

1 DEFINITIONS AND PRECEDENCES

1.1 Definitions

In this document, except where the context clearly indicates a contrary intention -

- 1.1.1 "Buyer" shall mean the Royal Eswatini Sugar Corporation Limited (RES) group of companies which includes, the Mhlume Sugar Corporation Limited, in the Kingdom of Eswatini and its successors in title and assigns to which the goods are supplied by the Supplier;
- 1.1.2 "Supplier" means that person or entity referred to in the purchase order from whom the buyer purchases the goods in terms of a contract;
- 1.1.3 "Contract" means an agreement between the RES and the supplier for the sale of goods and their design, manufacture, supply, delivery, installation and/or testing and commissioning by the supplier, as specified in the purchase order, and which is entered into on these terms and conditions as amended from time to time and read with that purchase order, on the earliest of the date when the supplier:
 - 1.1.3.1 notifies the buyer in writing that it accepts the purchase order, as the case may be, and/or that it will commence with the delivery of the goods;
 - 1.1.3.2 commences with the execution of the purchase order;
 - 1.1.3.3 commences with the delivery of the goods to the buyer; or
 - 1.1.3.4 accepts payment for the goods and services;;
- 1.1.4 "Goods" means the goods described in the purchase order and which the supplier designs, manufactures, supplies, delivers, installs and/or tests and commissions for and/or to the buyer, as prescribed in the purchase order;
- 1.1.5 The "Buyer`s Representative" shall mean the Procurement Officer acting on behalf of RES responsible for sourcing commercial quotations from suppliers, placing purchase orders, expediting delivery and cancelling purchase orders.
- 1.1.6 "Tenderer" shall mean a company or joint venture (JV) that responds to an official request for offers to supply goods to RES at price.
- 1.1.7 "law" means the common law, statutes and all subordinate legislation, including regulations, bylaws and collective agreements and "laws" has a corresponding meaning;
- 1.1.8 "IP" means any registered and unregistered intellectual property including any patent, trade secret, know-how, copyright, design, trademark or plant breeder`s rights;
- 1.1.9 "OHS Act" means Occupational Health and Safety Act, 2001 (as amended) and all Regulations made or deemed to be made thereunder;
- 1.1.10 "Purchase Order" means a written purchase order issued by the buyer to the supplier for the design, manufacture, supply, delivery, installation and/or testing and commissioning of the goods described in that Purchase Order;
- 1.1.11 "Delivery Site" means the buyer`s premises or the place/s at the buyer`s premises, designated by the buyer, where the supplier is required to perform any of its obligations in respect of the goods;
- 1.1.12 "Specifications" means any specifications, standards and/or requirements referred to in a purchase order or contract documents and with which the goods must comply including plans, diagrams, drawings, patterns, samples, brand names, methods and procedures;

- 1.2 If a definition contains a substantive obligation, that obligation is enforceable even though it is included in that definition.
- 1.3 A reference to the singular includes the plural and vice versa and a reference to any particular gender includes the other gender and the neuter. Unless the context indicates otherwise, a reference to a person includes natural persons, juristic persons, partnerships, and trusts.
- 1.4 If any notice period prescribed in this contract expires on a Saturday, Sunday or a public holiday, it will be deemed to expire on the next business day thereafter.
- 1.5 A reference to any law means that law as it applies on the date a contract is concluded and as that law is amended or replaced from time to time thereafter.
- 1.6 All purchase orders/contracts shall be exclusively governed by and be interpreted according to the laws of the Kingdom of Eswatini.
- 1.7 **Precedence**

The documents forming the Contract are to be taken as mutually explanatory of one another. If there is any conflict, ambiguity or discrepancy, the priority of the documents shall be in accordance with the following sequence:

- 1.1.1 The Standard Purchase Order (Contract Agreement)
- 1.1.2 These General Terms and Conditions of Purchase.
- 1.1.3 Any Special Conditions of Purchase Order contained in the Purchase Order.
- 1.1.4 The Letter of Award (where applicable)
- 1.1.5 RES standard engineering specifications and any drawings included in the Purchase Order.
- 1.1.6 The Supplier's Offer in response to a commercial Request for Quotation (RFQ) or Request for Proposal.
- 1.1.7 Should any ambiguity, contradiction, or error occur between such sections of the Purchase Order, the Supplier shall advise the Buyer's Representative in writing and request a ruling thereon. Any work performed by Supplier prior to clarification by the Buyer's Representative shall be at Supplier's risk.

