



Southern Adish Gas Condensate Refinery Company

PURCHASE ORDER

Purchaser: Southern Adish Gas Condensate Refinery on behalf of Farab International F.Z.E.

P/I No.: Com98328

P/O No: ADSH-P-PO-GE-029

P/I Date: 25, Jan, 2020

PO. Date: 25, Jan ,2020

Supplier, Manufacturer & Guarantor: Fateh Sanat Kimia (FSK)

Attn.: Mr. Fatemi

Tell: +98(71) 3774 21 41

Fax: +98(71) 3774 21 40

Address: Sanat Sq., Great Industrial Zone, Shiraz-Iran

Goods Description: Pressure Vessels, Tower, Exchanger, Air coolers and all necessary raw materials and all related pre-commissioning, commissioning and start-up spare parts , in accordance with provisions of the purchase order and material requisition ("MR") nos. SACR-DE-GEN-ME-MRQ-5403, SACR-DE-GEN-ME-MRQ-5401, SACR-DE-GEN-ME-MRQ-5402, SACR-DE-GEN-ME-MRQ-5404, SACR-DE-GEN-ME-MRQ-5407, SACR-DE-GEN-ME-MRQ-5406 and SACR-DE-GEN-ME-MRQ-5405 and all their attachments.

Purchase Total Value: EURO 9,800,000 (Nine million Eight hundred thousand Euro in word), DDP Site in accordance with Price Breakdown Table 1-7

1-Total DDP price for PRESSURE VESSELS NHT: EURO 974,835, in accordance with Price Breakdown Table 1

- Start-up & Commissioning Spare part: Included
- Freight Charges: Euro 9,352

Optional Price in accordance with Price Breakdown Table:

- Two years Spare parts (DDP price): Euro 4000
- Special Tools (Stud bolt tensioner for 1.5" bolt size and over) (DDP price): Euro 36,000
- Ladder & Platform: Euro/kg 2.3

2-Total DDP price for TOWERS & INTERNALS -NHT: EURO 2,189,205, in accordance with Price Breakdown Table 2

- Start-up & Commissioning Spare part: Included
- Freight Charges: Euro 21,004

Optional Price in accordance with Price Breakdown Table:

- Two years Spare parts (DDP price): Euro 4,500
- Ladder & Platform: Euro/kg 2.3

3-Total DDP price PRESSURE VESSELS-2: EURO 1,527,242, in accordance with Price Breakdown Table 3

- Start-up & Commissioning Spare part: Included
- Freight Charges: Euro 14,652

Optional Price in accordance with Price Breakdown Table:

- Two years Spare parts (DDP price): Euro 12,000
- Special Tools (Stud bolt tensioner for 1.5" bolt size and over) (DDP price): Euro 36,000
- Ladder & Platform: Euro/kg 2.3

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4-Total DDP Price EXCHANGERS NHT: EURO 2,545,403, in accordance with Price Breakdown Table 4

- Start-up & Commissioning Spare part: Included
- Freight Charges: Euro 24,421

Optional Price in accordance with Price Breakdown Table:

- Two years Spare parts (DDP price): Euro 29,000
- Special Tools (Torque Meter for bolts up to 2") (DDP price): Euro 4,500

5-Total DDP Price EXCHANGERS-2: EURO 324,944, in accordance with Price Breakdown Table 5

- Start-up & Commissioning Spare part: Included
- Freight Charges: Euro 3,117

Optional Price in accordance with Price Breakdown Table:

- Two years Spare parts (DDP price): Euro 18,500
- Special Tools (Torque Meter for bolts up to 2") (DDP price): Euro 4500

6-Total DDP Price AIR COOLERS -2: 335,777, in accordance with Price Breakdown Table 6

- Start-up & Commissioning Spare part: Included
- Freight Charges: Euro 3,222

Optional Price in accordance with Price Breakdown Table:

- Two years Spare parts (DDP price): Euro 6,500
- Special Tools (DDP price): Euro 4,500

7-Total DDP Price AIR COOLERS NNHT: 1,902,594, in accordance with Price Breakdown Table 7

- Start-up & Commissioning Spare part: Included
- Freight Charges: Euro 18,253

Optional Price in accordance with Price Breakdown Table:

- Two years Spare parts (DDP price): Euro 49,000
- Special Tools (DDP price): Euro 4,500

Within six months from signing date of the PO, the Purchaser can through a written notice to the Manufacturer change and/or decrease the scope of the PO. At any time prior to delivery of the Goods, the Purchaser can through a written notice to the Manufacturer increase the scope of the PO. The amount related to the scope to be changed, added and/or deducted shall be, as far as applicable, determined in accordance with prices in the Price Breakdown Table 1-7; where it is not possible such amount shall be determined by mutual agreement.

