

**MAINTENANCE SERVICE AGREEMENT**

No. \_\_\_\_\_

This Maintenance Service Agreement (the "**Agreement**") of Commercial Diesel Vehicle Engines is made and entered into as of February \_\_\_\_, 2010, at \_\_\_\_\_, by and between:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(Hereinafter referred to as "Party - A')

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(Hereinafter referred to as "Party - B')

Each of Party-A and Party-B shall hereinafter individually be referred to as a "Party" and collectively as **the "Parties"**.

**PREAMBLE:**

**WHEREAS** Party-A is one of the largest manufacturers of Commercial Diesel Vehicle Engines in People's Republic of China (PRC), specialize in the manufacture of high speed, most powerful and heavy duty diesel engines compatible with the approved standard specification in the Kingdom of Saudi Arabia.

**AND WHEREAS** the Spare Parts provided hereunder by Party-A are compatible with the approved standard requirement of the Saudi Arabian regulations relating to foreign trade and import and export and in particular is guaranteed in special standards and design and ensure that they conform to the standards and requirement of the heavy duty diesel transport vehicles, coaches, construction machine engines and vessel engines.

**WHEREAS**, the Party-B is engaged in the business of whole-Sale and Retail Sale of Transport Heavy Vehicles & Equipments, motor Vehicles and Cars. The Party-B provides, supplies and caters to the needs of small and large business with a range of nearly all make and models of Transport Vehicles, Equipments and Spare Parts. Further, it involved in the provisions of maintenance and after sale Support Services of Diesel Vehicle Engines and has considerable experience and capability to provide services to the product(s) within the territory.

**AND WHEREAS**, the Party-A desires to appoint Party-B as its "*Sole Overseas licensed Service Station*" in the Kingdom of Saudi Arabia to provide maintenance Support Services to the Commercial Diesel Vehicles Engines of Party-A, based on the terms and conditions of this Agreement.

**NOW THEREFORE**, in consideration of the mutual agreement herein contained, intending to be legally bound and shall be construed as an integral part of this Agreement, the parties hereby agreed as follows:

## **ARTICLE – 1: DEFINITIONS**

In this agreement, unless the context clearly indicates a contrary intention, the words and phrases listed below and their cognates shall bear the following meanings:

- "Commencement Date"** : Shall mean the date of the last signature to this agreement duly signed by the Authorized Representatives of both parties.
- "Communication Fee"** : Shall means the fees as set forth in Article–10.2
- "Customer"** : Shall means the 'Purchasers' of Party–A's Product(s) within the territory of Kingdom of Saudi Arabia
- "Discarded Parts"** : Shall mean those failure and unused parts of diesel engines assembled in the commercial vehicles purchase by the customers from Party–A and more fully described in the Article–6.4 and Article–9.
- "Discarded Parts Expenses"** : Shall means the expenses for discarded/failure/worn Spare Parts produced from the warranty service and as set forth in Article 10.3.
- "Distributor"** : Shall means any business or importer within the territory of Saudi Arabia, who sells product(s) of the Party–A to the customers as set forth in Article–7.2.2.
- "End User"** : Shall means those persons who use the product(s) of the Party–A within the territory
- "Extended Term"** : Shall means the extended term of the agreement as set forth in the Article–3.2
- "General Warranty Period"** : Shall means the Warranty Period of the Product(s) of the Party–A as set forth the "Service management Manual", the Exhibit–A.
- "Initial Term"** : Shall mean the Initial Term of this Agreement as set forth in the Article–3.1.
- "International Department"** : Shall means the International Department of the Party–A to which Local Foreign Service Center will submit the detailed report about services provided by Party–B as set forth in Article – 6.3.2.
- "Licensed Service Station"** : Shall means an establishment of the Party–B, established in the Territory/Area to provide Maintenance Services to the product(s) of Party–A as set forth in Article–2.1.
- "Local Overseas Service Center"** : Shall means the Service Center of the Party–A, where Party–B has to submit a report about the maintenance service provide by it to the malfunction product(s) of Party–A and as set forth in Article–6.3.1.
- "Maintenance Service Expenses"** : Shall means the Expenses for the Maintenance Service provided by Party–B to the malfunctioned product(s) of the Party–A as set forth in the Article–10.2.
- "Malfunction"** : Shall mean any unavoidable failure as set forth in the Article–8.
- "Major Malfunction"** : Shall means as set forth in Article–8.1
- "Secondary Malfunction"** : Shall means as set forth in Article–8.2
- "Ordinary Malfunction"** : Shall means as set forth in Article–8.3