2 INDEPENDENT SUPPLIER

- 2.1 The Supplier shall perform as an independent Supplier, and nothing in this agreement or elsewhere provided shall be construed as constituting the Supplier or any of the Supplier's employees or agents as the agent, representative, employee or partner of RES.
- 2.2 The Supplier shall have no authority to incur any liability in the name of or otherwise on behalf of RES in any way or for any purpose.
- 2.3 The Supplier shall supply no goods nor render any services nor be entitled to make any charge thereof, unless RES has issued an official standard Purchase Order or Amended Purchase Order Lines for additional works thereof.
- 2.4 RES shall not be obliged to receive and pay for goods which have been over-supplied.
- 2.5 All Purchase Orders shall have unique identifiable RES numbers to be used by the Supplier as authorization to perform the Works at RES and also as reference for the Supplier to charge RES for the Works performed.



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- 2.6 Verbal or email instructions, including a letter of tender award, shall not be used as authorization to supply goods to RES. Any Supplier that will deliver goods at RES on the basis of any communication other than a standard Purchase Order, shall do so at their own risk, and shall be placed in breach of these terms and conditions.

3 PURCHASE ORDER PRICE AND TERMS OF PAYMENT

- 3.1 The price of any goods (or, where the price is determined by applying rates set out in a purchase order, those rates) shall -
- 3.1.1 be firm and fixed and shall not, unless expressly agreed to the contrary in writing by the Buyer, be escalated or otherwise increased for any reason whatsoever;
- 3.1.2 include all charges for any applicable packaging materials, transportation, storage and insurance, and all applicable duties and taxes (including value-added tax), which shall be detailed separately on the Supplier's applicable invoice.
- 3.2 Goods purchased by mass shall be purchased on a "net mass" basis, that is excluding the mass of any packaging, vehicle or tank in which they are delivered or the mass of any diluting agent.
- 3.3 The Purchase Order Price will be paid by RES to the Supplier in accordance with the provisions set out in the Purchase Order. Should there be any delay on the part of the Supplier in completing its obligations in terms of the Purchase Order, or should there be any defect in the Goods, then RES may withhold all or part of any payment to cover such delay or defect until the Supplier has completed such obligations in terms of the Purchase Order or rectified such defect.
- 3.4 Should the Supplier require upfront or advance payment with the placement of the Purchase Order, the Supplier shall provide RES with a bank guarantee or bond equivalent to the upfront payment from a world class recognized bank. The bank guarantee or bond shall be valid until the Goods have been completely delivered and handed over to RES.
- 3.5 Supplier shall submit an invoice and any necessary substantiating documents to the Engineer in respect of each and every amount which becomes due and payable to Supplier in terms of the Purchase Order. Payment of each such amount will be made to Supplier by RES within 30 (thirty) days of the 25th day of the month in which the Supplier submits its correct and acceptable invoice and statement, provided that the invoice is submitted before the 25th day of the said month.
- 3.6 Unless Supplier shall, within 7 (seven) days of receipt of the Order by RES, advise RES of any error or omission in the Order, it shall be deemed to have accepted the Order in its entirety.

4 DELIVERY

- 4.1 All goods shall be securely packed in such a manner as to prevent loss or deterioration of and/or damage thereto in transit. All packaging materials shall become the property of the Buyer.
- 4.2 Delivery of goods shall be made only to a representative of the Buyer actually authorised to take delivery thereof.
- 4.3 The supplier must deliver the goods, unloaded, at the delivery sites designated by the buyer.
- 4.4 Unless otherwise specified in the purchase order, delivery takes place when the buyer signs an acceptance certificate in respect of the goods.
- 4.5 Before the supplier makes delivery of any chemical or hazardous substance onto any of the buyer's delivery sites, the supplier must provide the buyer with a Material Safety Data Sheet in respect thereof.