Means of Payment: By Transferred LC from EIH, Hamburg Branch.



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Terms of Payment:

- **25%** of Purchase Total Value as advance payment against submission of an acceptable advance payment bank guarantee (APG) in the same currency and value to be issued by an Iranian bank in favor of the Purchaser with the text acceptable to the Purchaser (as attached to the PO) as per clause 7 of the General Terms and Conditions of the PO and LC Conditions.
- **30%** of Purchase Total Value to be payable at sight against presentation of the required conforming shipping documents (imported) including B/L, signed commercial invoice, signed detailed packing list, certificate of origin and inspection certificate issued by Lloyd Alman Inspection company, all as Per LC No. TMB96109363, and its amendments.
- **35%** of Purchaser Total Value to be payable at sight against presentation of the required conforming shipping documents (local) including signed commercial invoice, site delivery certificate approved by the Purchaser, signed detailed packing list, certificate of origin issued by the Manufacturer, inspection certificate issued by Lloyd Alman Inspection company at the place of delivery, all as Per I.C No. TMB96109363, and its amendments.
- **10%** of Purchase Total Value to be retained as retention money for good performance to be released according to provisions of LC No. TMB96109363, and its amendments. If the retention money is not released within 6 months from final delivery of the Goods, the retention money may be released against submission by the Manufacturer of an acceptable bank guarantee in the same value to the Purchaser. Such bank guarantee will be released at the end of the Guarantee Period.

Delivery Term: DDP Southern Adish Gas Condensate Refinery Project Site

Effective Date: by signing of PO by all Parties

Commencement Date: Upon receipt of advance payment or five calendar weeks from PO signing date (Effective date) whichever comes earlier.

The Manufacturer shall issue the Advance Payment Guarantee within one calendar week from LC transferring and the Purchaser shall cooperate to release the Advance Payment Guarantee within two calendar weeks from APG receipt. The Purchaser will transfer the LC in favor of Manufacturer two calendar weeks from receipt of an acceptable proforma invoice from the Manufacturer

In case of any delay in the said process, the delayed party shall bear the attributed delay.

Delivery Time:

As below from Commencement Date:

PRESSURE VESSELS: 11-14 Months

TOWERS: 15 Months

EXCHANGERS: 11-14 Months

AIR COOLERS: 11-13 Months

Partial Shipment: Allowed

Transshipment: Allowed

General Terms And Conditions Are As Per The Attachment Hereto.

For Purchaser

For Manufacturer & Guarantor



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Special Terms & Conditions		
1	Responsibilities	- The Manufacturer is responsible for issuance of necessary guarantees and performance of any and all design and engineering, procurement and supply of materials, manufacturing, testing, painting, packing, marking, loading, unloading (except unloading at site), transportation of Goods to the site and the things required for execution and completion of the purchase order in accordance with SACR-DE-GEN-ME-MRQ-5403, SACR-DE-GEN-ME-MRQ-5401, SACR-DE-GEN-ME-MRQ-5402, SACR-DE-GEN-ME-MRQ-5404, SACR-DE-GEN-ME-MRQ-5407, SACR-DE-GEN-ME-MRQ-5406 and SACR-DE-GEN-ME-MRQ-5405.
2	Guarantees:	The Manufacturer shall provide the following guarantees in favor of the Purchaser in a format as attached to the PO and through a bank acceptable by the Purchaser: 1. Performance Guarantee (PBG), in the form of promissory note (Safte) and company check, each equal to 10% of purchase total value which will be released after the Goods are delivered at site. 2. Advance Payment Bank Guarantee (APG), equal to 25% of purchase total value issued by an acceptable bank, which shall be valid up to the end of final delivery of the Goods to the site. The APG will be released after delivery of the Goods to the site. 3. Retention Bank Guarantee, equal to 10% of Total Order Value which shall be valid during Guarantee Period. The said bank guarantee should be valid till end of the guarantee period.
3	Third Party Inspection:	The Purchaser is entitled to arrange for the inspection of the Goods by a third-party inspection company to ensure about the quality, quantity and packing of the goods. Any cost of such third-party inspection will be borne by the Purchaser.
4	Insurance:	Goods will be insured by the Purchaser during transportation
5	Marking of Packages and preparation of Shipping Documents:	Unless otherwise advised by the Purchaser, the following statements are to be mentioned in all Shipping Documents, as well as on two opposite corners of each package, with a durable red color: a) ISLAMIC REPUBLIC OF IRAN b) Consignee: Bank of Industry and Mine, Iran c) NOTIFY PARTY: Southern Adish Gas Condensate Refinery Company No. 44, Karaneh St., Valiasr St. P.O.BOX: 1966844113 Tehran/Iran Tel: +98 21 26216035 Fax: +98 21 26216034 d) L/C no. TMB/96109363 and REG. no. 44142357 e) Insurance Co.'s name: Bimch Novin Policy No: 96/02/99/8055/2006744



