PetroleumBRUNEI General Terms and Conditions for the Purchase of Goods

- These PURCHASE ORDER General Terms and Conditions shall apply to the CONTRACTOR who supply GOODS to PetroleumBRUNEI in accordance with the PURCHASE ORDER.
- These Terms and Conditions shall be binding between PetroleumBRUNEI and CONTRACTOR and supersede and replace any CONTRACTOR terms and conditions or previous PURCHASE ORDERS for the GOODS.
- These Terms and Conditions shall take precedence over any applicable ‘INCOTERMS’ as issued by the headquarters of the International Chamber of Commerce in Paris, France.
- In the event any special terms and conditions are agreed between the parties in the Letter of Award (if any) and the PURCHASE ORDER, those special terms and conditions shall take precedence over the terms contained in these Terms and Conditions.

1. Definitions

The following definitions and rules of interpretation apply in these Terms & Conditions.

“AFFILIATES” shall mean firms or companies where the PetroleumBRUNEI GROUP directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, said party, where control being at least fifty per cent (50%) ownership.

“CONTRACTOR” shall mean the person, persons, firm or company named in the PURCHASE ORDER to supply the GOODS as per defined in the PURCHASE ORDER.

“DELIVERY DATE” shall mean the date(s) upon which the GOODS and SERVICES shall be delivered as specified in the PURCHASE ORDER.

“DELIVERY ORDER” shall mean the document which outlines the delivery information of the GOODS.

“GOODS” shall mean goods, materials, products, and equipment to be supplied by CONTRACTOR in accordance with this PURCHASE ORDER.

“INTELLECTUAL PROPERTY” shall mean patents, copyright, registered and unregistered design rights, trade marks (whether or not registered), rights in know-how and confidential information and all other intellectual and industrial property rights and similar or analogous rights existing under the laws of any country and all rights to apply for or register such rights.

“OFF-SPECIFICATION” shall have the meaning specified in Clause 4.

“PURCHASE ORDER” shall mean the contract formed by the acceptance of this PURCHASE ORDER which shall incorporate these PURCHASE ORDER Terms and Conditions as may be amended by any special terms referred to in this PURCHASE ORDER. Each PURCHASE ORDER issued by PetroleumBRUNEI shall constitute an offer by PetroleumBRUNEI for the CONTRACTOR to supply GOODS for PetroleumBRUNEI and/or provide SERVICES to PetroleumBRUNEI in accordance with these Terms and Conditions. The PURCHASE ORDER shall be deemed to be a legally binding document between PetroleumBRUNEI and the CONTRACTOR on the earlier of:

(a) The CONTRACTOR issuing written acceptance of the PURCHASE ORDER; or
(b) Any act by the CONTRACTOR consistent with fulfilling the PURCHASE ORDER.

"PetroleumBRUNEI" shall mean the person, persons, firm or PetroleumBRUNEI named in the PURCHASE ORDER to purchase the GOODS hereinafter defined, and shall include PetroleumBRUNEI’s legal representatives, successors and assigns.

2. Notices

All instructions, notices, agreements, authorisations, approvals and acknowledgements under or in connection with the PURCHASE ORDER shall be in writing. All such documentation together with all correspondence and other documents shall be in the English language.

In the event that there is an amendment to such instruction or notice, it shall be done in writing and where the amendment is deemed by PetroleumBRUNEI as minor, it may be done verbally provided that the minor amendment does not have any cost. Where the amendment causes a change in cost, a new PURCHASE ORDER shall be issued which will supersede the original PURCHASE ORDER.

The CONTRACTOR has the obligation to assign at least one (1) point of contact within its organization who shall be available at all times and notify PetroleumBRUNEI in writing in respect thereof, and
the CONTRACTOR shall inform PetroleumBRUNEI in writing at least one (1) week in advance of any changes or an alternative point of contact if the original point of contact will not be available for a specified time.

PetroleumBRUNEI shall serve any notices to the CONTRACTOR via that point of contact, and CONTRACTOR notices to PetroleumBRUNEI shall be sent by registered post, fax or email, or delivered in person to the following address:

**Brunei National Petroleum Company Sendirian Berhad**
2nd Floor, Block A, B, C,
Yayasan Sultan Haji Hassanal Bolkiah Complex,
Jalan Pretty, Bandar Seri Begawan BS8711
Brunei Darussalam
Tel: 673 2230721
Fax: 673 2230654

**Attention: Supply Chain Department**
Email: tenderbox@pb.com.bn

Such notices shall be deemed received (i) upon recipient’s confirmation of receipt if faxed or email, (ii) upon delivery if hand-delivered or sent by registered post.

3. **Non-Exclusivity**

This PURCHASE ORDER is non-exclusive and PetroleumBRUNEI reserves the right to engage other CONTRACTORS to supply similar or identical GOODS.

4. **Quality**

The CONTRACTOR shall at all time comply with the specification set out by PetroleumBRUNEI in the PURCHASE ORDER. The CONTRACTOR shall also ensure that the GOODS will meet PetroleumBRUNEI’s requirements with regards to any standards, quality, workmanship, fitness for purpose, quantity or specifications, which are set out in the PURCHASE ORDER.

In the event that the CONTRACTOR does not comply with the standards and specifications as set out, PetroleumBRUNEI may opt to dispute the invoice in accordance with Clause 6 or to request the CONTRACTOR to rectify the matter to make it comply with the standards and specifications.

The CONTRACTOR shall notify PetroleumBRUNEI as soon as it becomes aware that the GOODS as delivered falls outside the relevant specification (“OFF-SPECIFICATION”) and this notification shall include details of the extent of such failure to meet the specifications in which case both PetroleumBRUNEI and the CONTRACTOR shall discuss and mutually agree on any remedial actions.

If PetroleumBRUNEI accepts the OFF-SPECIFICATION GOODS, the CONTRACTOR shall provide PetroleumBRUNEI with an invoice specifying the reasonable cost of the OFF-SPECIFICATION GOODS.

In the event that PetroleumBRUNEI rejects the OFF-SPECIFICATION GOODS, the CONTRACTOR shall use reasonable effort to rectify the OFF-SPECIFICATION GOODS to meet the specification as provided. If the CONTRACTOR is unable to rectify the OFF-SPECIFICATION GOODS, PetroleumBRUNEI reserves the right to suspend the PURCHASE ORDER where the Off-specification exists and assign the suspended PURCHASE ORDER to another CONTRACTOR in which the cost of assigning the other contractor to the suspended PURCHASE ORDER shall be fully and solely borne by the CONTRACTOR.

5. **Delivery**

The CONTRACTOR will deliver or make the GOODS available to PetroleumBRUNEI at the place specified in the PURCHASE ORDER on the DELIVERY DATE.

The CONTRACTOR shall at all times furnish to PetroleumBRUNEI a DELIVERY ORDER upon delivery of GOODS. The GOODS shall not be deemed as delivered until the DELIVERY ORDER is signed by PetroleumBRUNEI.