" <b>Manufacturer</b> "	Shall mean the Party–A, who is the manufacturer of the high speed and heavy duty diesel engines as described in the 'preamble'
" <b>Overseas Service Department</b> "	: Shall mean the Service Center of the Party–A, who provide the Service Information about the malfunction product(s) of Party–A within the territory and as set forth in Article–6.1.
" <b>Price</b> "	: Shall means the " <b>F.O.B</b> " Purchase Price for the "Spare Parts" provided by Party–A and more fully as set forth in the Article–12.3 and <b>EXHIBIT - B</b> .
" <b>Product(s)</b> "	: Shall means the Commercial Diesel Vehicle Engines manufactured by the Party–A as set forth in Article–2.3.
" <b>Representative Office</b> "	: Shall means office of the Party–A's Representative located with in the Territory for service information upon about malfunction of the Product(s) and for the submission of services provided by Party–B as set forth in Article–6.1
" <b>Services</b> "	: Shall means the Maintenance and after sale Services provided by the Party–B to the Product(s) of the party–A under warranty.
" <b>Service Information</b> "	: Shall mean the Information regarding malfunction of the Product(s) of the Party–A provided by the sources of information as set forth in the Article–6.2.
" <b>Spare Parts</b> "	: Shall means the Parts and Components of the Product(s) {Commercial Diesel Vehicle Engines} manufactured by the Party–A and as set forth in the Article–12.
" <b>Territory/Area</b> "	: Shall mean the whole of Kingdom of Saudi Arabia as set forth in the Article–2.2.
" <b>Transport Fee</b> "	: Shall means the Transport Expenses incurred by the Party–B in providing the Maintenance Service to the Product(s) of Party–A and more fully as set forth in Article–10.2
" <b>Travel Cost</b> "	: Shall means the expenses incurred by the Party–B in providing the Maintenance Service to the Product(s) of Party–A and more fully as set forth in Article–10.2
" <b>Warehouse</b> "	: Shall means a storehouse or commercial building to keep the 'discarded spare parts' of the Party–A's product(s) more fully as set forth in the Article–9.1.
" <b>Warranty Service Period</b> "	: Shall means the Warranty Period of the Product(s) of Party–A as set forth in the Article–7.2.1 and as stated in the <b>EXHIBIT–A</b> the "Service management Manual" attached to this agreement.
" <b>Working Hour</b> "	: Shall mean the hours worked by the Party–B in providing Maintenance Service for the product(s) of the Party–A and as set forth in Article–10.2

**ARTICLE – 2: APPOINTMENT**

**2.1 Sole and Exclusive Service Station**

Subject to the terms and conditions set forth in this Agreement Party–A hereby appoint Party–B as its "Sole Overseas Licensed Service Station" (the "**Licensed Service Station**") and Party–B hereby accepts the appointment as the Sole Overseas Licensed Service Station for the Product(s) of Party–A.

## 2.2 Territory

The geographic area covered by this agreement in establishment of the 'Service Stations' by Party-B is the whole Kingdom of Saudi Arabia (the "*Territory*").

## 2.3 Product(s) & Services

Party-B shall provide the maintenance services (the "*Service*") under the warranty period, to the 'Commercial Diesel Vehicle Engines' (the "*product(s)*") of the Party-A purchased by the Customer within the territory.

### ARTICLE – 3: TERM

#### 3.1 Initial Term

The Initial Term of this Agreement shall be for a period of FIVE (5) Years on the Gregorian Calendar, shall be commencing and effective from the date when both the parties sign and seal and continue in effect until the \_\_\_\_, \_\_<sup>st</sup>, 2015 (hereinafter, the "*Initial Term*"), unless early terminated.

#### 3.2 Extended Term

Following the expiration of the Initial Term, this Agreement may be renewed for successive Five (5) years periods (the "*Extended Term*") by Party-A sending written notice of renewal to Party-B at least Ninety (90) days prior to the expiration of the Initial Term or any Extended Term (together referred to as the "*Term*").

### ARTICLE – 4: RIGHTS AND OBLIGATIONS OF PARTY-A

#### 4.1 Rights of Party-A

- 4.1 Party-A has the right, according to its relevant regulations, to advise/suggest ways and measures for improving the service system of Party-B.
- 4.2 Party-A has the right, according to its relevant regulations, to conduct inspection and supervision on Party-B's service system, and suggest Party-B for any required improvements.
- 4.3 If Party-B causes damage to the interest of Party-A while providing maintenance service, Party-A has the right to claim from Party-B according to the degree of damage caused. In serious case, Arbitration clause may be invoked by either party, only if both the parties are not able to amicably solve the problems at their end.

