

Contract

Between

HARTALEGA Sdn Bhd (or "Customer")

Head office :

9, Jalan Kuang Bulan
Taman Kepong Industrial Estate
52100 Kuala Lumpur
MALAYSIA

Factory address :

7, Kawasan Perusahaan Suria
45600 Batang Berjuntai
Selangor Darul Ehsan
MALAYSIA

and

VYNCKE NV (or "Seller")

Head office :

Gentsesteenweg 224
8530 Harelbeke
BELGIUM

Regarding

a 15 Gcal/h VYNCKE thermal oil heater plant
on palm fruit waste

DATE : 8th of February 2002



Index

1. PREAMBLE	4
2. TECHNICAL DATA.....	5
2.1. ENERGY REQUIREMENTS.....	5
2.1.1. <i>Thermal oil</i>	5
2.1.2. <i>Hot water</i>	5
2.2. FUEL DEFINITION.....	5
2.2.1. <i>Palm Nut Shells</i>	5
2.2.2. <i>Fibres of Empty Fruit Bunches (EFB)</i>	6
2.2.3. <i>Palm Nut Fibres</i>	6
2.2.4. <i>Fuel mixture: additional remarks</i>	7
2.3. THERMAL OIL HEATER.....	7
2.4. HOT WATER GENERATION.....	8
2.5. EMISSIONS	8
3. DESCRIPTION OF THE BASIC SCOPE OF SUPPLY	9
3.1. SILO UNLOADING SYSTEM WITH MOVING FLOOR FOR SOLID FUEL.....	9
3.2. FUEL TRANSPORT SYSTEM	9
3.3. INTERMEDIATE SMALL SILO WITH INCORPORATED DOUBLE FUEL FEEDING SYSTEM.....	10
3.4. DYNAMIC WATER-COOLED STEPGRATE (DWS).....	10
3.5. DE-ASHING OF GRATE SIFTINGS	12
3.6. COMBUSTOR	12
3.7. AUTOMATIC WET ASH REMOVAL	12
3.8. FLUE GAS RECIRCULATION SYSTEM	13
3.9. VERTICAL THERMAL OIL HEATER.....	13
3.10. DEDUSTER	16
3.11. AUTOMATIC FLY ASH EVACUATION	16
3.12. CHIMNEY.....	17
3.13. INDUCED DRAUGHT FAN	17
3.14. SUPPORTING STRUCTURE, LADDERS AND PLATFORMS	18
3.15. GENERAL ITEMS	18
3.16. CONTROL PANEL	18
3.17. HOT WATER GENERATION - ENGINEERING	19
3.18. ADVICE FOR THERMAL OIL CIRCUIT (CONNECTION BETWEEN ENERGY PLANT AND EXISTING FACTORY)	20
3.19. VISUALISATION PACKAGE	20
3.20. WATER-COOLED CAMERA	21
4. PRICES.....	22
4.1. PRICE FOR BASIC SCOPE OF SUPPLY	22
5. SUPERVISION OF ERECTION AND COMMISSIONING.....	23
6. LIMITS OF DELIVERY	24



6.1. TRANSPORT	24
6.2. WORKS AND MATERIA	24
6.3. SUPPLY OF AND CONNECTIONS TO THE CONSUMABLES	24
6.4. PAYMENT COSTS AND TAXES	25
6.5. PERMITS	25
7. PAYMENT CONDITIONS.....	26
7.1. ADVANCE PAYMENT	26
7.2. PAYMENT AGAINST PRO RATA SHIPMENT	26
7.3. PAYMENT AGAINST CERTIFICATE OF END OF ERECTION AND AGAINST CERTIFICATE OF END OF COMMISSIONING	27
7.4. PERFORMANCE BOND.....	27
8. DELIVERY TIME.....	29
8.1. TIME SCHEDULE	29
8.2. LIQUIDATED DAMAGES FOR DELAY ON THE SUPPLY	29
8.3. BONUS FOR EARLIER DELIVERY TIME	30
8.4. FORCE MAJEURE	30
9. ENGINEERING DOCUMENTS.....	31
10. GUARANTEE.....	32
11. SPARE PARTS.....	33
12. ANNEXES.....	34
12.1. FORMAT OF FIRST LETTER OF CREDIT (LC1): PAYMENT AGAINST SHIPMENT	34
12.2. FORMAT OF SECOND LETTER OF CREDIT (LC2) : PAYMENT AGAINST CERTIFICATIONS	36
12.3. FORMAT OF PERFORMANCE BOND TO BE ISSUED BY THE SELLER	38
12.4. GENERAL SALES CONDITIONS VYNCKE - DVDP009C	40



1. PREAMBLE

Whereas, the Customer has requested the Seller to deliver a 15 Gcal/h Thermal Oil heater plant on Palm Fruit Waste.

Whereas, the Seller is willing to accept and execute this order in accordance with the provisions hereinafter contained.

This proposal is for a custom-made palm fruit waste fired Thermal Oil Heater Plant. For the design of the heater plant we take into account possible preference to fire as well 100% shells in a later stage. This design therefore enables adaptation of the energy plant in a later stage without the need to replace equipment that was already supplied in the first stage.

A handwritten signature in black ink, consisting of a stylized 'S' followed by a horizontal line.

4. PRICES

4.1. Price for basic scope of supply

Price includes the complete engineering, manufacturing, delivery (DDU Batang Berjuntai) installation and commissioning for the scope of supply, as detailed in Chapter §3.

Description	
Silo unloading system with moving floor for solid fuel	
Silo unloading screw conveyor	
Fuel transport system	
Intermediate silo with integrated fuel feeding system	
Combustion unit with integrated Dynamic water-cooled stepgrate	
De-ashing of grate siftings	
Wet de-ashing redler with ash clinker crusher	
Flue gas recirculation system	
Thermal oil heaters, each with capacity of 7.5 Gcal/h	
Thermal oil primary circuit : pumps, appendages, instruments, vessels and mixing collector	
Multicyclone dedusters	
Chimneys	
ID-fans (Frequency controlled)	
Control panel + visualisation package + water-cooled camera's	
Air and Flue gas ducting	
Materials for thermal oil piping (primary circuit), water-cooling circuit	
Supporting structures, ladders and galleries	
All Insulation materials	
Field cabling (connection between main control panel and power consumers/control devices)	
Erection & commissioning	
FINAL TOTAL PRICE, DDU Batang Berjuntai:	1,818,000.- USD



This Contract has been drawn up and signed in two original copies, one for each party.

Kuala Lumpur, 8th of February 2002.

For and on behalf of the company Hartalega Sdn Bhd :

 **Hartalega**
sdn bhd 175388-42



Director

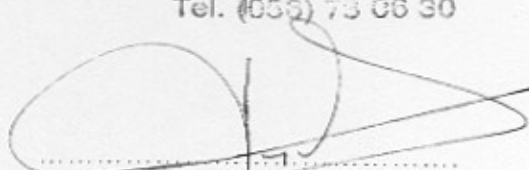
Mr Kuan Kam Hon

Managing Director

HARTALEGA Sdn Bhd

For and on behalf of the company Vyncke NV :

VYNCKE N.V.
Gentsesteenweg 224
B-8530 HARELBEKE
Tel. (059) 73 06 30



Mr Dirk Vyncke

Managing Director

VYNCKE NV

08 Feb 2002

41 / 41

Contract