In the event that the CONTRACTOR is unable to deliver the GOODS on the DELIVERY DATE, the CONTRACTOR shall notify PetroleumBRUNEI at the earliest possible opportunity. PetroleumBRUNEI and the CONTRACTOR shall endeavour to agree a mutually acceptable revised DELIVERY DATE. However, in the event that PetroleumBRUNEI and the CONTRACTOR cannot agree, PetroleumBRUNEI shall have the right to either i) terminate the PURCHASE ORDER and recover from the CONTRACTOR the direct losses sustained as a result of the delay up to an amount not to exceed the value of the PURCHASE ORDER or ii) to assign the supply of GOODS as specified in the PURCHASE ORDER to other contractor in which the cost of such assignment shall be solely and fully borne by the CONTRACTOR.

The CONTRACTOR may make partial deliveries of the GOODS upon prior agreement with PetroleumBRUNEI. In the event that partial deliveries are allowed by PetroleumBRUNEI, both the CONTRACTOR and PetroleumBRUNEI shall
agree on the dates on which deliveries will be made. For every partial delivery made, Clause 6 will apply.

If the CONTRACTOR is unable to supply the GOODS within the time specified by PetroleumBRUNEI in the PURCHASE ORDER, the CONTRACTOR shall inform PetroleumBRUNEI with a written notice of no less than two (2) days after notification of such purchase from PetroleumBRUNEI in order to enable PetroleumBRUNEI to purchase such GOODS, component parts or replacements.

6. Pricing, Payment & Taxes

The pricing in the PURCHASE ORDER is fixed and shall not be subject to any adjustment unless provided otherwise.

The CONTRACTOR shall submit an invoice with the relevant supporting documents such as a signed DELIVERY ORDER and/or any such document as may be required by PetroleumBRUNEI within thirty (30) days from the date of delivery of the GOODS. PetroleumBRUNEI will pay for the GOODS in the amounts specified within thirty (30) days of receipt of the CONTRACTOR's correct invoice or as otherwise mutually agreed by both PetroleumBRUNEI and the CONTRACTOR.

If PetroleumBRUNEI disputes any items on any invoice in whole or in part or if the invoice is prepared or submitted incorrectly in any respect, PetroleumBRUNEI shall notify the CONTRACTOR of the reasons and request the CONTRACTOR to issue a credit note for the undisputed part of a disputed invoice.

PetroleumBRUNEI may withhold approval and/or payment due to the CONTRACTOR under this PURCHASE ORDER if the GOODS (or any part thereof) are unsatisfactory as described in Clause 10.

7. Standards & Specifications

The CONTRACTOR shall ensure that the GOODS will meet PetroleumBRUNEI's requirements with regards to any standards, quality, workmanship, fitness for purpose, quantity or specifications, which are set out in the PURCHASE ORDER.

In the event that the CONTRACTOR does not comply with the standards and specifications as set out, PetroleumBRUNEI may opt to dispute the invoice in accordance with Clause 6 or to request the CONTRACTOR to rectify the matter to make it comply with the standards and specifications set out in accordance with Clause 10.

8. Acceptance

The GOODS shall be deemed as accepted as soon as PetroleumBRUNEI completed the payment. In the event that PetroleumBRUNEI disputes on the invoice in accordance with Clause 6 or the standards and specifications of the GOODS in accordance with Clause 7, the acceptance will be taken as withheld until such matter is remedied.

The title and risk for the GOODS shall pass from the CONTRACTOR to PetroleumBRUNEI upon its acceptance of the GOODS.

9. Remedial Actions and Defects

PetroleumBRUNEI reserves the right to reasonably inspect the GOODS to ensure its compliance with the PURCHASE ORDER. If PetroleumBRUNEI found incompliance with the PURCHASE ORDER, PetroleumBRUNEI shall have their rights as specified in Clause 6 and Clause 7 available to them.

The CONTRACTOR will remedy or rectify any GOODS deemed unsatisfactory by PetroleumBRUNEI to such extent that it would comply with the standards and satisfaction as provided in the PURCHASE ORDER within one (1) week or within such time as specified by PetroleumBRUNEI after such notification from PetroleumBRUNEI.

10. Packing and Marking

The CONTRACTOR shall ensure that GOODS are properly packed in accordance with the manufacturer’s instructions or good industry practice or as per PetroleumBRUNEI’s instruction, if available. The packing must withstand all reasonable handling from dispatch to the point of delivery as stated in the PURCHASE ORDER and be sufficient to prevent damage to, or deterioration of, the GOODS for the duration of the defect’s correction period.

The GOODS shall be marked in a proper manner with the reference number, the weight of the GOODS and the name of the contents must be clearly stated on each container. In relation to hazardous GOODS, the container must be marked with clear and adequate warnings and the CONTRACTOR shall provide all the documents relating to the hazardous GOODS.

In the event that damage occurs as a result of improper packing or handling, PetroleumBRUNEI shall reserve the right to ask the CONTRACTOR to
reimburse the cost of damage. In the event that the GOODS can be replaced, PetroleumBRUNEI shall be entitled to a replacement at no further cost. The CONTRACTOR shall be responsible for the removal and disposal of any waste produced in relation to the packaging of the GOODS at no further cost of PetroleumBRUNEI.

11. Warranties

The CONTRACTOR warrants that the GOODS shall be free from defects in workmanship, materials, manufacture and design for a period of twenty-four (24) months from the date of delivery to PetroleumBRUNEI. If the products delivered pursuant to this Agreement are found not to be warranted, PetroleumBRUNEI may return the GOODS to the CONTRACTOR, at the CONTRACTOR expense for correction or replacement with identical GOODS as directed by PetroleumBRUNEI at the CONTRACTOR’s own costs and expenses. The replacement or repaired GOODS shall have a separate warranty for twenty-four (24) months and the warranty period shall not be calculated to include the warranty period of the original GOODS. For the avoidance of doubt, the CONTRACTOR shall at all times have the right to inspect in accordance with Clause 9.

12. Intellectual Property Rights

Any INTELLECTUAL PROPERTY shared with the CONTRACTOR by PetroleumBRUNEI shall remain as the property of PetroleumBRUNEI. The CONTRACTOR only reserves the right to use the INTELLECTUAL PROPERTY in accordance with the request as specified in the PURCHASE ORDER. The CONTRACTOR shall obtain the necessary approval from PetroleumBRUNEI before using the INTELLECTUAL PROPERTY for a different purpose other than as specified in the PURCHASE ORDER. In the event that the CONTRACTOR uses any of the INTELLECTUAL PROPERTY provided by PetroleumBRUNEI other than for the permitted purpose, PetroleumBRUNEI shall have the right to injunction and to claim the items on which its INTELLECTUAL PROPERTY is used.

13. Liabilities and Indemnities

PetroleumBRUNEI and CONTRACTOR agree to indemnify and hold each other, which includes the employees, officers and agents, harmless and fully indemnified against any and all claims, costs and expenses, damages (including legal fees and court costs on a full indemnity basis) which a Party, its employees, officers and agents may incur, suffer or are put to resulting from:

(a) death or personal injury, including fatal injury and/or disease to; or
(b) fraud; or
(c) fraudulent misrepresentation including any act, omission or default of CONTRACTOR, its employees, officers or agents arising out of or in connection with this Agreement.

Neither Party shall be liable to the other for any actual or expected loss of profit, loss of revenue, loss of goodwill or loss of opportunity or any other indirect or consequential loss arising from or in connection with the performance or non-performance of its obligations.