- 4.6 Time shall be of the essence in each delivery of goods and the Supplier shall deliver the goods in accordance with the applicable order by no later than the delivery date and at the place of delivery stipulated in the applicable order. Should the Supplier fail to do so, then the Buyer shall, without prejudice to any of its other rights or remedies, be entitled to claim and recover from the Supplier (whether by deduction from the purchase price of such goods or otherwise) a penalty amounting to **0.5%** of the purchase price thereof in respect of each 7 day period of such delay (or part thereof) up to a maximum of **5%** of such price. In lieu of such penalty, the Buyer may recover from the Supplier such damages as may actually have been suffered by the Buyer as a consequence of such delay.
- 4.7 Any carrier of goods transporting same to the Buyer shall be deemed to do so as agent of the Supplier.
- 4.8 Unless otherwise stated in the applicable order, all transportation costs, duties and all other imposts necessary to effect delivery of goods at the place of delivery shall be prepaid by the Supplier, except Eswatini Import Value Added Tax, which shall be paid by the Buyer.
- 4.9 A delivery note shall accompany all goods delivered to the Buyer which shall reflect the Buyer's order number relating thereto, a description of such goods, their quantity and net and gross weights, and their item or part number if sold by catalogue. Part deliveries shall be indicated as such. Invoices shall also reflect all the information aforesaid.
- 4.10 Should there appear to be any conflict, inconsistency, discordance or want of agreement between requirements, descriptions, dimensions, specifications or quantities specified in the purchase order, the matter shall be referred by the supplier to the buyer for a decision before proceeding to execute the purchase order of any part thereof. The buyer's decision shall be final and binding.

5 WORKMEN, SAFETY RULES AND INSURANCES

The Supplier shall -

- 5.1 only engage properly qualified and experienced persons to perform any work or service relating to a contract, shall on request by the Buyer furnish documentary evidence of any such qualification which shall be verified by the Supplier, shall at its own cost supply each of its workmen with such tools, protective clothing, safety equipment, transport, accommodation and meals necessary to perform such work or service, shall ensure that they are all subjected to the Buyer's safety induction procedures, shall comply with and procure that each of its workmen comply with all of the Buyer's safety, security and working regulations and instructions, and shall be exclusively responsible for ensuring compliance with the OHS Act (as amended) by the Supplier and the Supplier's workers (which, as far as is reasonably practicable, shall include the identification of potential hazards to the health and safety of persons, the elimination or mitigation thereof by prescribing and enforcing precautions against same, by providing the necessary means to apply such precautions, and by instructing, training and supervising the Supplier's workers);
- 5.2 on request therefore by the Buyer, procure that any workman of the Supplier who does not comply with any of the provisions of clause 4.1, immediately ceases to work in respect of the contract concerned and/or is removed from the Buyer's premises;
- 5.3 comply with all relevant labour and safety laws, collective agreements, awards and determinations in respect of any workman provided by the Supplier to the Buyer;
- 5.4 without derogating from any obligation or liability of the Supplier, before commencing any work upon the Buyer's premises and thereafter whenever requested by the Buyer to do so, provide proof to the Buyer that the Supplier has arranged, at the Supplier's cost, both workmen's compensation insurance in respect of all workmen engaged by him thereon and public liability insurance for an amount of not less than E1 000 000,00 (One million Emalangen) in respect of any one occurrence. The supplier's obligation to obtain such insurance cover must not be interpreted as limiting any claim which the buyer may have against the supplier, in any way.



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- 5.5 On demand, the supplier must provide the buyer with copies of any insurance policies taken out in terms of a contract or an underwriter's certificate confirming the nature and duration of cover, any exclusions and deductibles, and, in both cases, proof that the premiums for that insurance cover have been paid.

6 OWNERSHIP / RISK

- 6.1 Unencumbered ownership of goods shall pass to the Buyer upon delivery thereof to the Buyer, provided that if all or a part of the price thereof is paid prior to such delivery, then ownership shall pass when such payment is made irrespective of the location of such goods.
- 6.2 Subject to clause 12.1 and irrespective of the basis on which the price is calculated, risk of loss of, or damage to, or caused by, the goods remains with the supplier until they have been delivered to the Buyer and signed for on or behalf of the buyer by a duly authorized representative of the buyer.

7 INSPECTION

The Supplier shall procure that the Buyer's representatives shall have access to the Supplier's works and those of its subcontractors to inspect and test any goods being manufactured or worked upon. No inspection, test, approval, certificate of acceptance, receipt or payment shall under any circumstances relieve the Supplier from complying fully with its obligations nor prejudice any of the Buyer's rights to enforce same.

8 DRAWINGS / SAMPLES

Any plan, drawing, pattern and/or sample supplied by the Buyer shall remain the property of the Buyer, shall be returned to the Buyer in good order and condition immediately after completion of the applicable contract and shall be used only for the purpose of fulfilling such contract.