#### 4.2 Obligations of Party-A

- 4.2.1 Settlement of the service expenses and expenses for replaced parts under warranty commitment.
- 4.2.2 Party-A shall be obliged to cooperate with Party-B in setting up 'service network' within the 'Kingdom of Saudi Arabia' (the "*Territory*") and provide technical support.
- 4.2.3 Party-A shall be obliged to provide Party-B with training instructors and documents free of charge, to train its technicians periodically, and the technicians who are qualified and pass the final examination will be awarded relevant certificates with two years validity.
- 4.2.4 Party-A shall provide Party-B with the following documents necessary for maintenance service in two copies free of cost for products which have been purchased by any customer in the Kingdom of Saudi Arabia from Party-A.
  - Catalogue of the products;
  - Operation and maintenance manual;
  - Spare parts drawings.

The two copies shall be provided at a time within one month.

- 4.2.5** Party–A shall provide to Party–B three (3) Sets of Weichai Power dedicated maintenance tools, overturn stand for diesel engine, [Weichai Euro III malfunction diagnosis instrument on free of cost basis](#).
- 4.2.6** Party–A shall provide Party–B with informations about product quality and technical improvements periodically.
- 4.2.7** Party–A shall, if necessary, cooperate with the service station to destroy the recycled defective spare parts and assemblies every half year

## **ARTICLE – 5: RIGHTS AND OBLIGATIONS OF PARTY–B**

### **5.1 Rights of Party–B**

- 5.1.1** Party–B has the right, according to the requirements of this agreement, to provide after-sales service for Party–A's Commercial Vehicle Engines.
- 5.1.2** Party–B has the right to obtain 'Spare Parts' from Party–A [for the price as specified in Article–12.3 of this Agreement](#).
- 5.1.3** Party–B has the right to make suggestions for improvement

### **5.2 Obligations of Party–B**

- 5.2.1** Party–B shall, in the principle of “user and quality comes first, and user's satisfaction is our purpose”, actively undertake maintenance service, technical consultation and training, user visit for Party–A's products under warranty.
- 5.2.2** Party–B shall strictly observe all the regulations and documents about After-Sales Services of Party–A.
- 5.2.3** Party–B shall accept Party–A's dispatching and management, provide customer with “timely, convenient and considerate” service for Party–A's products under warranty.
- 5.2.4** Party–B must use spare parts purchased from Party–A or provided by Party–A while providing Warranty Services.
- 5.2.5** Party–B shall cooperate closely with technicians dispatched by Party–A, and provide necessary spare parts for the Warranty Service.
- 5.2.6** Party–B shall provide its technicians with “Life Accident Insurance”. The insurance company shall take full responsibility for any bodily injury or accident that has happened to the technicians while providing maintenance service.
- 5.2.7** For any malfunction and loss due to inferior skills or improper assembly by Party–B's technicians, Party–B itself shall take full responsibility for that but Party–A must suggest ways for improving the skills of technicians of Party–B to avoid future mistakes.
- 5.2.8** Party–B itself shall take responsibility for maintenance service beyond the warranty period. In case of malfunction due to defective spare parts that party–B has purchased form Party–A, Party–B has the right to claim from Party–A for expenses of such spare parts.
- 5.2.9** Without written authorization from Party–A, Party–B has no right to sign any agreement with any company on behalf of Party–A.
- 5.2.10** Party–B must provide the following training conditions: theoretical education facilities (a classroom with 10 -15 seats), assembly/disassembly facilities (about 200 square meters), projectors, blackboard, chalks, and light pens. Party–B shall also encourage its employees to attend the training sessions organized and managed by Party–A. Specific schedule and procedures shall be set by Party–A.

- 5.2.11 Party-B shall have access to internet and computers dedicated to maintenance service and management. The computer operators shall be proficient in hearing, speaking and writing in English. Besides, fax, telephone, printers and other office equipment must also be available.
- 5.2.12 Party-B shall set up conspicuous logo for Party-A service station, and its technicians shall wear Weichai Power uniform while providing maintenance service. Uniforms to be provided to Party-B free of cost by Party-A.
- 5.2.13 Party-B shall accept service and management Party-A's "**Representative Office**". [Located in the Territory contact details as stated in Article-6.1 below.](#)

## **ARTICLE – 6 : MAINTENANCE SERVICES PROCEDURE**

### **6.1 Sources of Service information:**

Service Information sources upon any malfunction of Party – A's Product(s) are:

- (i) Users
- (ii) The whole Engine Producers
- (iii) Party-A's "**Representative Office**"  
Name:Eric wang Mobile:00966530683181; Email:saudiweichai@gmail.com  
{Subject to information before any changes} and
- (iv) Party-A's Overseas Service Department.

