly applying for any authorization that would permit performance under the CONTRACT, in accordance with clause 33.1 above;
 - (b) complying with any other obligations under this CONTRACT which it is not illegal to perform;

- (c) transferring all or part of its rights and obligations under the CONTRACT to any third party proposed by the other PARTY, who is not affected by the Sanctions Illegality Event, to the extent such transfer is not prohibited by applicable law;
- (d) together with the other PARTY, working on the means of alternative performance of the obligations in the manner not prohibited by the SANCTIONS LAWS.

- 25.3** Each PARTY shall promptly notify the other PARTY upon becoming aware of the occurrence of any event or circumstance that mitigates a Sanctions Illegality Event and/or of the Sanctions Illegality Event ceasing to continue;
- 25.4** Each PARTY shall promptly following the date on which the Sanctions Illegality Event ceases to be continuing, to recommence the performance of its obligations under and in accordance with the terms of the CONTRACT;
- 25.5** In case of any dispute arises in connection with interpretation and/or applicability of sanctions laws, a legal opinion from a reputable international law firm with experience advising in respect of the relevant sanctions and recognized in the Legal500 / Chambers ratings for the EU or the US shall be obtained by the PARTY that wishes to be excused from performing the relevant obligation(s) in respect of such dispute(s).
- 25.6** The CONTRACTOR shall invoice Company for the services rendered up to the date of issue of notification of discontinuation of the service. Although the CONTRACTOR will take all necessary steps to complete the works in progress at the time of sanctions becoming effective, COMPANY's Liability to CONTRACTOR shall be to pay the value of the service already rendered to the COMPANY, and all reasonable and unavoidable costs incurred by the CONTRACTOR for materials it ordered for the service (**which shall be transferred or assigned to COMPANY upon payment therefore**) up to the date of issue of notification of discontinuation of the service after deducting for any payments made in advance for these services.