9 CONFIDENTIALITY

- 9.1 No Information relating to a contract or the buyer's know-how and any other information which the supplier obtains from the buyer or about the buyer and the buyer's operations which is not public knowledge may be disclosed or communicated by the supplier to any third party for any reason, including publication or advertising, without the prior written consent thereto of the buyer in each instance. The supplier must ensure that the personnel comply with these confidentiality obligations as if they were the supplier.
- 9.2 The supplier must not reverse engineer any sample or software with which it is provided by the buyer.
- 9.3 Any information provided by the buyer including specifications, processes, methods, plans, drawings, patterns, formulations, recipes and/or samples:
- 9.3.1 may not be copied in any way by the supplier without the buyer's prior written consent, in each instance;
 - 9.3.2 remains the property of the buyer;
 - 9.3.3 must, together with any copies thereof, be returned by the supplier to the buyer in good order and conditions, on the earlier of the request of the buyer, the termination of the contract, or as soon as they are updated; and
 - 9.3.4 may be used only for the purpose of performing the supplier's obligations in terms of a contract.

- 9.4 Where the buyer has purchased the IP rights in and to the goods, the supplier must provide the buyer with all documents of title in respect thereof and all electronic and hard copies of all the supplier's information about, and records relating to, that IP, including processes, methods, plans, drawings, patterns, specifications, formulations, recipes and/or samples and/or, where applicable, source and object code. All electronic copies and records must be provided to the buyer in a format reasonably acceptable to the buyer. Where the IP vests in a member of the personnel, the supplier must procure that that person transfers to the buyer, on demand, all right, title and interest in and to that IP.
- 9.5 The provisions of clauses 9.3.1 to 9.3.4 shall survive the termination of the contract.

10 SUPPLIER'S WARRANTIES

- 10.1 The Supplier represents and warrants in addition to any warranty implied by law that -
- 10.1.1 the goods shall strictly comply and accord with any plans, diagrams, drawings, patterns, samples, brand names, methods, procedures and any other specifications, standards and/or requirements stipulated in the applicable order or contract documents;
 - 10.1.2 all work and/or services shall be performed by the Supplier in a good, proper, efficient and workmanlike manner, and to the extent that no higher standard is stipulated in the applicable contract, in accordance with that degree of skill, care and diligence normally practised by a competent and prudent contractor whilst performing work of a similar nature;
 - 10.1.3 the goods shall be unused, not reconditioned and of good quality and free from any defect in materials and workmanship, and in any design, engineering or technology provided by or on behalf of the Supplier;
 - 10.1.4 the goods shall be capable of properly fulfilling the purpose for which they are ordinarily intended to be used and for any particular purpose disclosed by the Buyer to the Supplier for which the Buyer intends using such goods;
 - 10.1.5 the goods have been fully paid for, are unencumbered and are not subject to any right whatsoever in favour of, or any claim whatsoever by, any third party, and that ownership of the goods shall pass to the Buyer in terms of clause 5.1; the Supplier shall comply with all applicable laws and regulations whilst performing pursuant to any contract, including, without limitation, the OHS Act (as amended).
- 10.2 The Supplier shall indemnify the Buyer against all claims for bodily injury, death and/or property damage arising from any defect in the goods and against all costs (including all legal costs) expense, loss and/or damage whatsoever which the Buyer may incur, sustain or be liable for arising therefrom, on in connection with:
- 10.2.1 any claim, by any person, arising out of any negligent or intentional act or omission by the supplier of any of its personnel and which is connected to a contract in any way;
 - 10.2.2 any injury, death and/or property damage caused by any latent or patent defect in the goods;
 - 10.2.3 any contravention by the supplier of any applicable law including, but not limited to, the OHS Act, other employment laws, health and safety laws, road transport and traffic laws, environmental laws and customs and excise and other tax laws;
 - 10.2.4 any infringement and/or unauthorized use of any IP in respect of any goods supplied, by the supplier;
 - 10.2.5 the buyer's failure to deduct employees or any other tax from any payment made to the supplier.



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11 NOTICES, CORRESPONDENCE, INVOICES, STATEMENTS AND DELIVERIES

11.1 All notices required in terms of the Purchase Order shall, unless amended by notice in writing from the relevant party, be addressed to Supplier at the address set out in the Purchase Order and to RES at the following address:

The Procurement Manager
Royal Eswatini Sugar Corporation Limited
P.O. Box 1
Simunye

11.2 All correspondence, invoices and monthly statements of account shall bear RES's Purchase Order number and be in the English language. Delivery instructions for Material shall be in accordance with the relevant provisions contained in the Purchase Order. All invoices and monthly statements must be sent to the following address:

11.2.1 For goods supplied to the Simunye Estate;

The Financial Accountant - Creditors
Royal Eswatini Sugar Corporation Limited
P.O. Box 1
Simunye

11.2.2 For goods supplied to the Mhlume Estate;

The Financial Accountant - Creditors
Mhlume Sugar Company Limited
P.O. Box 1
Mhlume

12 INTELLECTUAL PROPERTY (IP)

12.1 Copyright in respect of any work eligible for copyright protection created by the Supplier for the Buyer within the scope of a contract shall vest exclusively in the Buyer.