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		Fax No: +02122258049-52 f) Customs Tariff No: 84196000 (except in B/L and certificate of origin) g) Project Name: Southern Adish Gas Condensate Refinery Project h) Commodity: ... i) Final Destination: Southern Adish Gas Condensate Refinery Project j) Number of pallet or package: ... of ... k) Gross weight: ... kgs l) Net weight: ... kgs m) Dimensions: ... m × ... m × ... m n) volume: m3
6	Liquidated Damages for Delay:	If the Manufacturer fails to deliver any or all part of the Goods by the delivery time, after two weeks as grace period, the Purchaser can deduct from the payments to the Manufacturer (and/or recover from the Manufacturer) two percent (2%) of purchase total value for each calendar week of delay as liquidated damages for delay. The maximum amount of the liquidated damages for delay shall not exceed ten percent (10%) of the purchase total value.
7	Raw Material Origin:	West European countries, South Korea, Iran, China (Obtaining prior written approval of the Purchaser for the exact countries of origin is mandatory)
8	Type of Packing / Port of Loading:	Seaworthy Packing in accordance with "Packing Marking and Shipping procedure" Port of loading: as per the provisions of the LC No. TMB96109363.
9	Shipping Documents:	As Per LC No. TMB96109363 and latest amendments, if any. - Note1: Purchase's prior approval has to be obtained by the Supplier before issuance of the final versions of shipping documents. - Note 2: All documents should be issued in English language and in such a manner to comply with requirements of LC No. TMB96109363 the letter of transfer and their amendments. The Shipping documents shall include the followings: <u>For imported items:</u> A1) In case of sea shipment: Clean On Board Ocean Bill Of Lading and /or FIATA MULTI MODAL Transport Bill Of Lading issued or endorsed to the order of Bank of Industry and Mine, Iran in 3 originals and 3 non-negotiable copies, marked freight prepaid indicating shipment from countries of origin to Pars Special Energy and Economic Zone I.R. of Iran and/or Pars Special Energy and Economic Zone I.R. of Iran via any of Southern Iranian ports (in case of shipment to south ports of Iran, the words "Persian Gulf" must be mentioned).