PetroleumBRUNEI shall not liable to CONTRACTOR nor shall CONTRACTOR have any claim against PetroleumBRUNEI nor shall CONTRACTOR be entitled to terminate this Agreement in respect of any act, omission or negligence of any PetroleumBRUNEI staff or any other person undertaking any work on behalf of PetroleumBRUNEI in PetroleumBRUNEI’s assets.

14. Termination

Either Party may terminate the PURCHASE ORDER in the event that the other Party is in breach of a condition of the PURCHASE ORDER.

PetroleumBRUNEI may terminate the PURCHASE ORDER upon written notice to the CONTRACTOR if:

(i) CONTRACTOR is in breach of its obligations and, if such breach can be remedied, fails to resolve said breach within a period of thirty (30) days after having received such written notice; or

(ii) CONTRACTOR commits a breach which cannot be resolved.

PetroleumBRUNEI may terminate the PURCHASE ORDER immediately upon written notice to the CONTRACTOR, if the CONTRACTOR becomes bankrupt or insolvent, or if the CONTRACTOR’s business is placed in the hands of a receiver whether by voluntary act of the CONTRACTOR or if the CONTRACTOR undergoes any proceeding equivalent to the earlier.

PetroleumBRUNEI may terminate the PURCHASE ORDER at its convenience by serving a fourteen (14) days prior written notice to the CONTRACTOR.

In the event of termination, the only remaining commitment will be for PetroleumBRUNEI to pay for the GOODS already accepted by
PetroleumBRUNEI but not yet paid for. Provided that there is no breach of the CONTRACTOR’s obligations, PetroleumBRUNEI shall pay, and the CONTRACTOR shall accept in settlement of all claims under the PURCHASE ORDER, such sums as shall reasonably compensate the CONTRACTOR for all GOODS done and obligations assumed by it in performance of the PURCHASE ORDER prior to its termination and for all supply of GOODS to be reasonably done by the CONTRACTOR in giving effect to such termination.

15. Confidentiality

PetroleumBRUNEI and the CONTRACTOR shall keep the PURCHASE ORDER and any information which either party may learn about the other in strict confidence, and will not disclose the same to any third party without the prior written consent of the other party.

The CONTRACTOR shall not publicize information that PetroleumBRUNEI has engaged with the CONTRACTOR nor use PetroleumBRUNEI’s name in any website, brochure, advertisement or publication.

16. Variations

With reasonable prior notice, PetroleumBRUNEI shall have the right to make variations to the PURCHASE ORDER. Should such variation(s) prompt an increase or decrease in costs, the CONTRACTOR shall notify PetroleumBRUNEI within three (3) working days from the receipt of such variation notice. Failure by the CONTRACTOR to do so shall represent an unconditional disclaimer by the CONTRACTOR to make a claim for any variations and be deemed acceptance to perform the variation under the relevant circumstances.

The CONTRACTOR shall not have the right to make variations to the PURCHASE ORDER unless expressly agreed by PetroleumBRUNEI. The CONTRACTOR shall discuss any variations to the PURCHASE ORDER and agree on resulting changes to any of the details shown in the PURCHASE ORDER.

17. Force Majeure

Neither PetroleumBRUNEI nor the CONTRACTOR shall be responsible for any failure to fulfil any term or condition of the PURCHASE ORDER if and to the extent that fulfilment has been delayed or temporarily prevented by a force majeure occurrence as hereunder defined, which has been notified in accordance with this Clause and which is beyond the control and without the fault or negligence of the party affected and which, by the exercise of reasonable diligence, the said party is unable to provide against.

For the purposes of this PURCHASE ORDER only the following occurrences shall be considered as force majeure:

(a) Riot, war (whether declared or undeclared), invasion, act of foreign enemies, hostilities (whether war be declared or not), acts of terrorism, civil war, rebellion, revolution, insurrection of military or usurped power;

(b) Ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel or radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;

(c) Pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds;

(d) Earthquake, flood, fire, explosions and/or other natural physical disaster, but excluding weather conditions as such, regardless of severity;

(e) Strikes at a national or regional level or industrial disputes at a national or regional level, or strikes or industrial disputes by labour not employed by the affected party its subcontractors or its suppliers and which affect a substantial or essential portion of the supply of GOODS;

(f) Maritime or aviation disasters; and

(g) Changes to any general or local Statute, Ordinance, Decree, or other Law, or any regulation or bye-law of any local or other duly constituted authority or the introduction of any such Statute, Ordinance, Decree, law, regulation or bye-law.

18. Assignment of PURCHASE ORDER

Neither PetroleumBRUNEI nor the CONTRACTOR shall at any time sub-contract or assign any part of their respective rights or obligations under this PURCHASE ORDER to any other person, without first obtaining the other party’s prior consent which shall not unreasonably be withheld or delayed. Any purported assignment without such consent shall be null and void. Nevertheless, PetroleumBRUNEI shall have the right to assign, in whole or in part, its rights and obligations under the PURCHASE ORDER to any of its Affiliates.

19. Applicable Law

The validity, construction and performance of this PURCHASE ORDER shall be governed by the laws of Brunei Darussalam. Any dispute between the parties, which is not resolved amicably, shall be
subject to the jurisdiction of the Courts of Brunei Darussalam.

20. Invalidity

If any provision of this PURCHASE ORDER shall be found by the Brunei Courts to be invalid or unenforceable, the invalidity or unenforceability shall not affect the other provisions of this PURCHASE ORDER and all provisions not affected by such invalidity or unenforceability shall remain in full force and effect. PetroleumBRUNEI and the CONTRACTOR agree to attempt to substitute, for any invalid or unenforceable provision, a valid or enforceable provision that achieves to the greatest possible extent, the economic, legal and commercial objectives of the invalid or unenforceable provision.

21. Code of Conduct & Ethics

The CONTRACTOR acknowledges that it has been made aware of PetroleumBRUNEI’s Code of Conduct and Ethics which can be found at www.petroleumbrunei.com.bn. The CONTRACTOR shall adhere to the principles contained in such Code of Conduct and Ethics (or where the CONTRACTOR has adopted equivalent principles, to those equivalent principles) in all its dealings with, for or on behalf of PetroleumBRUNEI in connection with the PURCHASE ORDER and the business resulting therefrom.

In the event that the CONTRACTOR employs staff that represent PetroleumBRUNEI, the CONTRACTOR commits that such staff will behave in a manner that is consistent with the PetroleumBRUNEI Code of Conduct and Ethics. The CONTRACTOR shall notify PetroleumBRUNEI immediately if it becomes aware of any behaviour by staff of PetroleumBRUNEI or the CONTRACTOR or any related third party contractor which is, or may be, inconsistent with such Code of Conduct and Ethics (or where the CONTRACTOR has adopted equivalent principles, with those equivalent principles). For avoidance of doubt, PetroleumBRUNEI’s employees are not permitted to accept or solicit gifts which includes without limitation to loans, entertainment or other substantial favours from the CONTRACTOR. The CONTRACTOR agrees to inform PetroleumBRUNEI immediately of any act or PetroleumBRUNEI’s employee(s) not in compliance with the foregoing.

22. Health, Safety, Security & Environment (HSSE)

The CONTRACTOR shall observe all HSSE rules and regulations and any other security requirements that are enforced in PetroleumBRUNEI.

