

GENERAL TERMS AND CONDITIONS

Preamble

From time to time a customer (the "Customer") may wish to enter into an agreement to purchase carpets and/or rugs (individually and collectively the "Goods" and the specification for the Goods, including any relevant plans, CAD files or drawings referred to as the "Goods Specification") and for the supply of services in relation to the Goods (the "Services" and the description or specifications for the Services referred to as the "Services Specification") from Oriental Weavers Carpets S.A.E (the "Company") (Customer and Company shall be individually referred to as "Party" and collectively referred to as "Parties"). A binding agreement shall be concluded in any one of the following cases or a combination thereof: (a) the Company's issuance of a proforma invoice to the Customer detailing the price, payment terms and any other details the Company may deem necessary for the sale of the Goods and Services, if applicable, to the Customer ("PI"), and the Customer issuing a written acceptance of the PI and all terms and details provided therein or (b) the Customer's issuance of a purchase order ("PO"), whether system generated or otherwise, to the Company and the Company's issuance of an invoice respectively (the "Purchase Agreement") with the date of the Company's invoice being the effective date of the contract (the "Commencement Date"). The Company shall have the right to amend the PI at any time prior to written acceptance by the Customer.

Any samples, drawings, descriptive matter or advertising issued by the Company or its agents and any descriptions of the Goods or illustrations or descriptions of the Services contained in the Company's website, catalogues, brochures or any communications with the Customer prior to acceptance of the PO are issued or published for the sole purpose of giving an approximate idea of the Services and/or Goods described in them. They shall not form part of the Purchase Agreement nor have any contractual force.

The Purchase Agreement together with these General Terms and Conditions and the schedules thereto shall comprise a single integrated contract. In the event of and only to the extent of any conflict or ambiguity between the PI, the General Terms and Conditions and any schedules hereto, the conflict shall be resolved in accordance with the following order of precedence:

- (i) the Proforma Invoice;
- (ii) the General Terms and Conditions; and
- (iii) the schedules hereto.

These General Terms and Conditions shall supersede any and all other provisions and/or terms and conditions provided by the Customer, whether attached to its PO or provided in any other means, unless the Company agrees to otherwise in writing. All of these General Terms and Conditions shall apply to the supply of both Goods and Services except where application to one or the other is specified.

In the event of and only to the extent of any conflict or ambiguity between the PI, these General Terms and Conditions and any schedules hereto, the conflict shall be resolved in accordance with the following order of precedence:

- (iv) the PI;
- (v) the General Terms and Conditions; and
- (vi) the schedules hereto.

Except where otherwise is provided under these General Terms and Conditions, Incoterms© 2010 shall apply to the delivery of Goods pursuant to the Purchase Agreement and all agreements entered into between the Parties.

The United Nations Convention on Contracts for the International Sale of Goods (the "Convention") shall apply to the Purchase Agreement and any other agreements entered into between the Parties, to the extent that there is any conflict between the provisions of these General Terms and Conditions and the Convention and in such case the provisions of these General Terms and Conditions shall prevail.

These General Terms and Conditions, including the Preamble and the schedules hereto are considered an integral part of the Purchase Agreement.

1. Delivery

1.1 Delivery dates provided upon receipt of a PO are approximate only and are given by the Company to provide the Customer with a preliminary date for planning purposes. A delivery date shall only be confirmed after the Company has issued a PI. If a delay or failure by the Company to deliver by a confirmed delivery date is due to a Force Majeure Event (*as defined herein*), the Company shall not be liable in any circumstances for the consequences of such delay or failure to deliver or perform.

1.2 The Company may deliver the Goods by instalments, which shall be invoiced and paid for separately. Any delay in delivery or defect in an instalment shall not entitle the Customer to cancel any other instalment.