### **6.2 Service information**

Upon receiving "**Service information**", Party-B shall inquire about the details on the malfunction of the diesel engine; upon confirmation, it shall accept the customer's maintenance reservation, and submit a maintenance reservation form to the local **Representative Office** of Weichai Power for examination and approval. Only having received its permission for major repairs, can Party-B dispatch technician to provide maintenance service to the customer, and feed the solution back to the information source.

### **6.3 Submission of Service Report**

- 6.3.1 When the maintenance service is completed, Party-B shall fill complete and detailed relevant information in the Service Report, which shall be signed by the customer for confirmation. Within 5 working days, of completing the maintenance service, Party-B shall enter it into the service system, through which submit it to the "**local Overseas Service Center**" of Party-A.
- 6.3.2 Upon examination and checking, the "**local Foreign Service Center**" shall submit it to the "**International Department**", which shall then work out the maintenance expenses, and complete the whole procedures. Party-B shall record the reservation number into the Manual Service Report, which shall be delivered to the "**local Overseas Service Center**" for record purpose.

### **6.4 Deposit of Discarded Spare Parts**

For the "**Discarded Spare Part**" produced from the warranty service, Party-B shall prepare and tag a detailed label onto it. The first copy of the Service Report, whether discard parts have been produced or not, the Worn Parts Return Form, and the discarded parts produced from the "warranty" service, shall all be managed by designated employee of Party-B, and shall be returned and deposited with the warehouse designated by the '**local Foreign Service Center**' of Party-A.

## **ARTICLE – 7: PRINCIPLES AND REGULATIONS OF THE WARRANTY SERVICES**

### **7.1 Principles for Warranty Services:**

If the product provided by Party-A, has malfunctioned or been damaged due to deficiency in manufacturing or assembly process under normal operation and maintenance circumstances, the warranty service shall be conducted.

## 7.2 Warranty Service Period:

- 7.2.1 The warranty service period for the Commercial Vehicle Engines as stated below is described in detail ed in the “*Service Management Manual*” attached to this Agreement as 'EXHIBIT–A'.
- 7.2.2 The '*Warranty Service Period*' and the '*General Warranty Period*' shall begin with the date when the 'Sales Invoice' and warranty card are issued by Party–A or the sales invoice issued by the '*distributor*'.
- 7.2.3 Engines provided by Party–A assembled in vehicles, shall be subject to the warranty period required by Party–A except for special agreement signed by Weichai and vehicle manufacture. The beginning date of the warranty service period and the general warranty period shall be evidenced by the whole engine's sales invoice and warranty card.

## 7.3 Exclusion of Warranty Services:

Under the following circumstances, the warranty service will not be provided:

- 7.3.1 Malfunction due to improper operation, maintenance and service, for example, damage due to improper loading, transporting and unloading, damage due to bad working conditions beyond the Operation Manual, improper matching, over speed and working overload; non-compliant fuel or antifreeze being used.
- 7.3.2 Malfunction due to unauthorized modification, adjustment or assembly of spare parts that have been banned in the Operation Manual.
- 7.3.3 The engine oil, anti-freezing fluid, filter core, hose, belt, fuel injector coupler that have been replaced due to normal operation, consumption and maintenance.
- 7.3.4 The user can't provide relevant evidence for the warranty service and valid sales invoice, or fail to verify that the product is still under warranty.
- 7.3.5 The model and specifications indicated on the warranty certificates or sales invoice are inconsistent with that of the products for which the warranty service is requested.
- 7.3.6 The user fails to keep intact the original conditions when malfunction has happened, which make it impossible to conduct technical appraisal.
- 7.3.7 Malfunction due to inappropriate operation.
- 7.3.8 Damage due to Force Majeure, such as war, natural disaster, etc ( '*Force Majeure*' as described in Article - 16)

## ARTICLE – 8: TREATMENT ON MALFUNCTIONS

### 8.1 Major Malfunction

In case of '*Major Malfunction*' (the engine body, crankshaft or camshaft is completely destroyed): Party–B shall notify Part A's Representative Office located in its Area, which shall then dispatch designated technician to judge the degree of the 'Malfunction' that has happened.

### 8.2 Secondary Malfunction

In case of '*Secondary Malfunction*' (namely, fuel pump, supercharger, air compressor, starter, cylinder housing, piston, piston ring, piston pin, connecting rod, flywheel shell, gear chamber has been damaged): Party–B shall notify Party–A's Representative Office located in its area, which shall then dispatch designated technician or authorize Party–B to correct such malfunction.