The CONTRACTOR shall be responsible for protecting all persons involved in the CONTRACTOR’s activities, including any PetroleumBRUNEI’s employee, personnel, agent or representative, from any and all potential hazards to their health, safety, security and environment.

The CONTRACTOR’s personnel shall at all times behave in a manner which is consistent with PetroleumBRUNEI’s standards and requirements for the management of HSSE, in addition to any and all other requirements set forth in this PURCHASE ORDER, as well as consistent with all applicable national laws and regulations in force at the relevant Worksite.

The CONTRACTOR shall be responsible for determining any and all HSSE risks associated with the supply of GOODS under the PURCHASE ORDER, and for such purpose the Contractor shall prepare a plan for conducting such HSSE risk assessment which shall be discussed and mutually agreed beforehand with PetroleumBRUNEI.

The CONTRACTOR shall assume full responsibility for any and all HSSE risks identified in the CONTRACTOR’s supply of GOODS as a result of the HSSE risk assessment, and shall take whatever necessary and appropriate measures to eliminate or minimize such risks as far as reasonably practicable prior to the delivery of GOODS.

23. Local Business Development

The Contractor shall comply with any legislation, directives and/or guidelines on Local Business Development that are currently in force or announced and issued by the Government from time to time in Brunei Darussalam.

The Contractor shall demonstrate their commitment to maximise the utilisation of local goods and services and increase the local employment, at a minimum, as set in this Agreement. PetroleumBRUNEI shall from time to time monitor the progress of this utilisation and increment.

PetroleumBRUNEI reserves the right to terminate this Agreement, in the event that the Contractor has failed to comply or demonstrate that they have made all reasonable efforts to comply with any legislation, directives and/or guidelines on Local Business Development and the conditions as set out in this clause herein.
PetroleumBRUNEI PURCHASE ORDER Terms and Conditions for the Supply of Works and/or Services ("PURCHASE ORDER Terms and Conditions")

- These PURCHASE ORDER Terms and Conditions shall apply to the CONTRACTOR who performs or supply WORKS and/or SERVICES for PetroleumBRUNEI in accordance with the PURCHASE ORDER.
- These PURCHASE ORDER Terms and Conditions shall be binding between PetroleumBRUNEI and CONTRACTOR and supersede and replace any CONTRACTOR terms and conditions or previous Purchase Orders for the WORKS and/or SERVICES in scope.
- These PURCHASE ORDER Terms and Conditions shall take precedence over any applicable ‘INCOTERMS’ as issued by the headquarters of the International Chamber of Commerce in Paris, France.
- In the event any special terms and conditions are agreed between the parties in the Letter of Award (if any) and the PURCHASE ORDER, those special terms and conditions shall take precedence over the terms contained in these Terms and Conditions.

1. Definitions

The following definitions and rules of interpretation apply in these Terms & Conditions.

“AFFILIATES” shall mean firms or companies where the PetroleumBRUNEI GROUP directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, said party, where control being at least fifty per cent (50%) ownership.

“CONTRACTOR” shall mean the person, persons, firm or company named in the PURCHASE ORDER to supply the WORKS and/or SERVICES hereinafter defined, and shall include the CONTRACTOR's legal representatives, successors and permitted assigns.

“COMMENCEMENT DATE” shall mean the date the PURCHASE ORDER issued pursuant to WORKS and/or SERVICES.

“DELIVERY DATE” shall mean the date(s) upon which the WORKS and/or SERVICES shall be delivered as specified in the PURCHASE ORDER.

“INTELLECTUAL PROPERTY” shall mean all patents, copyright, including software, documentation, designs, visual materials in whatever form, sound recordings, any copyright protectable work, design, trade or service marks, database rights, rights in know-how, moral rights or other similar rights in any country, in each case whether or not registered, and any applications for registration of any of the foregoing, and all rights to apply register any of the foregoing.

“PURCHASE ORDER” shall mean the contract formed by the acceptance of this PURCHASE ORDER and shall incorporate these PURCHASE ORDER Terms and Conditions as may be amended by any special terms referred to in this PURCHASE ORDER. Each PURCHASE ORDER issued by PetroleumBRUNEI shall constitute an offer by PetroleumBRUNEI for the CONTRACTOR to perform WORKS for PetroleumBRUNEI and/or provide SERVICES to PetroleumBRUNEI in accordance with these Terms and Conditions.

The PURCHASE ORDER shall be deemed to be a legally binding document between PetroleumBRUNEI and the CONTRACTOR on the earlier of:
(a) The CONTRACTOR issuing written acceptance of the PURCHASE ORDER; or
Any act by the CONTRACTOR consistent with fulfilling the PURCHASE ORDER.

"PERFORMANCE DATE" shall mean the date(s) upon which the WORK and/or SERVICES shall be performed as specified in the PURCHASE ORDER.

"PetroleumBRUNEI" refers to BRUNEI NATIONAL PETROLEUM COMPANY SENDIRIAN BERHAD or any of its subsidiaries named in the PURCHASE ORDER to purchase the WORK and/or SERVICES hereinafter defined, and shall include PetroleumBRUNEI's legal representatives, successors and assigns.

"PetroleumBRUNEI" shall mean the person, persons, firm or PetroleumBRUNEI named in the PURCHASE ORDER to purchase the WORK or SERVICES hereinafter defined, and shall include PetroleumBRUNEI's legal representatives, successors and assigns.

“SERVICES” shall mean services to be performed or provided by CONTRACTOR as specified in the PURCHASE ORDER, including the results of those services.

“SERVICE ORDER” shall mean the document which outlines the information on the completion of WORK and/or SERVICE.
“WORKS” shall mean all scope of work, all activities and obligations to be performed by or on behalf of CONTRACTOR as specified in the PURCHASE ORDER

2. Notices

All instructions, notices, agreements, authorisations, approvals and acknowledgements under or in connection with the PURCHASE ORDER shall be in writing. All such documentation together with all correspondence and other documents shall be in the English language.

In the event that there is an urgent request of WORKS and/or SERVICES, the CONTRACTOR shall obtain a written instruction from PetroleumBRUNEI so as to ensure that the WORKS and/or SERVICES can be provided and the PURCHASE ORDER for the WORKS and/or SERVICES shall be issued as soon as possible.

In the event that there is an amendment to such instruction or notice, it shall be done in writing and where the amendment is deemed by PetroleumBRUNEI as minor, it may be done verbally provided that the minor amendment does not have any cost. Where the amendment causes a change in cost, a new PURCHASE ORDER shall be issued which will supersede the original PURCHASE ORDER.

The CONTRACTOR has the obligation to assign at least one (1) point of contact within its organization who shall be available at all times and notify PetroleumBRUNEI in writing in respect thereof, and the CONTRACTOR shall inform PetroleumBRUNEI in writing at least one (1) week in advance of any changes or an alternative point of contact if the original point of contact will not be available for a specified time.

PetroleumBRUNEI shall serve any notices to the CONTRACTOR via that point of contact. Notices to PetroleumBRUNEI shall be sent by registered post, fax or email, or delivered in person to the following address:

Brunei National Petroleum Company Sdn Bhd
2nd Floor, Block A, B, C,
Yayasan Sultan Haji Hassanal Bolkiah Complex,
Jalan Pretty, Bandar Seri Begawan BS8711
Brunei Darussalam
Tel: 673 2230721
Fax: 673 2230654

Attention: Supply Chain Department
Email: tenderbox@pb.com.bn

Such notices shall be deemed received (i) upon recipient’s confirmation of receipt if faxed or email, (ii) upon delivery if hand-delivered or sent by registered post.