1.3 If the Customer fails to accept delivery of the Goods at the delivery location stated therein due to a Force Majeure Event, any failure by the Customer to comply with its obligations, or for any reason attributed to the Customer, the Company may arrange for storage of the Goods until delivery takes place and charge the Customer with a penalty equivalent to two percent (2%) monthly of the total price of the Goods in addition to the associated costs per month for such storage. In case of the Customer's failure to agree on a future delivery date, the Customer shall pay for any additional costs due to the Customer's failure to accept delivery. Furthermore, the Company may treat its obligation to deliver pursuant to the Purchase Agreement as discharged and it may dispose of or resell the Goods at its own discretion, without prejudice to the Company's rights and claims against the Customer for any and all losses or expenses it may incur as a result of the Customer's failure to receive the Goods in addition to a penalty equivalent to (2%) per month of the total price of the Goods.

1.4 The Company reserves the right to ship the Goods within an acceptable variation of plus or minus ten percent (10%) of the quantity of the Goods stated in the Purchase Agreement together with any related costs unless otherwise expressly agreed to in

writing. In this case, the Company shall reimburse the Customer with the price difference in case the Goods shipped are less than the quantity specified in the PO, and the Customer shall be obliged to pay the Company the price of the Goods shipped in excess of the quantity specified in the PO.

1.5 The Company may, at its sole discretion, cancel the delivery of the Goods, or any part thereof, to the Customer without any liability on its part whatsoever.

1.6 The Company reserves the right to amend the Goods Specification and/ or Services Specification if required by any applicable laws, statutes, regulations and codes from time to time in force ("Applicable Laws") and shall notify the Customer in any such event.

2. Acceptance

Customer shall have a period of twenty-one (21) days following container clearance to examine the Goods, unless the Customer or a Customer's third-party representative has inspected the Goods at the Company's premises before shipment. After the lapse of said period, the Customer shall be deemed to have accepted the Goods. The Customer agrees that such period is reasonable. Within the twenty-one day period following container clearance, in case the customer has any complaint full details should be provided to the Company including all tractability data to enables the Company to take necessary effective corrective actions for continual improvement.

3. Right of Rejection

Save for Clause 2 above, no Goods will be accepted by the Company for return without its express written agreement. If, for any reason, the Customer purports to accept only a proportion of the Goods supplied, it shall be deemed to have accepted the whole of the Goods supplied and the Customer will thereafter not be entitled to reject the remainder of the Goods.

4. Reservation of Title and Payment

4.1 The Goods shall remain the sole and absolute property of the Company as legal and equitable owner until such time as the Customer shall have paid in full to the Company the agreed price stated in the Purchase Agreement.

4.1.1 The Customer undertakes not to grant any rights, liens, pledges, encumbrances, assignments or security of any kind whatsoever over the Goods to any third party. The Customer further undertakes to inform its creditors and/or any receiver or bankruptcy/insolvency officer that the title and ownership of the Goods is retained by the Company until the agreed upon price is paid in full.

4.1.2 The Customer undertakes to return the Goods to the Company immediately should it be in breach of any of its obligations stipulated in Clause 4.1.1 above, without the need to obtain any court order or decision. However, the Company, at its absolute discretion, may extend the aforementioned period without this extension being considered a waiver of any of its rights. If the Customer fails to return the Goods within the aforementioned period, the Company shall be entitled to claim for compensation equivalent to the value of the Goods, in addition to any costs, expenses (including legal fees), losses and damages of any kind. The Customer further irrevocably agrees to pay these amounts immediately upon the Company's written request.

4.2 In case of the Customer's default or any delay in payment under the Purchase Agreement or any other agreement(s) concluded therewith or becomes insolvent or bankrupt or any event occurs which would threaten the well-being of its financial status, the Company, in its sole discretion, shall be entitled to suspend and/or cancel any further deliveries under the Purchase Agreement or any other agreement(s). Additionally, the Company shall, at its absolute discretion, have the right to demand cash payments in full for any outstanding charges or amounts or demand the immediate return of the Goods at the Customer's expense. Furthermore, the Company shall have the right to request the payment for any future deliveries to be in cash against manufacturing or shipping of the Goods at the Company's absolute discretion.