### 8.3 Ordinary Malfunction

Other '*Ordinary Malfunction*': Party–B shall, according to the specific malfunction, take appropriate measures in accordance with regular procedures.

**ARTICLE – 9: MANAGEMENT OF THE DISCARDED PARTS**

**9.1 Warehouses**

Party–B must have appropriate "**Warehouses**" for both 'Spare Parts' and 'Discarded Spare Parts', which shall be managed by designated employee proficient in English through express accounts. Party–B is obliged to storage the discarded spare parts under the warranty service as specified in this Article.

**9.2 Management**

Upon receiving the returned discarded parts, the warehouse keeper of Party–B shall take photos of them separately, and use it to set up “Discarded Parts Files”. He/she shall complete the above work within 5 working days, and submit a copy of it to the local Foreign Service Center.

**9.3 Storage of Discarded Part**

The discarded part produced from the warranty service shall be stored for three months if it is no cause of malfunction that has happened or cause of general malfunction; and for Six (6) Months, if it is the cause of serious malfunction (namely, malfunction that causes the whole engine destroyed).

**9.4 Ownership of Discarded Spare Part**

The discarded parts under the warranty service shall be owned by Party–A. For those beyond the storage period, Party–B shall cooperate with Party–A to dispose them, and submit the latter a “Discarded Parts Disposal Report”.

**ARTICLE – 10: EXPENSES FOR MAINTENANCE SERVICE AND DISCARDED PARTS**

**10.1 Settlement of Maintenance Service Expenses**

The expenses for maintenance services and the discarded parts under the warranty service shall be settled according to the service report, discarded parts files, discarded parts return form.

**10.2 Maintenance expenses standard:**

The 'Maintenance Service Expenses' consist of four aspects: Working Hours Fee, Transport Fee, Communications Fee and Travel Cost and shall be calculated as per the "Rates" provided under the below table:

SI No	Description	Fees
1	Transport fee	\$ 0.15 /Kilometer, According to round trip
2	Working hour	\$ 18/Working Hour
3	Communications	\$ 2/Malfunction Treatment
4	Travel cost	\$ 50/Day

**In case of end service station:** only working hour fee and communications fee are accounted.

**10.3** Party–A shall calculate the "**Maintenance Service Expenses**" and the "**Discarded Parts Expenses**" under the warranty service, and then prepare an Overall Expenses Statement, which shall serve as basis for payment for the maintenance service expenses and expenses for the discarded parts under the warranty service.



**ARTICLE-11: PAYMENTS OF MAINTENAINCE SERVICE EXPENSES AND DISCARDED PARTS EXPENSES**

**11.1 Payment Period:**

The 'Maintenance Service Expenses' and 'Discarded Parts Expenses' as stated in the Article-9 of this Agreement shall be payable by Party-A to the Party-B, within the period of SIXTY (60) Days after the receipt of complete details at its 'International Department' as stated in Article-6.4 about the 'Maintenance Service' provided by Party-B.

**11.2 Penalty for delay in Payments:**

Party-A shall be held liable and responsible for the penalty and/or interest at the rate of 5% ( Five Percentage) Per Week on the due 'Expenses Amount', if it delays in payment of the 'Maintenance Service Expenses' and 'Discarded Parts Expenses' beyond the time period as specified in the Article-11.1.

**ARTICLE – 12: SPARE PARTS**

**12.1 Purchase of Spare Parts**

Party-B shall purchase "*Spare Parts*" for the Commercial Vehicle Engines from the Party-A during the currency of this agreement who is the manufactured and supplier of the Parts.

**12.2 Use of Spare Parts**

Party-B shall use all the products and 'Spare Parts' provided by the Party-A during the term of this agreement while providing Warranty Service Party-A's Commercial Vehicle Engines.

**12.3 Price of Spare Parts**

**12.3.1** The purchase price for the 'Spare Parts' of the Commercial Vehicle Engines, manufactured and to be supplied by the Party-A shall be based on "**F.O.B**".

**12.3.2** '**F.O.B**' price of the 'Spare Parts' during the Term of this Agreement and under the warranty period shall be as per the "*Price List*" attached to this agreement as **EXHIBIT-B. {need to insert details about Purchase Price of the 'spare Parts' by Party-A}**

**12.4 Payment Term for Purchase Price of Spare Parts**

**12.4.1** The Purchase Price for the '*spare Parts*' and all other components supplied by Party-A shall be payable by Party-B within the period of Thirty **[30]** Days after the date of receipt of 'Spare Parts' at its destination place.