3. Non-Exclusivity

This PURCHASE ORDER is non-exclusive and PetroleumBRUNEI reserves the right to engage other CONTRACTORS to perform or supply similar or identical WORKS and/or SERVICES. The CONTRACTOR shall afford such other CONTRACTORS adequate opportunity to carry out their contracts and shall accomplish performing or supplying of the WORKS and/or SERVICES in cooperation with those contractors and with PetroleumBRUNEI.

4. Supply of WORKS and/or SERVICES

The CONTRACTOR shall from the COMMENCEMENT DATE and for the duration of the PURCHASE ORDER provide the WORKS and/or SERVICES to PetroleumBRUNEI in accordance with PURCHASE ORDER Terms & Conditions.

The CONTRACTOR shall meet any performance dates for the WORKS and/or SERVICES specified in the PURCHASE ORDER or that PetroleumBRUNEI notifies to the CONTRACTOR. Time is of the essence in relation to any of those performance dates.

In providing the WORKS and/or SERVICES, the CONTRACTOR shall:

(a) co-operate with PetroleumBRUNEI in all matters relating to the WORKS and/or SERVICES, and comply with all instructions of PetroleumBRUNEI;

(b) perform the WORKS and/or SERVICES with the best care, skill and diligence in accordance with best practice in the CONTRACTOR’s industry, profession or trade;

(c) use personnel who are suitably skilled and experienced to perform tasks assigned to them, and in sufficient number to ensure that the CONTRACTOR’s obligations are fulfilled in accordance with the PURCHASE ORDER;

(d) ensure that the WORKS and/or SERVICES will conform with all descriptions and specifications set out in the PURCHASE ORDER;

(e) provide all equipment, tools and vehicles and such other items as are required to provide the Services;
(f) use the best quality goods, materials, standards and techniques, and ensure that the Deliverables, and all goods and materials supplied and used in the Services or transferred to the Customer, will be free from defects in workmanship, installation and design;

(g) obtain and at all times maintain all licences and consents which may be required for the provision of the Services;

(h) comply with all applicable laws, regulations, regulatory policies, guidelines or industry codes which may apply from time to time to the provision of the Services, and with the Mandatory Policies;

(i) observe all health and safety rules and regulations and any other security requirements that apply at any of the Customer’s premises;

(j) hold all materials, equipment and tools, drawings, specifications and data supplied by the Customer to the Supplier (Customer Materials) in safe custody at its own risk, maintain the Customer Materials in good condition until returned to the Customer, and not dispose or use the Customer Materials other than in accordance with the Customer’s written instructions or authorisation;

(k) not do or omit to do anything which may cause the Customer to lose any licence, authority, consent or permission on which it relies for the purposes of conducting its business, and the Supplier acknowledges that the Customer may rely or act on the Services; and

(l) comply with any additional obligations as set out in the Specification;

The CONTRACTOR will perform or supply the WORKS and/or SERVICES for PetroleumBRUNEI as specified in the PURCHASE ORDER on the COMMENCEMENT DATE. In the event that the CONTRACTOR is unable to perform or supply the WORKS or SERVICES on the COMMENCEMENT DATE, the CONTRACTOR shall notify PetroleumBRUNEI at the earliest possible opportunity. PetroleumBRUNEI and the CONTRACTOR shall endeavour to agree a mutually acceptable revised COMMENCEMENT DATE. However, in the event that PetroleumBRUNEI and the CONTRACTOR cannot agree, PetroleumBRUNEI shall have the right to terminate the PURCHASE ORDER and recover from the CONTRACTOR the direct losses sustained as a result of the delay.

Unless otherwise agreed by PetroleumBRUNEI, all WORKS or SERVICES shall be performed at the place indicated in the PURCHASE ORDER during normal business hours. Partial performance of the WORKS or SERVICES shall not be allowed unless there is prior agreement with PetroleumBRUNEI.

Where applicable, PetroleumBRUNEI and the CONTRACTOR shall meet upon a frequency that PetroleumBRUNEI may choose, to review the general performance of the PURCHASE ORDER, discuss and establish as appropriate action plans to resolve any issues, if any.

5. Quality

The CONTRACTOR shall at all time comply with the specification set out by PetroleumBRUNEI in the PURCHASE ORDER. The CONTRACTOR shall ensure that the WORKS and/or SERVICES shall meet PetroleumBRUNEI’s requirements with regards to any standards, quality, workmanship, fitness for purpose, quantity or specifications, as set out in the PURCHASE ORDER.

In the event that the CONTRACTOR does not comply with the standards and specifications as set out, PetroleumBRUNEI may opt to dispute the invoice in accordance with Clause 6 or to request the CONTRACTOR to rectify the matter to make it comply with the standards and specifications.

The CONTRACTOR shall notify PetroleumBRUNEI as soon as it becomes aware that the WORK and/or SERVICES as delivered falls outside the relevant specification (“OFF-SPECIFICATION”) and this notification shall include details of the extent of such failure to meet the specifications in which case both PetroleumBRUNEI and the CONTRACTOR shall discuss and mutually agree on any remedial actions.

If PetroleumBRUNEI accepts the OFF-SPECIFICATION WORK and/or SERVICE, the CONTRACTOR shall provide PetroleumBRUNEI with an invoice specifying the reasonable cost of the OFF-SPECIFICATION WORK and/or SERVICE.

In the event that PetroleumBRUNEI rejects the OFF-SPECIFICATION WORK and/or SERVICE, the CONTRACTOR shall use reasonable effort to rectify the OFF-SPECIFICATION WORK and/or SERVICE to meet the specification as provided. If the CONTRACTOR is unable to rectify the OFF-SPECIFICATION WORK and/or SERVICE, PetroleumBRUNEI reserves the right to suspend the part of the PURCHASE ORDER where the OFF-SPECIFICATION exists and assign the suspended part of the WORK and/or SERVICES to another contractor in which the cost of assigning the other contractor to the suspended part of the WORK and/or SERVICES shall be fully and solely borne by the CONTRACTOR.
6. Delivery

The CONTRACTOR will deliver or make the WORK and/or SERVICE available to PetroleumBRUNEI at the place specified in the PURCHASE ORDER on the DELIVERY DATE.

The CONTRACTOR shall at all times furnish to PetroleumBRUNEI a SERVICE ORDER upon completion of WORK and/or SERVICE. The WORK and/or SERVICE shall not be deemed as completed until the SERVICE ORDER is signed by PetroleumBRUNEI.

In the event that the CONTRACTOR is unable to deliver the WORK and/or SERVICE on the DELIVERY DATE, the CONTRACTOR shall notify PetroleumBRUNEI at the earliest possible opportunity. PetroleumBRUNEI and the CONTRACTOR shall endeavour to agree a mutually acceptable revised DELIVERY DATE. However, in the event that PetroleumBRUNEI and the CONTRACTOR cannot agree, PetroleumBRUNEI shall have the right to either i) terminate the PURCHASE ORDER and recover from the CONTRACTOR the direct losses sustained as a result of the delay up to an amount not to exceed the value of the PURCHASE ORDER or ii) to assign the supply of WORK and/or SERVICE as specified in the PURCHASE ORDER to other contractor in which the cost of such assignment shall be solely and fully borne by the CONTRACTOR.