12.2 The Supplier warrants that no third party shall have any valid claim against the Buyer for infringement and/or unauthorised use of any patent, copyright, registered design, trademark or of any other intellectual property right in respect of any goods, service, process, method, design or technology supplied or performed by or on behalf of the Supplier, and shall indemnify the Buyer against any such claim and against all costs, expense, loss and/or damage whatsoever which the Buyer may incur, sustain or be liable for arising from any such infringement or unauthorised use.

12.3 Should any such claim succeed, then, should the Buyer so require, the Supplier shall at the cost of the Supplier either acquire from the holder of the intellectual property right concerned the right for the Buyer to continue using the item concerned or shall modify or substitute same in a manner approved by the Buyer so that it no longer infringes such right.

12.4 The Supplier hereby confers on the Buyer and on any contractor engaged by the Buyer the free and unrestricted right to maintain, repair, manufacture and/or replace any lost, broken, worn and/or obsolete component part of goods and/or to modify goods.



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13 BREACH

- 13.1 Should the Supplier deliver goods which are defective (including damage caused by improper and/or inadequate packaging) or should such goods otherwise not comply with any of the provisions of the applicable specification, then in addition to and without prejudice to its rights in terms of clause 11.2 or to any other right or remedy whatsoever which the Buyer may have (including the right to recover such damages as may actually have been suffered by the Buyer as a consequence thereof in lieu of any penalty provided herein and its common law rights in respect of latent defects which may manifest themselves after the expiry of 12 months after delivery of goods), the Buyer shall be entitled, within its sole and absolute discretion-
- 13.1.1 to refuse to accept such goods, or having accepted delivery thereof to reject such goods within a period of 12 (twelve) months after delivery thereof and to either return such goods to the Supplier or to require the Supplier to remove such goods (which the Supplier shall be obliged to do) at the expense and risk of the Supplier and to recover from the Supplier any payment already made in respect thereof; and/or
- 13.1.2 to require the Supplier to immediately rectify or replace such goods at the Supplier's cost with goods complying with the applicable specifications (which the Supplier shall immediately do), pending which such goods shall be held at the Supplier's risk if not returned to the Supplier; and/or
- 13.1.3 to rectify such goods itself or by means of any contractor or to purchase from any other source goods complying with the applicable specifications and to recover from the Supplier the cost of such rectification or the amount by which the purchase price of the goods so purchased from another source exceeds the price of the goods so refused or rejected plus any applicable delivery cost.
- 13.2 Should the Supplier breach or fail to comply with any term or condition of a contract, or be placed under judicial management or in liquidation or be sequestered (whether provisionally or finally or whether voluntarily or compulsorily), or being a partnership be dissolved, or effect or attempt to effect a compromise with all or any class of its creditors, or should prior to fulfilment of all the Supplier's obligations in terms of such contract the greater part of the assets of the Supplier be disposed of or the majority shareholding or members interest in, or control of, the Supplier be transferred or the Supplier die, or should the Supplier or any employee or agent thereof give or offer any valuable consideration or benefit to any employee of the Buyer to obtain or attempt to obtain any favour or advantage, or perpetrate or participate in any fraud which prejudices or might prejudice the Buyer, then in any such event the Buyer shall be entitled, without prejudice to any other rights or remedies of the Buyer, to terminate the whole or any part of such contract.
- 13.3 The Supplier shall not be entitled to cancel a contract by virtue of any breach thereof by the Buyer unless such breach is of a material term and the Buyer shall have further failed to rectify such breach within 30 (thirty) days after receiving written notice from the Supplier requiring it to do so.
- 13.4 The Buyer shall be entitled, but not obliged, to institute any legal proceedings against the Supplier arising out of a contract in any Magistrates' Court having jurisdiction over the person of the Supplier notwithstanding that the claim or the value of the matter in dispute may exceed the jurisdiction of such Court. The Supplier shall be liable for all legal costs, including costs on the attorney and client scale and collection charges (including tracing costs), which may be incurred by the Buyer, irrespective of whether or not court proceedings shall have been instituted.