**12.4.2** Full amounts against each Invoice of 'Spare Parts' shall be payable by Party-B through '*Telegraphic Transfer (T/T)*' to such bank or account as designated by Party-A from time to time in writing. Whenever any amount hereunder is due on Business Day, such amount shall be paid on the next such Business Day.

**12.4.3** Considering the actual local situation, after the mutual consent and written agreement between both the parties, the 'Purchase Price' of 'Spare Parts' will be made adjusted when necessary with the 'Expenses for Maintenance Service' and 'Expenses of Discarded Parts'

**12.5 Warranties by Party-A**

Party-A warrants that:

**12.5.1** The 'Spare parts' supplied to Party-B pursuant to this Agreement will be free from any material defects in design, materials and workmanship.

**12.5.2** The Spare Parts shall be completely brand-new, incorporating modern proven updated design features and that no second-hand or repaired Spare Parts shall be provided.

**12.5.3** The Party-A shall at his option, under inclusion of further claims and rights repair and replace the spare parts thereof which may show any defects, deficiencies during the Warrantee period.

**12.5.4** In case of damage due to quality problems, the "*Warranty Period*" and "*Warranty Coverage*" for spare parts purchased from Party-A shall be as per the '*Spare Parts Warranty Policy*' attached to this Agreement as **EXHIBIT – C**.

12.5.5 The '*Warranty Service Period*' for Spare Parts and Components is as follows :

SI No	Spare Parts	Warranty Service Period
1	ELECTRIC APPARATUS	Two Months
2	ENGINE BODY	One Year
3	CRANKSHAFT	One Year
4	OTHER SPARE PARTS	Three Months.

### **ARTICLE – 13 : TERMINATION OF AGREEMENT**

The agreement, without derogating from the right of either party to claim damages, may be Terminated as:

#### **13.1 Termination for Breach:**

**13.1.1** If either party commits a material breach or default under this Agreement, then the other party may give such party a written notice of the breach or default (including, but not necessarily limited to, a statement of the facts relating to the breach or default and the action required to cure the breach or default).

**13.1.2** If the other party fails to cure the specified breach or default within thirty (30) days after receipt of such notice (or such later date as may be specified in such notice), then the Agreement will be terminated without any further notice or action by the terminating party.

#### **13.2 Termination for Bankruptcy and Insolvency:**

If either party is adjudged Bankrupt and insolvent, or upon the institution of any proceedings by its seeking relief, reorganization or arrangement under any Laws relating to insolvency, or if an involuntary petition in bankruptcy is filed against a Party–And the petition is not discharged within Sixty (60) days after filing, or upon any assignment for the benefit of a party's creditors, or upon the appointment of a receiver, liquidator or trustee of any of a party's assts, or upon the liquidation, dissolution or winding up of its business (each, an "**Event of Bankruptcy**"), then the Party–Affected by any event of Bankruptcy must immediately give notice of the Event of Bankruptcy to the other party, and the other party may terminate this Agreement by notice to the affected party.

#### **13.3 CONSEQUENCE ON TERMINATION:**

**13.3.1** Termination of this Agreement for any reasons (or howsoever occasioned) shall be without prejudice and shall not affect any accrued rights and obligations (including the obligation to pay money in respect of the agreement) or liabilities of either party as of the effective date of termination.

**13.3.2** Party–A shall immediately make the due Payment to the Part–B, if any, against the 'Maintenance Service Expenses and 'Discarded part Expenses'.

**13.3.3** If Party–B's status as Maintenance Service Station has been cancelled, Party–B shall return all the relevant documents and certificates to Party–A, and remove all signs and logo. Subject to due payments by Party–A if any.

- 13.3.4 **Remedies:** The parties agreed and acknowledge that their sole remedy in the event of termination for cause shall be money damages awarded in a final arbitral decision.

## **ARTICLE – 14: REPRESENTATION AND WARRANTIES**

### **14.1 Mutual Representation & Warranties:**

Each Party represent, warrants and covenants to the other that as of the date of this Agreement:

- 14.1.1 It is a Company duly organized, validly existing and qualified or licensed to do business in a good standing under the Law of its jurisdiction of organization ;
- 14.1.2 It has a capacity and authorized to enter into this Agreement and to undertake all of the obligations anticipated hereby;
- 14.1.3 It has taken all corporate action necessary for the authorization, execution and delivery of this Agreement and for the performance of all of its obligation hereunder and that this Agreement, when fully executed and delivered, shall constitute a valid, legally binding and enforceable obligation of the Party;
- 14.1.4 There are no legal restrictions, impediments or bars to such Party entering into this Agreement;
- 14.1.5 It has disclosed all material facts relating to its ability to carry out its obligations under this Agreement; and
- 14.1.6 It complies with all applicable Laws.