4.3 The Company has the right to charge interest on overdue amounts at the rate of two percent (2%) per month.

4.4 All claims by the Customer for money due or to become due shall be submitted to the Company in writing and the approval or disapproval of said claims is at the complete discretion of the Company. The Customer shall not be entitled to any set-off or counter-claim in connection with the Company's approval or disapproval of the claim.

4.5 The Company shall be entitled at any time without notice to combine and/or consolidate all or any of Customer's accounts and to consider the Purchase Agreement and any other agreement(s) concluded with the Customer as one integrated contract. Furthermore, the Company shall have the right, to be exercised in its sole discretion, to set-off any amounts received by Customer against any of its then outstanding PIs relating to any other purchase agreement(s) or transactions concluded therewith.

4.6 The Company reserves the right to:

- (a) increase the charges for any Services on an annual basis with effect from each anniversary of the Commencement Date in line with the percentage increase in the Consumer Price Index in the preceding 12-month period and the first such increase shall take effect on the first anniversary of the Commencement Date and shall be based on the latest available figure for the percentage increase in the Consumer Price Index as published by the U.S. bureau of labor statistics in the United States of America ;
- (b) increase the price of the Goods, by giving notice to the Customer at any time before delivery, to reflect any increase in the cost of the Goods to the Company that is due to:
- (c) any factor beyond the control of the Company (including foreign exchange fluctuations, increases in taxes and duties, and increases in labour, materials and other manufacturing costs);
- (d) changes to the Applicable Laws, including, without limitation, changes to laws or regulations which require any changes to the Goods Specification or certification of any Goods;
- (e) any request by the Customer to change the delivery date(s), quantities or types of Goods ordered, or the Goods; or
- (f) any delay caused by any instructions of the Customer in respect of the Goods or failure of the Customer to give OWH adequate

or accurate information or instructions in respect of the Goods.

4.7 Unless expressly otherwise stated, all prices (i) exclude shipping costs; (ii) insurance and (ii) are in the currency set out in the Customer's order (as accepted by the Company).

4.8 If any law or regulation to which the Customer is subject requires the latter to deduct any tax from an amount payable to the Company under any Contract, the Customer must increase the amount payable so that, after making the deduction, the Company receives the amount it would have received if no deduction had been required.

5. Warranty & Limit of Responsibility.

5.1 The Company warrants that on delivery and for the period set out in schedule 1, the Goods shall:

(a) conform in all material respects with the Goods Specification; and
(b) be free from material defects in design, material and workmanship,
in each case subject to the terms and the limitations set out in the Warranty Conditions / Carpet Care Instructions as set out in schedule 1. Please read these conditions and care instructions carefully as a failure to follow them could result in these warranties being void.

5.2 Some variations in the Goods and minor deviations from the Goods Specification are to be expected and do not constitute defects. Further details are set out in schedule 1.

5.3 Subject to clause 5.4, the Company shall, in accordance with the warranty care provision of the Warranty Conditions / Carpet Care Instructions as set out in schedule 1, at its option, repair or replace the defective Goods, or refund the price of the defective Goods which have been received by the Company if they do not comply with clause 5.1 and:

(a) in the case of a non-conformity or defect that would be reasonably apparent on visual inspection, the Customer gives notice in writing within seven (7) days of the Goods being installed;
(b) in the case of a non-conformity or latent defect that was not reasonably apparent on visual inspection and only becomes apparent during use, the Customer gives notice in writing within seven (7) days of discovery that some or all of the Goods do not comply with the warranty set out in clause 5.1 provided that notice is given within six months of delivery of the Goods to the Customer;
(c) the Company is given a reasonable and timely opportunity to examine such Goods;
(d) the Company determines thereafter that the Goods are defective for reasons other than those provided under clause 5.4; and
(e) the Customer (if asked to do so by the Company) returns such Goods to the Company's place of business at the Customer's cost.