7. Pricing, Payment & Taxes

The pricing in the PURCHASE ORDER is fixed and shall not be subject to any adjustment unless provided otherwise.

The CONTRACTOR shall submit an invoice with the relevant supporting documents such as a signed SERVICE ORDER and/or any such document as may be required by PetroleumBRUNEI within thirty (30) days from the date of completion of the WORKS and/or SERVICES. PetroleumBRUNEI will pay for the WORKS and/or SERVICES in the amounts specified within thirty (30) days of receipt of the CONTRACTOR's correct invoice or as otherwise mutually agreed by both PetroleumBRUNEI and the CONTRACTOR.

If PetroleumBRUNEI disputes any items on any invoice in whole or in part or if the invoice is prepared or submitted incorrectly in any respect, PetroleumBRUNEI shall notify the CONTRACTOR of the reasons and request the CONTRACTOR to issue a credit note immediately upon re-acceptance in accordance to Clause 10, for the unaccepted part or whole of the invoice as applicable. Upon receipt of such credit note, PetroleumBRUNEI shall be obliged to pay the undisputed part of a disputed invoice.

On settlement of any dispute, the CONTRACTOR shall submit an invoice immediately for sums due and PetroleumBRUNEI shall make the appropriate payment in accordance herewith.

All amounts invoiced under the SERVICE ORDER shall be deemed to include all and any taxes, levies, social securities and other charges and duties imposed in connection with the provision of the WORKS and/or SERVICES.

PetroleumBRUNEI may withhold approval and/or payment due to the CONTRACTOR under this PURCHASE ORDER if the WORKS and/or SERVICES (or any part thereof) are unsatisfactory as described in Clause 9.

8. Access

PetroleumBRUNEI shall be allowed access inspect the WORKS and/or SERVICES that is required to be performed at the CONTRACTOR's premises on reasonable prior notice. Any expediting and inspection, or any failure to do so shall in no way relieve the CONTRACTOR of its obligations as specified in the PURCHASE ORDER.

9. Acceptance

Acceptance shall be from the time when a duly authorised employee or representative of PetroleumBRUNEI signs and accepts the SERVICE ORDER as having been completed, and where such WORKS and/or SERVICES are performed unsatisfactorily in any way and does not comply with the PURCHASE ORDER, it shall be deemed not to have accepted the WORK or SERVICES until such time as such unsatisfactory performance or breach is remedied by the CONTRACTOR within thirty (30) days from the date the CONTRACTOR is notified of the unsatisfactory performance or breach.

In the event that unsatisfactory WORKS or SERVICES or any breach of the PURCHASE ORDER is identified by PetroleumBRUNEI it shall be deemed not to have accepted the WORK or SERVICES until such time as such unsatisfactory performance or breach is remedied by the CONTRACTOR.

Such acceptance shall be within a reasonable time of performance of the WORKS or SERVICES, but shall be without prejudice to the CONTRACTOR's liability for any unsatisfactory WORK or SERVICES or any breach of the PURCHASE ORDER that is not identified by such duly
authorised employee or representative of PetroleumBRUNEI at the time of acceptance.

10. Inspection, Testing & Acceptance of Work or Services

To confirm compliance with the PURCHASE ORDER, CONTRACTOR will perform all necessary tests and inspections.

CONTRACTOR will request acceptance from PetroleumBRUNEI of WORKS or SERVICES by writing on completion. Other than to start the period for any warranty of limited duration, acceptance does not limit or waive any remedies.

11. Remedial Actions and Defects

The CONTRACTOR will remedy or rectify any WORKS or SERVICES (or any part thereof) that is unsatisfactory. The CONTRACTOR’s obligation to correct shall cease twelve (12) months from the notification of the unsatisfactory, WORKS or SERVICES.

The CONTRACTOR may notify a defect before the later of the end of the validity period and the latest date for completion of the task.

The CONTRACTOR will provide a plan to remedy the defects and must remedy the defects, whether notified or not, immediately in an expeditious manner. Without prejudice to other remedies it may have, PetroleumBRUNEI may perform or have others perform some or all of the remedial actions, and CONTRACTOR will pay or promptly reimburse PetroleumBRUNEI for all costs CONTRACTOR would have been liable for under the PURCHASE ORDER where:

(a) emergency situations or other HSSE risks require the immediate performance of remedial actions;

(b) CONTRACTOR presents a plan which does not provide for expeditious completion of warranty works; or

(c) CONTRACTOR does not timely complete the actions according to the agreed schedule.

CONTRACTOR’s warranties against defects are assignable, and CONTRACTOR will assign to PetroleumBRUNEI all manufacturers’ warranties or will pursue for PetroleumBRUNEI its assignee all warranties that cannot be assigned.

If the CONTRACTOR has not corrected a notified Defect within the time required by this PURCHASE ORDER, PetroleumBRUNEI assesses the cost of having the Defect corrected by others and the CONTRACTOR will be held liable to reimburse this amount.

12. Warranties

The CONTRACTOR warrants that the WORKS shall be free from defects in workmanship, materials, manufacture and design for a period of twenty four (24) months from the date of acceptance of the SERVICE ORDER by PetroleumBRUNEI pursuant to Clause 12. For the avoidance of doubt, the CONTRACTOR shall at all times have the right to inspect in accordance with Clause 10.

13. Intellectual Property Rights

INTELLECTUAL PROPERTY provided by PetroleumBRUNEI to the CONTRACTOR and vice versa for the purposes of the WORKS or SERVICES shall belong exclusively to and shall remain the property of PetroleumBRUNEI.

PetroleumBRUNEI and the CONTRACTOR shall identify any proprietary or protected right which they are providing for the purposes of the WORKS or SERVICES at the time that such patent or proprietary or protected right is so provided. Neither PetroleumBRUNEI nor the CONTRACTOR shall have the right of use other than for the purpose of the WORKS or SERVICES, whether directly or indirectly, of any INTELLECTUAL PROPERTY or process so provided by the other party.

The CONTRACTOR shall, both during the term of the WORKS or SERVICES and after its termination or expiry, hold harmless and indemnify PetroleumBRUNEI and its AFFILIATES from and against all loss, damage and expense arising from any claim for infringement of INTELLECTUAL PROPERTY

14. Information Security

Where the CONTRACTOR is required in the performance of the PURCHASE ORDER to access PetroleumBRUNEI’s Information Assets in the form of electronically stored information, information systems and communication systems, and computing equipment and facilities, the CONTRACTOR shall comply with PetroleumBRUNEI IT Access Control Procedure.

The CONTRACTOR shall ensure that its Personnel shall have the appropriate access authority approved by PetroleumBRUNEI prior to carrying out the Work. Access authorisation granted by PetroleumBRUNEI shall be to individual CONTRACTOR’s Personnel only and shall not be transferred to or shared with any other person(s).
15. Liabilities and Indemnities

PetroleumBRUNEI and CONTRACTOR agree to indemnify and hold each other, which includes the employees, officers and agents, harmless and fully indemnified against any and all claims, costs and expenses, damages (including legal fees and court costs on a full indemnity basis) which a Party, its employees, officers and agents may incur, suffer or are put to resulting from:

(a) personal injury, including fatal injury and/or disease to; or
(b) loss of or damage to property;

including that of third parties, which is due to or attributable to any occurrence of the provision of the WORKS or SERVICES or any act, omission or default of CONTRACTOR, its employees, officers or agents arising out of or in connection with this PURCHASE ORDER.