### **14.2 Continuing Obligation:**

Each party agrees and covenants that it shall take no actions that are contrary to these representations and warranties and the terms and conditions of this Agreement in general.

### **14.3 Governmental Approval and Registrations:**

The Parties shall cooperate in obtaining the registration of this Agreement with the competent authorities of the Territory.

### **14.4 Warranties By Party–B:**

Party–B warrants that the Services will be performed only by personnel who are trained and qualified to perform such Services and that all Services shall be performed professionally and in compliance with the required specifications and performance standards.

## **ARTICLE – 15: INDEMNIFICATION**

- 15.1 Each party shall indemnify and hold the other party harmless against any and all liabilities and related costs arising out of the breach by the other party of its obligations under this Agreement, including – without limitation – all liabilities and related costs arising with respect to the 'Termination of this Agreement' in accordance with its terms, the termination of any other agreements entered that result from termination of this Agreement.
- 15.2 Each party shall indemnify and hold the other party harmless against any and all liabilities and related costs (including but not limited to Defects of 'Spare Parts' it's 'Components', and all other Products, Damages in shipping and delivery of the Spare Parts).
- 15.3 The indemnities provided in this Article shall survive the 'Termination of Agreement'.

**ARTICLE – 16: FORCE MAJEURE**

**16.1 Definition of Force Majeure:**

No party hereto shall be liable to other party for any failure or delay in the performance of any obligations under this agreement (excluding, however, the payment of monies otherwise due under this agreement) due to events beyond its reasonable control including, but not limited to, fire, storm, flood, earthquake, explosion, accident, acts of the public enemy, wars, riots and public disorders, sabotage, strikes, lockouts, labour disputes, failures or delays of energy, transportation embargoes or delays, acts of God, acts or regulations or priorities of federal, state or local governments or branches or agencies thereof.

**16.2 Notification of Force Majeure:**

The affected party shall immediately inform the other party of the event of force majeure, and shall mail the written certificate of force majeure issued by the local notarization authority to the other party within 30 days after the end of such event of force majeure.

**16.3 Removal of Force Majeure.**

If the performance of any obligation has been delayed, interfered with or prevented by an event of Force Majeure, then the Party-Affected by such event will take such actions as are reasonably available to remove the event of Force Majeure or to mitigate the effect of such occurrence, except that labor disputes will be settled at the sole discretion of the Party affected thereby.

**ARTICLE – 17: DISPUTE RESOLUTION AND ARBITRATION**

**17.1 DISPUTE RESOLUTION**

Any and all controversies claims, disputes arising in connection with this Contract, or the breach thereof, shall be settled friendly and amicable. Should dispute is not disposed of by mutual and amicable agreement of the Party-A and the Party-B shall be finally resolved by Arbitration in accordance with, and pursuant to the following procedures.

**17.2 ARBITRATION**

**17.2.1 Rules Governing Law for Arbitration**

Any and all controversies claims, disputes arising in connection with this Contract, or the breach thereof, shall be finally settled by Arbitration under the "*Arbitration Rules*" of "*International Chamber of Commerce*".

**17.2.2 Appointment of Arbitrators**

Party-A and the Party-B shall each appoint One (1) Arbitrator, giving written notices to the other Party of such appointment. The Two Arbitrator will appoint a third Arbitrator to act as the Chairman of the Arbitration Tribunal. If either fails to appoint an arbitrator within Thirty (30) days after receipt of a written request to do or if the two Arbitrators fail to agree on the third, the provisions of the International chamber of Commerce rules shall apply.

**17.2.3 Cost of Arbitration**

The Arbitrators shall determine the costs of Arbitration to be born by each Party, taking into consideration the relative faults of each party.

**17.2.4 Place of Arbitration**

Unless otherwise agreed by the parties, Arbitration shall take place at a "*NEUTRAL*" place to both the parties.

**17.2.5 Applicable Authorities**

In considering the issue or issues submitted for Arbitration, the Arbitrators shall make a reference first of all to the following authorities in the order indicated:

First, per the terms of this Agreement;

Second, per the International Arbitration Rules.

**17.2.6 Judgment**

The award to be rendered shall state its reasons in writing. The Award of majority of the Arbitrators shall be final and binding upon both the parties.

**17.2.7 Continuing Effects**

The provision of this section shall continue in effect notwithstanding the termination of this Agreement or the expiration of its term or declaration of null and void.