5.4 The Company shall not be liable for the Goods' failure to comply with the warranty under clause 5.1 if:

(a) the defect arises because the Customer failed to follow the Company's oral or written instructions as to the storage, installation, commissioning, use or maintenance of the Goods, including but not limited to the Warranty Conditions / Carpet Care Instructions as set out at schedule 1;
(b) the defect arises as a result of the Company following any drawing, design or Goods Specification supplied by the Customer;
(c) the Customer alters or repairs such Goods without the written consent of the Company;
(d) the defect arises as a result of fair wear and tear, wilful damage, negligence, or abnormal working conditions; or
(e) the Goods differ from their description and/or the Goods Specification as a result of changes made to ensure they comply with any Applicable Laws.

5.5 Except as provided in this **Error! Bookmark not defined.Error! Reference source not found.**, OWH shall have no other liability to the Customer in respect of the Goods' failure to comply with the warranty set out in clause 5.1.

5.6 The terms of these General Terms and Conditions shall apply to any repaired or replacement Goods supplied by OWH.

5.7 Once any Goods have been cut to size or other processing of the Goods has begun, any warranty claims for obvious defects are excluded;

COMPANY DOES NOT MAKE ANY WARRANTY EXCEPT THE WARRANTIES EXPRESSED HEREIN AND DISCLAIMS ANY OTHER WARRANTY WHETHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED OR STATUTORY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE. FURTHERMORE, NOTWITHSTANDING ANY PROVISION HEREIN, THE COMPANY SHALL NOT UNDER ANY CIRCUMSTANCE BE LIABLE FOR ANY SPECIAL, CONSEQUENTIAL OR PUNITIVE DAMAGES WHATSOEVER.

6. Indemnity

6.1 The Customer agrees, upon demand, to indemnify the Company in full against all losses, damages, injury, costs and expenses of whatever nature (including legal fees) suffered by the Company to the extent that the same are caused by or related to:

(a) designs, drawings or specifications given to the Company by the Customer in respect of the Goods;
(b) defective materials or products supplied by the Customer to the Company and used by the Company to produce the Goods;
(c) the improper incorporation, assembly, use, processing, storage, or handling of Goods by the Customer;
(d) any claims in respect of any infringement or alleged infringement of any patent, registered design, copyright, trademark or other industrial or intellectual property right resulting from compliance by the Company to the Customer's instructions in relation to the Goods whether express or implied; and
(e) any breach to the Purchase Agreement including, without limitation, any default, gross negligence, fraud, willful misconduct committed by the Customer.

7. Loss or damage in transit

The Company's liability for any damage that may occur to the Goods during transit shall be in accordance with the agreed upon Incoterm between the Parties. Nevertheless, the Company shall not, in any case whatsoever, be liable for any indirect and consequential damages or losses resulting from any damage to the Goods (or any part thereof) during transit.

8. Acknowledgments and Undertakings by the Customer

8.1 The Customer undertakes to notify the Company in writing upon the occurrence of any event which leads or could lead to its insolvency, bankruptcy or the declination of its financial status;

8.2 The Customer undertakes to use reasonable measures to prevent, mitigate and minimise any loss which the Company may incur, and to cooperate with the Company in taking all reasonable steps to prevent, mitigate and/or minimise such loss.

8.3 The Customer represents and warrants that it is responsible for any document or data it provides to the Company and the latter transmits said data to a third party, and undertakes to indemnify the Company for any losses, damages or costs whatsoever which could result from the Customer's breach of this obligation;

8.4 The Customer acknowledges and accepts that the terms of payment agreed with the Company are final and binding, and that any amendments or extension thereto shall be at the Company's absolute and sole discretion and must be in writing.

8.5 The Customer acknowledges and accepts that the Company may cease any and/or all shipments of the Products if the Customer becomes insolvent or if its financial situation has deteriorated from its situation at the time of entering into the Purchase Agreement;

8.6 The Customer undertakes not to circumvent, avoid or bypass the Company, either directly or indirectly, in order to avoid payments of fees, or otherwise benefit, either financially or otherwise, from any information supplied to it by the Company, or through any form of relationship with any of its suppliers or their representatives, subsidiaries or any other party related thereto.

8.7 The Customer acknowledges and agrees that the Company shall not be under any obligation to ship or deliver the Goods until the Customer has confirmed in writing its acceptance of the PI and all terms, conditions and details included therein.