Notwithstanding anything contained in this Agreement, PetroleumBRUNEI is not liable to CONTRACTOR and CONTRACTOR must not claim against PetroleumBRUNEI for any death, injury, loss or damage (including indirect, consequential and special losses) which CONTRACTOR may suffer in respect of any of the following:

(a) any failure or inability of or delay by PetroleumBRUNEI in fulfilling any of its obligations under this Agreement due to causes beyond PetroleumBRUNEI’s reasonable control; or
(b) any act, omission or negligence of any independent contractor of PetroleumBRUNEI to the extent that such exclusion of liability is not prohibited by law; or
(c) leakage or defect in the piping, wiring and sprinkler system or defect in the structure of any building of PetroleumBRUNEI; or
(d) death, injury, loss or damage caused by other persons in the PetroleumBRUNEI assets or
(e) the use of PetroleumBRUNEI assets provided that PetroleumBRUNEI is not attributable to the death, injury loss or damage; or
(f) any interruption in any of the services or facilities provided by reason of necessary repair or maintenance of any installation or apparatus or damage thereof or destruction thereof by fire, water, act of God or other cause beyond PetroleumBRUNEI’s control or by reason of mechanical or other defect or breakdown or other inclement condition or unavoidable shortage of manpower by reason of a strike of workmen or labour disputes or shortage of fuel, materials, electricity or water.

Neither Party shall be liable to the other for any actual or expected loss of profit, loss of revenue, loss of goodwill or loss of opportunity or any other indirect or consequential loss arising from or in connection with the performance or non-performance of its obligations.

16. Termination

Either Party may terminate the PURCHASE ORDER in the event that the other party is in breach of a condition of the PURCHASE ORDER.

PetroleumBRUNEI may terminate the PURCHASE ORDER upon written notice to the CONTRACTOR if:

(i) CONTRACTOR is in breach of its obligations and, if such breach can be remedied, fails to resolve said breach within a period of thirty (30) days after having received such written notice; or
(ii) CONTRACTOR commits a breach which cannot be resolved.

PetroleumBRUNEI may terminate the PURCHASE ORDER immediately upon written notice to the CONTRACTOR, if the CONTRACTOR becomes bankrupt or insolvent, or if the CONTRACTOR’s business is placed in the hands of a receiver whether by voluntary act of the CONTRACTOR or if the CONTRACTOR undergoes any proceeding equivalent to the earlier.

PetroleumBRUNEI may terminate the PURCHASE ORDER at its convenience by serving a fourteen (14) days prior written notice to the CONTRACTOR.

In the event of termination, the only remaining commitment will be for PetroleumBRUNEI to pay for the WORK and/or SERVICE already accepted by PetroleumBRUNEI but not yet paid for. Provided that there is no breach of the CONTRACTOR’s obligations, PetroleumBRUNEI shall pay, and the CONTRACTOR shall accept in settlement of all claims under the PURCHASE ORDER, such sums as shall reasonably compensate the CONTRACTOR for all WORKS or SERVICES done and obligations assumed by it in performance of the PURCHASE ORDER prior to its termination and for all WORK and SERVICES reasonably done by the CONTRACTOR in giving effect to such termination.

17. Insurance

CONTRACTOR shall ensure that any insurance required by applicable law is in place prior to the commencement of the WORKS or SERVICES and
shall ensure that the insurance is valid and in effect throughout the duration of the PURCHASE ORDER, from the starting date until acceptance.

PetroleumBRUNEI and the CONTRACTOR shall maintain levels of insurance sufficient to cover their respective liabilities and obligations under the PURCHASE ORDER and at law.

The minimum amount of cover or minimum limit of indemnity, if none is specifically stated in the PURCHASE ORDER, shall be, but not limited to: (a) Employer’s Liability and/or Workmen’s Compensation Insurance (b) General Third Party Liability insurance (c) Motor vehicles (and if applicable waterborne craft) and third party passenger insurance (d) Insurance against loss of or damage caused by the CONTRACTOR to PetroleumBRUNEI’s property, equipment, plant and materials shall be the replacement cost.

18. Confidentiality

PetroleumBRUNEI and the CONTRACTOR shall keep the PURCHASE ORDER and any information which either party may learn about the other in strict confidence, and will not disclose the same to any third party without the prior written consent of the other party.

The CONTRACTOR shall not publicise information that PetroleumBRUNEI has engaged with the CONTRACTOR nor use PetroleumBRUNEI’s name in any website, brochure, advertisement or publication.

The obligations of CONTRACTOR under this clause shall survive the expiration or earlier termination of this Agreement.

19. Variations

With reasonable prior notice, PetroleumBRUNEI shall have the right to make variations to the PURCHASE ORDER. Should such variation(s) prompt an increase or decrease in costs, the CONTRACTOR shall notify PetroleumBRUNEI within three (3) working days from the receipt of such variation notice. Failure by the CONTRACTOR to do so shall represent an unconditional disclaimer by the CONTRACTOR to make a claim for any variations and be deemed acceptance to perform the variation under the relevant circumstances.

The CONTRACTOR shall not have the right to make variations to the PURCHASE ORDER unless expressly agreed by PetroleumBRUNEI. The CONTRACTOR shall discuss any variations to the PURCHASE ORDER and agree on resulting changes to any of the details shown in the PURCHASE ORDER.

20. Force Majeure

Neither Party is responsible to the other Party or to its employees, independent contractors, agents or permitted occupiers for any death, injury, loss or damage sustained at or originating from PetroleumBRUNEI’s assets and/or the provision of the WORKS or SERVICES directly or indirectly caused by, resulting from or in connection with any force majeure event set out in this Clause 20.

Neither PetroleumBRUNEI nor the CONTRACTOR shall be responsible for any failure to fulfil any term or condition of the PURCHASE ORDER if and to the extent that fulfilment has been delayed or temporarily prevented by a force majeure occurrence as hereunder defined, which has been notified in accordance with this Clause and which is beyond the control and without the fault or negligence of the party affected and which, by the exercise of reasonable diligence, the said party is unable to provide against.

For the purposes of this PURCHASE ORDER only the following occurrences shall be considered as force majeure: (a) Riot, war (whether declared or undeclared), invasion, act of foreign enemies, hostilities (whether war be declared or not), acts of terrorism, civil war, rebellion, revolution, insurrection of military or usurped power; (b) Ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel or radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof; (c) Pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds; (d) Earthquake, flood, fire, explosions and/or other natural physical disaster, but excluding weather conditions as such, regardless of severity; (e) Strikes at a national or regional level or industrial disputes at a national or regional level, or strikes or industrial disputes by labour not employed by the affected party its subcontractors or its suppliers and which affect a substantial or essential portion of the WORK or SERVICES; (f) Maritime or aviation disasters; and (g) Changes to any general or local Statute, Ordinance, Decree, or other Law, or any regulation or bye-law of any local or other duly constituted authority or the introduction of any such Statute, Ordinance, Decree, law, regulation or bye-law.
21. Assignment

Neither PetroleumBRUNEI nor the CONTRACTOR shall at any time sub-contract or assign any part of their respective rights or obligations under this PURCHASE ORDER to any other person, without first obtaining the other party’s prior consent which shall not unreasonably be withheld or delayed. Any purported assignment without such consent shall be null and void. Nevertheless, PetroleumBRUNEI shall have the right to assign, in whole or in part, its rights and obligations under the PURCHASE ORDER to any of its Affiliates.

