

8 July 2018

Dear Valued Customer

Dear Sirs

COMPLIANCE UNDERTAKING LETTER

Perkins Engines Company Limited ("**Perkins**") requires its distributors to comply with all applicable laws, export control regulations, sanctions and Perkins' policy. Power Systems Gulf LLC ("**PSG**"), as the authorized distributor for Perkins in Bahrain, Kingdom of Saudi Arabia, Kuwait, Oman, Qatar, the United Arab Emirates and Yemen, has agreed to comply with these requirements as further detailed in this letter. Accordingly, PSG expects its distributors, other resellers and customers, such as the Company, to also comply with these requirements.

Perkins is subject to various export control and sanctions regimes around the world, including UK Export Control Regulations, EU regulations and sanctions, US Export Administration Regulations and U.S. sanctions regulations. As such, Perkins expects that its key business partners have read, understand and comply with all applicable laws, rules, regulations, directives, ordinances, orders, or statutes ("**Laws**"), including all applicable export control and sanction Laws.

In addition, Perkins manages its export control and sanctions risk in accordance with Caterpillar's Enterprise Export Control Compliance Program. Under that program, Perkins requires its business partners (including OEM distributors and other resellers) to take reasonable steps to ensure Perkins' products are not on-sold or transited to prohibited destinations, prohibited parties, or for prohibited purposes unless all required export or re-export licences have been obtained from the United States, the United Kingdom or other relevant authorities, and Perkins is notified of and has approved the sale in advance. Prohibited destinations include any country or region prohibited under any sanctions program administered by the United States, United Kingdom, or the European Union. Comprehensive sanctions are currently imposed on Cuba, Iran, North Korea, Syria and the Crimea region of Ukraine.

In the event that any Perkins product is sold to a sanctioned party or to a prohibited destination (or any Perkins product is located in one of these destinations), Perkins will not be in a position to provide any service or support for such Perkins product, unless all required licences have been obtained and copies of those licences have been provided to Perkins. Without all required licences, any warranty claims in connection with such sales or placement will not be paid. If Perkins identify any violations of such policies, action may be taken up to and including suspending of pending or future orders and termination of the business relationship. If such action is imposed on PSG as a result of the Company's acts or omissions, PSG will impose such action on the Company.

Please countersign this agreement where indicated below to confirm your understanding and agreement with its contents and provide a scanned copy to us. Upon doing so, please distribute this letter within your organisation as required to ensure that the Company and all relevant persons are aware of, and comply with, its terms.

Yours faithfully

For and on behalf of **Power Systems Gulf LLC**



Graeme De Villiers, General Manager

Agreed and accepted for on and on behalf of the Company by:

Signature

Name & Position