8.8 The Customer acknowledges and understands that its sole counterparty in the Agreement is the Company and that it does not have any contractual relationship whatsoever vis-à-vis the Subcontractor (*as defined herein*). Furthermore, the Customer agrees that it shall not under any circumstance have the right to claim against the Subcontractor directly in anyway whatsoever.

8.9 The Customer acknowledges and understands that in case the Company is obliged to ship the Goods, the shipper of said Goods is an independent contractor of the Company, and therefore, the Company shall assume no liability of whatsoever nature in relation to any acts of default committed by the shipper including gross negligence, fraud or wilful misconduct, which may lead to damages and/or loss of said Goods (or any part thereof).

8.10 The Customer acknowledges and understands that in relation to product inspection by the Customer the following shall apply:

- The inspection capacity will be according to the available workforce within the available time frame (from 9am to 5pm, CLT);
- The inspection may be split into more than one location according to the actual storage area;
- The Company will explain the inspection procedures to the Customer on site;
- The sample that will be inspected by the Customer (or a third party), will be selected randomly by the Customer from the racking system;
- The inspection notification period should not be less than five (5) working days;
- The Company has the right to reschedule the inspection date if it will be in conflict with another of its customer's inspections or in case of emergency and event of force majeure (e.g. severe weather conditions, earthquake, ...etc.); and
- The Customer has the right to reschedule or cancel the inspection not less than two (2) days before the inspection date otherwise the Customer will be obliged to start the scheduling process for the inspection from the beginning.

9. Assignment and Subcontracting

9.1 The Company shall have the right to subcontract the whole or any part of the Purchase Agreement to any affiliated entity to the Company in its sole discretion (the "Subcontractor") without the need to obtain the Customer's approval.

9.2 The Customer shall not assign any of its obligations under the Purchase Agreement to any third party unless after obtaining the Company's prior written approval.

10. Force Majeure

10.1 The Company shall not be in breach of the Purchase Agreement nor liable for delay in performing or failure to perform any of its obligations under the Purchase Agreement if such delay or failure results from any incident or circumstances or causes beyond the Company's reasonable control (a "Force Majeure Event"), including but not limited to:

- (a) acts of God;
- (a) epidemic and pandemic;
- (b) storms;
- (c) floods
- (d) riots;
- (e) fire;
- (f) sabotage;
- (g) civil commotion or civil unrest;
- (h) interference by civil or military authorities;
- (i) acts of war;
- (j) armed hostilities or national or international calamity;
- (k) acts of terrorism; or

(l) failure of energy sources.

10.2 In such circumstances as set out at clause 10.1, the Company shall be entitled to a commensurate extension of the time for performing such obligations. If the Force Majeure Event lasts for a period exceeding thirty (30) calendar days, either Party may terminate the Purchase Agreement without any liability towards the other by giving written notice.

11. Confidentiality

11.1 Neither Party may disclose any information relating to (i) payment terms, (ii) pricing and/or (iii) commercial terms, such as delivery details ("Confidential Information"), to any third party without the other Party's prior written consent.

12. Termination

12.1 The Company may terminate the Purchase Agreement immediately without notice and without the need to obtain any court order or decision in any of the following cases:

- (a) The Customer is declared bankrupt or becomes insolvent or if the Customer is found uncreditworthy, as per the Company's sole assessment and discretion.
- (b) The Customer undertakes an act or omission which constitutes fraud, wilful misconduct and/or gross negligence.
- (c) The Customer violates its confidentiality obligations stipulated in Clause 11 above.
- (d) The Customer fails to make any payment that is due.

12.2 Either Party may terminate the Purchase Agreement by giving no less than thirty (30) days' notice: (a) If the Customer breaches any of its contractual obligations under the Purchase Agreement other than the payment obligations stipulated therein; or (b) without prejudice to Clause 1, the occurrence of a Force Majeure Event.