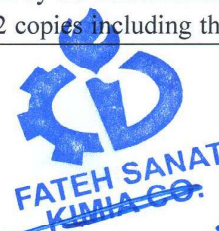
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	A2) In case of overland shipment: FIATA MULTI MODAL Transport Bill of Lading issued or endorsed to the order of Bank of Industry and Mine, Iran in 3 originals and 3 non-negotiable copies marked freight prepaid, evidencing that Goods are actually en route to Iran, indicating shipment by train and / or truck from countries of origin to Iranian land customs, Islamic Rep. of Iran. A3) In case of air shipment: airway bill consigned to the name of Bank of Industry and Mine, Iran in 1 original and 4 non-negotiable copies marked freight prepaid, indicating shipment from countries of origin to Imam Khomeini airport Islamic Republic of Iran by aircraft. Such airway bill should bear flight's stamp. B) Signed commercial invoice in 3 originals plus 2 extra copies all including beneficiary's statement that Goods have been shipped in strict compliance with the conditions stipulated in related proforma invoice and the subsequent amendment thereto, if any. C) Certificate of Origin issued and certified by the beneficiary's country and /or the countries of origin's Chamber of Commerce, in 1 original and 2 copies confirming Goods originated in the countries of origin. D) Signed detailed packing list in 3 copies. E) The original Inspection Certificate issued not prior to FBL, B/L and/ or AWB date by Lloyd Alman Kish Inspection company, certifying that the quality, quantity and packing of the Goods loaded at loading port and/ or place of delivery are strictly complying with specification of the Goods indicated in the relative P/I and the terms of the L/C and any amendments made thereto as presented to Lloyd Alman Kish Inspection company, by the Purchaser in 2 originals and 1 copy. F) Factory test certificate for each shipment (if available and applicable), in 1 original plus 3 non-negotiable copies. <u>For local items:</u> • Signed commercial invoice in 3 originals plus 2 extra copies all including beneficiary's statement that Goods have been delivered in strict compliance with the conditions stipulated in related proforma invoice and the subsequent amendment thereto if any • Site delivery certificate issued by the Manufacturer and approved by the Purchaser in 1 original and 2 copies including the statement that Goods
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		have been delivered in compliance with the condition stipulated in related proforma invoice and the subsequent amendment thereto if any. • Signed detailed packing list in 1 original and 2 copies. • Original certificate of origin issued by the Manufacturer, conforming that Goods have been produced in Iran, in 1 original and 2 copies. • Original inspection certificate issued not prior to the site delivery certificate date by Lloyd Alman Kish Inspection Company at place of delivery certifying that the quality, quantity and packing of the Goods delivered are strictly complying with specification of the Goods indicated in the relative PI and the terms of the L/C and any amendments made thereto as presented to Lloyd Alman Kish Inspection Company by the Purchaser in 3 originals and 1 copy.
10		The Manufacturer is responsible for performance of this PO and hereby certifies and confirms that the Goods to be supplied will be genuine, brand new and fully in accordance with technical specifications. The Manufacturer also confirms that all items supplied are in accordance with this P/O. The Manufacturer accepts full responsibility for the Goods and undertakes to unconditionally rectify any defects, shortcomings and, discrepancies or claims raised by the Purchaser and/or inspection company in respect of quality, quantity, packaging, weights, marking and loading of the supplied Goods. Any certificate, approval (or failure to disapprove) will not, under any condition whatsoever, reduce Manufacturer's liabilities and commitments towards the terms and conditions of this PO and/or the guarantee.
11		KOM (Kick Of Meeting) shall be hold in Purchaser office within two weeks after PO Signing date.
12		According to the circular of Cabinet of Ministers date 26/12/94(16 March2016), equipment sent to the free economic zone will not include VAT. Therefore, the Purchaser will pay no VAT. If requested by the Manufacturer, the Purchaser will cooperate with the Manufacturer and correspond with customs and any other organizations.
13		Documents Precedence: The following documents shall be deemed to form and be read as a part of the Purchase Order which will be collectively referred to as the CONTRACT. In case of discrepancy between documents, the first named documents in the following list takes precedence over the others: 1. The Purchase Order 2. Special Terms and Conditions; 3. General Terms and Conditions; 4. Technical clarifications; 5. Material requisition Number: SACR-DE-GEN-ME-MRQ-5403, SACR-DE-GEN-ME-MRQ-5401, SACR-DE-GEN-ME-MRQ-5402, SACR-DE-GEN-ME-MRQ-5404, SACR-DE-GEN-ME-MRQ-5407, SACR-DE-GEN-ME-MRQ-5406 and SACR-DE-GEN-ME-MRQ-5405and all attachments; 6. Final Technical Proposal Numbers as below: TEC98273 dated 31, Dec,2019;



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	TEC98250 dated 4, Dec,2019; TEC98285 dated 6, Jan,2020; TEC98259 dated 12, Dec,2019; TEC98249 dated 9, Dec,2019; TEC97116 dated 6, Aug,2018; TEC97259 dated 9, Oct,2018; 7. Price Breakdown Table 1-7; and 8. Form of Advance Payment Guarantee.
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Price Breakdown Table 1				
PRESSURE VESSELS NHT -SACR-DE-GEN-ME-MRQ-5403				
	Equipment tag	Description	Freight Charge	Total Price (Euro)
1	V-502-11	FEED SURGE DRUM	2,347	242,261
2	V-502-12	COLD SEPARATOR	2,870	296,264
3	V-502-13	RECYCLE GAS K.O. DRUM	221	22,780
4	V-502-14	STRIPPER REFLUX DRUM	649	66,972
5	V-502-15	NAPHTHA SPLITTER REFLUX DRUM	1,802	186,043
6	V-502-16	FUEL GAS K.O. DRUM	155	16,038
7	V-502-17	HYDROCARBON CLOSED DRAIN DRUM	484	49,926
8	V-502-23	MEDIUM NAPHTHA SURGE DRUM	639	66,007
9	V-502-25	FRESH CAUSTIC SURGE DRUM	118	12,176
10	V-502-26	OFF GAS K.O. DRUM	67	7,016
Total Price EX Work (Euro)			965,483	
Local Transportation			9,352	
Start-up & Commissioning Spare (Euro)			Included	
Grand Total Price DDP Southern Adish Gas Condensate Refinery Project Site (Euro)				974,835
Optional price (Euro)				
1	2-year Spare Parts			4000
2	Special Tools (Stud bolt tensioner for 1.5" bolt size and over)			36,000
3	Ladder & Platform (Euro/kg)			2.3
Note : Optional Price shall valid up to end of PO validity				



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