22. Subcontracting

The Contractor shall not assign or subcontract any of its rights and/or obligations under the PURCHASE ORDER in whole or in part without prior written consent of PetroleumBRUNEI. Approval to subcontract shall not relieve the subcontracting party from any of its obligations under the PURCHASE ORDER or impose any liability upon the other party to any subcontractor.

The CONTRACTOR shall be responsible for the performance, acts or omissions of its sub-contractors as if it was their own performance, acts or omissions.

23. Applicable Law, Invalidity and Severability

The validity, construction and performance of this PURCHASE ORDER shall be governed by the laws of Brunei Darussalam. Any dispute between the parties, which is not resolved amicably, shall be subject to the jurisdiction of the Courts of Brunei Darussalam.

If any provision of this PURCHASE ORDER shall be found by the Brunei Courts to be invalid or unenforceable, the invalidity or unenforceability shall not affect the other provisions of this PURCHASE ORDER and all provisions not affected by such invalidity or unenforceability shall remain in full force and effect. PetroleumBRUNEI and the CONTRACTOR agree to attempt to substitute, for any invalid or unenforceable provision, a valid or enforceable provision that achieves to the greatest possible extent, the economic, legal and commercial objectives of the invalid or unenforceable provision.

PetroleumBRUNEI enters into the PURCHASE ORDER for itself and as agent for and on behalf of the other CO-VENTURERS. Notwithstanding the above:

(a) the CONTRACTOR agrees to look only to PetroleumBRUNEI for the due performance of the PURCHASE ORDER and nothing contained in the PURCHASE ORDER will impose any liability upon, or entitle the CONTRACTOR to commence any proceedings against any CO-VENTURER other than PetroleumBRUNEI; and

(b) PetroleumBRUNEI is entitled to enforce the PURCHASE ORDER on behalf of all CO-VENTURERS as well as for itself. For that purpose, PetroleumBRUNEI may commence proceedings in its own name to enforce all obligations and liabilities of the CONTRACTOR and to make any claim that any CO-VENTURER may have against the CONTRACTOR.

24. Audit Rights, Record Keeping

The CONTRACTOR shall maintain, either physically, by electronic media or on microfilm, all books, accounts, records, original documents and information related to the PURCHASE ORDER in connection therewith for a period of five (5) years after the PURCHASE ORDER’s end date. Such records and information shall include at a minimum all invoices for payment submitted by the CONTRACTOR to PetroleumBRUNEI along with supporting documentation. The CONTRACTOR shall ensure that any related third party contractors comply with the requirement of this Clause.

PetroleumBRUNEI shall have the right to audit all information, rates and costs and expenses related to the PURCHASE ORDER at any time during and within five (5) years after its expiry. PetroleumBRUNEI shall have the right to reproduce and retain copies of any of the aforesaid records or information. Where required by PetroleumBRUNEI, the CONTRACTOR shall implement all agreed recommendations arising from the audits within a time scale, mutually agreed with PetroleumBRUNEI.

Upon PetroleumBRUNEI’s request the CONTRACTOR will, as soon as reasonably practicable, provide PetroleumBRUNEI with all records relating to the PURCHASE ORDER which are created or kept by any related third party contractors.

25. Special Terms

The CONTRACTOR and PetroleumBRUNEI agree that any special conditions set out in the PURCHASE ORDER will take precedence over the general terms and conditions set out herein.
26. Code of Conduct & Ethics

The CONTRACTOR acknowledges that it has been made aware of PetroleumBRUNEI’s Code of Conduct and Ethics which can be found at www.petroleumbrunei.com.bn.

The CONTRACTOR shall adhere to the principles contained in such Code of Conduct and Ethics (or where the CONTRACTOR has adopted equivalent principles, to those equivalent principles) in all its dealings with, for or on behalf of PetroleumBRUNEI in connection with the PURCHASE ORDER and the business resulting therefrom.

In the event that the CONTRACTOR employs staff that represent PetroleumBRUNEI, the CONTRACTOR commits that such staff will behave in a manner that is consistent with the PetroleumBRUNEI Code of Conduct and Ethics, The CONTRACTOR shall notify PetroleumBRUNEI immediately if it becomes aware of any behaviour by staff of PetroleumBRUNEI or the CONTRACTOR or any related third party contractor which is, or may be, inconsistent with such Code of Conduct and Ethics (or where the CONTRACTOR has adopted equivalent principles, with those equivalent principles).

For avoidance of doubt, PetroleumBRUNEI’s employees are not permitted to accept or solicit gifts which includes without limitation to loans, entertainment or other substantial favours from the CONTRACTOR. The CONTRACTOR agrees to inform PetroleumBRUNEI immediately of any act or PetroleumBRUNEI’s employee(s) not in compliance with the foregoing.

27. Health, Safety, Security & Environment (HSSE)

The CONTRACTOR shall observe all HSSE rules and regulations and any other security requirements that are enforced in PetroleumBRUNEI.

The CONTRACTOR shall be responsible for protecting all persons involved in the CONTRACTOR’s WORKS and/or SERVICE activities, including any PetroleumBRUNEI’s employee, personnel, agent or representative, from any and all potential hazards to their health, safety, security and environment.

The CONTRACTOR’s personnel shall at all times behave in a manner which is consistent with PetroleumBRUNEI’s standards and requirements for the management of HSSE, in addition to any and all other requirements set forth in this PURCHASE ORDER, as well as consistent with all applicable national laws and regulations in force at the relevant Worksite.

The CONTRACTOR shall be responsible for determining any and all HSSE risks associated with the WORKS and/or SERVICES under the PURCHASE ORDER, and for such purpose the Contractor shall prepare a plan for conducting such HSSE risk assessment which shall be discussed and mutually agreed beforehand with PetroleumBRUNEI.

The CONTRACTOR shall assume full responsibility for any and all HSSE risks identified in the CONTRACTOR’s WORKS and/or SERVICES as a result of the HSSE risk assessment, and shall take whatever necessary and appropriate measures to eliminate or minimize such risks as far as reasonably practicable prior to execution of the WORKS and/or SERVICES.

28. Local Business Development

The CONTRACTOR shall comply with any legislation, directives and/or guidelines on local business development that are currently in force or announced and issued by the government or authority from time to time in Brunei Darussalam.

The CONTRACTOR shall demonstrate their commitment to maximise the utilisation of local goods and services and increase the local employment, at a minimum, as set in this terms and conditions. PetroleumBRUNEI shall from time to time monitor the progress of this utilisation and increment.

PetroleumBRUNEI reserves the right to terminate this terms and conditions, in the event that the CONTRACTOR has failed to comply or demonstrate that they have made all reasonable efforts to comply with any legislation, directives and/or guidelines on local business development and the conditions as set out in this clause herein.