- 13.5 Should at any time within two (2) years after final payment in terms of a contract the Buyer reasonably suspect that the Supplier or any employee or agent of the Supplier has behaved dishonestly or unlawfully in respect of such contract and has caused prejudice to the Buyer as a result thereof, then the Buyer shall be entitled to have any books, records and documents in the possession of or under the control of the Supplier relating to transactions pursuant to such contract examined by a registered practising accountant for the purpose of verifying whether or not any such behaviour occurred.

The failure of the Buyer to insist upon strict compliance by the Supplier with any provision of a contract or to exercise any right or remedy available to the Buyer, whether on one or more occasions, shall not constitute a waiver or prejudice any right of the Buyer in terms of such contract or otherwise in law.

14 LIENS

- 14.1 The supplier waives irrevocably any lien or other right of retention which it may have or which it may acquire in the future, in respect of any goods, any IP relating to the goods and any documents relating to those goods and IP.
- 14.2 The supplier waives irrevocably any lien or right to retain possession of anything or document of title belonging to the buyer which lien or right the supplier may have or acquire in the course of a contract.
- 14.3 If the supplier leases its premises and has any of the buyer's property on its premises, it must notify its landlord that the buyer's property belongs to the buyer and mark the buyer's property with the words "Property of" and the buyer's full name and prove to the buyer that it has done so. If the supplier's landlord changes, the supplier must immediately give a notice in terms of this clause to its new landlord.

15 MOST FAVOURED CUSTOMER

Should at any time whilst the Supplier is performing in terms of a contract the Supplier supply the same goods to a third party at a price or otherwise upon terms or conditions more favourable to such third party than those applicable to the Buyer in terms of such contract, then the Buyer shall also be entitled to acquire such goods from the Supplier in terms of such contract upon the same more favourable basis.

16 TRANSFER OF RIGHTS

No cession, delegation, assignment or sub-contract of all or any of the rights and/or obligations of either party shall be of any force or effect unless and until the other party thereto shall have expressly consented thereto in writing.

17 APPLICATION OF THESE CONDITIONS

- 16.1 Unless the Supplier shall immediately upon receiving a Purchase Order inform the Buyer to the contrary in writing within seven (7) days or return such purchase order to the Buyer, the Supplier shall be deemed to have accepted such order without qualification.
- 16.2 All contracts shall comprise only these general terms and conditions except to the extent only as they may be expressly added to or varied by only the provisions of any purchase order or any other document signed by means of a hand-written signature by an authorised representative of the Buyer.
- 16.3 In particular, the Buyer shall not be bound or affected by any term or condition of contract, representation, promise or inducement contained in any tender, quotation, acceptance of purchase order, sales confirmation or other document issued by or on behalf of the Supplier, or made by or on behalf of the Buyer prior to or at the time of entering into the applicable contract, and which is not expressly incorporated into such contract in the manner prescribed by clause 16.2.



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18 ARBITRATION

Any question, dispute or difference arising between RES and Supplier in connection with the Order which cannot be resolved and of which notice has been given, where required, by Supplier, shall be referred to the arbitration of a person to be agreed upon and in terms of the Arbitration Procedure for Suppliers at RES or any statutory modification or re-enactment thereof. Any such proceedings shall take place at an agreed venue in the Kingdom of Eswatini. Performance of the Purchase Order shall continue during arbitration proceedings unless the Buyer shall order the suspension thereof or of any part thereof. No payments due or payable by RES shall be withheld on account of a pending reference to arbitration.

19 REQUEST FOR QUOTATIONS

19.1 The Supplier shall not be obliged to prepare and submit written quotations or proposals for the supply of goods at RES if the request has not been issued in writing by a Procurement Officer at the Buyers' Procurement Department. The Request For Quotations shall have a unique identifiable RES number and shall be subject to these same terms and conditions of Purchase. Purchase Orders shall be issued in response to submitted formal commercial quotations or proposals.

19.2 RES shall reserve the right to invite selected suppliers to submit quotations or proposals.

19.3 RES shall reserve the right not to award the Purchase Order to the Supplier with the lowest price.

20 WHOLE PURCHASE ORDER

The Purchase Order constitutes the entire agreement between the parties and both this clause and the Purchase Order may be amended only by written agreement signed by both parties.

21 ACCEPTANCE

Unless the Contractor shall, within 7 (seven) days of placement of the Purchase Order by RES, advise RES of any error or omission in the Purchase Order, it shall be deemed to have accepted the Purchase Order in its entirety.