12.3 The Customer shall be liable to pay a penalty amounting to 5% of the total price of the Goods if the Agreement is terminated by the Company for any of the reasons stipulated under Clause 12.1 above. The Customer shall also be liable to pay a penalty amounting to 5% of the total price of the Goods if the Purchase Agreement is terminated by the Customer for any reason other than the reasons exclusively stipulated under Clause 12.2 above.

12.4 Upon termination of the Purchase Agreement, all payments due to the Company under or arising from the Purchase Agreement shall become immediately due and payable.

12.5 The Company may terminate the Purchase Agreement for convenience at any time subject to providing a thirty (30) day notice to the Customer.

13. Limitation of Liability

13.1 To the greatest extent permitted under applicable law, the Company's liability towards the Customer or to any third party, shall only be limited to the Company committing any actions which constitute fraud or wilful misconduct. Furthermore, the Company shall not be liable towards the Customer for any losses, expenses or costs of any kind unless such is a direct consequence of the Company's fraud or wilful misconduct.

13.2 Subject to **Error! Bookmark not defined.**1, the Company's total liability to the Customer shall not exceed one hundred percent (100%) of the total sums paid by the Customer and/or payable under the Purchase Agreement in respect of Goods and Services actually supplied by the Company, whether or not invoiced to the Customer and the Customer acknowledges that without this limitation the Company's prices would have been higher.

13.3 OWH shall have no liability in respect of:

- (e) any failure of the Goods to fit their intended location which arises from any inaccuracy in any measurements provided by or on behalf of the Customer; or
- (f) any matters relating to the installation of the Goods unless the Company is dealing with installation.

13.4 The Company has given commitments as to compliance of the Goods and Services with the Goods Specification and the Services Specification. In view of these commitments, terms implied by Applicable Law or custom and practice or arising out of any prior dealings between the parties relating to the quality of Goods or their fitness for any purpose are excluded from the Contract to the greatest extent possible.

13.5 This **Error! Bookmark not defined.****Error! Reference source not found.** shall survive termination of the Purchase Agreement.

14. Governing Law and Jurisdiction

14.1 The Purchase Agreement shall be construed and governed by the laws of the Arab Republic of Egypt.

14.2 All disputes arising in relation to the Purchase Agreement shall be referred to senior officers of each Party who shall meet (in person or virtually) and attempt to settle the dispute between themselves in good faith within 30 days.

14.3 If such officers fail to resolve the dispute within 30 days, the dispute shall be referred to and finally resolved by arbitration under the rules of the Cairo Regional Centre for Commercial International Arbitration, which CRCICA Rules are deemed to be incorporated by reference into this clause.

14.4 The language to be used in the arbitration shall be English.

14.5 In any arbitration commenced pursuant to this clause,

- (a) the number of arbitrators shall be three;
- (b) the seat, or legal place, of arbitration shall be Cairo; and
- (c) the governing law of the arbitration agreement shall be the laws of the Arab Republic of Egypt.

14.6 Each Party irrevocably agrees that the arbitral tribunal established in accordance with this clause 14 shall have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with the Contract, its subject matter or formation, and the application and interpretation of this arbitration agreement.

15. General Provisions

15.1 If any provision of these General Terms and Conditions (or part of a provision) is found by any court or administrative body of competent jurisdiction to be invalid, unenforceable or illegal, the other provisions shall remain in force. If any invalid, unenforceable or illegal provision would be valid, enforceable or legal if some part of it were deleted or modified, the provision shall apply with whatever modification is necessary to give effect to the commercial intention of the parties.

15.2 Failure by either Party to exercise or enforce any of its rights hereunder shall not be deemed to be a waiver of such right nor operate so as to bar the exercise or enforcement thereof. Any waiver of any term by the Company will only be effective if it is in writing.

15.3 The Purchase Agreement inclusive of these General Terms and Conditions constitute the entire agreement between the Parties in relation to each sale of Goods.

15.4 If these General Terms and Conditions are made known to Customer in another language in addition to the English language, the English language version shall prevail in case of inconsistency.

15.5 The Purchase Agreement may be executed in any number of counterparts, each of which is an original and which together have the same effect as if each party had signed the same document.

These General Terms and Conditions shall apply as of [20th Jan] 2021.