**ARTICLE – 18: NOTICES**

All notices, requests, demands and other communications which are required or permitted to be given under this Contract shall be in writing and shall be deemed to have been duly given (i) upon delivery if delivered personally, (ii) upon confirmation of receipt if sent by facsimile, (iii) upon delivery if sent by reputable overnight courier, or (iv) five (5) days after mailing by registered or certified mail, return receipt requested, postage prepaid, in each case addressed as follows:

**If to Party– A**

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**If to Party– B**

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or to such other person or address as either party shall have specified by notice in writing to the other party hereto.

**ARTICLE – 19: CHANGE OF OWNERSHIP AND CONTROL**

- 19.1 During the term of this agreement any change of ownership or in control of the Party - A shall not affect the validity or enforceability of this agreement, any other provisions hereof and/or the interests of the Party–B.
- 19.2 The Party–A agrees that this agreement shall be construed as valid in all respects and shall remain in full force and effect regardless of any change in the said ownership or any other types of changes that all companies involve may come across during the Term of Agreement

**ARTICLE – 20 : GENERAL PROVISIONS**

**20.1 Relationship of the Parties:**

Each Party shall be at all time and for all purposes an independent Contractor and neither party shall have any authority to create any obligation of any kind, express or implied, on behalf of the other party hereto except as and to the extent provided herein or as specifically authorized in each particular instance in writing and in advance by the other Party.

**20.2 Assignment:**

This Agreement and all the rights and obligations granted pursuant to the terms hereof, shall be personal to the parties. This Agreement shall be binding on and shall inure to the benefit of the successors of the parties. Neither this Agreement nor any rights and obligations hereunder, in whole or in part, whether by operation of law or otherwise, shall be assignable or otherwise transferable by either party without the prior written permission of the other party.

**20.3 Waiver**

- 20.3.1 Failure of any party to exercise any of its rights under this Contract shall in no way constitute a waiver of those rights, nor shall such failure excuse the other party from any of its obligations under this Contract.
- 20.3.2 None of the provisions of the Contract shall be considered waived by either party except when expressly waived in writing and signed by the authorized representative of the waiving party.
- 20.3.3 No waiver by either party of any breach of any provision of the Contract shall be deemed to be a waiver of any preceding or succeeding breach of the same or any other provision of the Contract.

**20.4 Modification**

No part of this Agreement may be modified or supplemented in any manner whatsoever except by a written document signed by authorized Representatives of the Parties and same may be serve as the integral part of this Agreement.

**20.5 Severability:**

- 20.5.1 Whenever possible, each provisions of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law.
- 20.5.2 If any provision is held invalid or unenforceable with respect to particular circumstances, it shall nevertheless remain in full force and effect in all other circumstances.
- 20.5.3 In the event that any nonessential provision of this agreement shall finally be determined to be unlawful or unenforceable, such provision shall be deemed severed from this Agreement, but every other provision herein shall remain in full force and effect.
- 20.5.4 In substitution for any provision held unlawful or unenforceable, the Parties shall use their best efforts to agree to s substitute provision of similar import reflecting the original intent of the parties to the extent permissible under law.

**20.6 Entire Agreement:**

- 20.6.1 This Agreement together with all the exhibits attached referred herein, which are incorporated and made a part of this Agreement by this reference, merges, supersedes terminate any and all prior agreements, discussions and negotiations between them if any, whether written or oral with respect to subject matter contained herein.
- 20.6.2 Each Party agrees that it has not relied on any representation, warranty or provision not explicitly stated in this Agreement and that no oral statement has been made to either Party that in any way tends to waive any of the terms or conditions of this Agreement.
- 20.6.3 This Agreement constitutes the final written expression of all terms of the Agreement, and it is a complete and exclusive statement of those terms.

**20.7 Counterparts:**

- 20.7.1 This Agreement has been executed in several counterparts, each of which shall constitute an original and all of which, when taken together, shall constitute one and the same instrument provided that each party receives a copy fully executed by the other Party.
- 20.7.2 One (1) counterpart shall be given to each Party and an extra, certified counterpart shall be presented by Party-B to the Saudi Arabian Ministry of Commerce and Industry for Registration of the Agreement in the Commercial Registry. It shall be necessary to account for only one such fully executed counterpart proving this Agreement.

**IN WITNESS WHEREOF**, the Parties execute this Agreement as of the Effective Date. Each person who signs this Agreement below represents that such person is fully authorized to sign this Agreement on behalf of the applicable party.

<b>PARTY-A</b> Signature : _____ Date : _____ Name : _____ Designation: _____	<b>PARTY-B</b> Signature : _____ Date : _____ Name : _____ Designation: _____
<b>WITNESSES:</b> 1. 2.	<b>WITNESSES:</b> 1. 2.