

GENERAL CONDITIONS OF PURCHASE

1. Conclusion of Contract

1.1 Orders, agreements and contractual changes shall only be binding if made or confirmed by the Purchaser in writing.

All written correspondence shall be addressed to the Purchaser's purchasing department which places the order. Any agreement reached with any other department of the Purchaser intended to vary agreed terms and conditions of the Contract, must first be confirmed by the purchasing department which is actually placing the order in writing as a supplementary provision of the Contract.

1.2 The Seller's terms and conditions shall only apply if expressly accepted by the Purchaser in writing. The Seller shall be deemed to have accepted these General Conditions of Purchase if he complies with an order. These General Conditions shall apply to any Contract to the exclusion of any other terms and conditions on which any quotation has been given to Purchaser.

1.3 No variation to the Contract or these Conditions shall be binding unless agreed in writing between the authorised representatives of the Purchaser and the Seller.

1.4 The Seller shall treat the Contract as confidential. The Seller shall only inform third parties that it supplies the Purchaser with the latter's written permission.

2. Prices

2.1 Agreed prices shall remain fixed and are to be understood as delivered prices to the Purchaser's place of use including packaging, freight, packing, shipping, carriage, insurance and delivery and any sales, use, excise, value-added, business, and other taxes, duties, imposts or levies. They shall remain fixed notwithstanding any variation in the Seller's costs (including the cost of raw materials) howsoever occasioned whether as a result of circumstances beyond the Seller's control or otherwise.

2.2 The Purchaser reserves the right to accept delivery of a greater or lesser quantity of goods.

3. Trade Terms

3.1 INCOTERMS 2010 shall apply to the interpretation of trade terms used in the Contract.

3.2 The quantity, quality and description of the Goods shall, subject as provided in these Conditions, be as specified by the Purchaser to the Seller or agreed in writing by the Purchaser.

3.3 The Seller shall comply with all applicable regulations or other legal requirements concerning the manufacture, packaging, packing and delivery of the goods.

3.4 The Seller shall not unreasonably refuse any request by the Purchaser to inspect and test the goods during manufacture, processing or storage at the premises of the Seller or any third party prior to despatch, and the Seller shall provide the Purchaser with all facilities reasonably required for inspection and testing.

4. Certificates of Origin, Export Restrictions

4.1 The Seller shall promptly make available any certificates of origin requested by the Purchaser with all the necessary details filled in and properly signed.

4.2 The Seller shall inform the Purchaser if the products to be delivered are partly or wholly subject to export restrictions under Singapore or other (e.g. US American) foreign trade law and the Seller shall indemnify the Purchaser against any and all consequences of its failure to do so.

5. Delivery Dates

5.1 All goods shall be delivered by the Seller at the agreed delivery dates at the Purchaser's place of use. If the Seller is unable to deliver the goods within the specified time then

provided that the Seller shall have given the Purchaser written notice not less than 14 days before an agreed delivery date of its inability to deliver the goods on such date, the Purchaser may, at its absolute discretion, grant to the Seller an extension of time within which to deliver such goods.

5.2 The time of delivery of the goods is of the essence of the Contract. The Seller hereby recognises and acknowledges that any delay in delivery may lead, inter alia, to the Seller being exposed to liability to its customers.

5.3 If the goods or any part thereof are not delivered at the agreed delivery dates, or, if applicable, within any extension of time granted by the Purchaser in accordance with the preceding sub-clause, the Purchaser shall be entitled to determine the Contract in respect of the goods remaining undelivered and of any other goods already delivered under the Contract which cannot be effectively and commercially used by reason of the non-delivery of the aforesaid undelivered goods. On such determination the Purchaser shall be entitled:

(a) to return to the Seller at the Seller's risk and expense any goods already delivered but which cannot be effectively and commercially used as aforesaid and to recover from the Seller any monies paid by the Purchaser in respect of such goods;

(b) to recover from the Seller any additional expenditure incurred by the Purchaser in obtaining other goods in replacement of those in respect of which the Contract has been determined and the Seller shall indemnify the Purchaser in full against all liability, loss, damages, costs and expenses (including legal expenses) awarded against or incurred or paid by the Purchaser (including any liability incurred by the Purchaser to any of its customers) as a result of or in connection with:

(i) breach of any warranty given by the Seller in relation to the goods;

(ii) any failure by the Seller to deliver the goods by the respective due dates.

5.4 If the goods are to be delivered by instalments, the Contract will be treated as a single contract and not severable.

5.5 The Purchaser shall be entitled to reject any goods delivered which are not in accordance with the Contract, and shall not be deemed to have accepted any goods until the Purchaser has had a reasonable time to inspect them following delivery or, if later, within a reasonable time after any latent defect in the goods has become apparent.

5.6 The Seller is responsible for properly and carefully packing and shipping the goods, at its expense unless otherwise specified, and shall comply with any documentary requirements or instructions of the Purchaser in the shipment process. The Purchaser shall be entitled but not obliged to return any packaging materials to the Seller.

6. Title and Risk

6.1 Title in the goods shall pass to the Purchaser upon delivery, unless payment for the goods is made prior to delivery, in which case it shall pass to the Purchaser once payment has been made and the goods have been appropriated to the Contract.

6.2 The Seller warrants free and clear title to the goods, free and clear from any and all liens, restrictions, reservations, security interests and encumbrances.

6.3 Irrespective of vesting of title and any other provision herein to the contrary, the Seller shall bear the risk of loss and damage, and shall insure or self-insure for the benefit of the Seller and the Purchaser the goods in its care, custody and

control, including free issue material supplied to the Seller for incorporation into, or work in conjunction with, the goods, or manufacturing aids which are or become the property of the Purchaser until the same are delivered to Purchaser in accordance with the provisions of the Contract.

7. Manufacturing Aids

All manufacturing aids including designs, drawings, models, samples, tools, measuring and testing equipment, delivery and testing instructions, lent by the Purchaser to the Seller for the execution of the Contract, shall remain the property of the Purchaser. The manufacturing aids made by the Seller for the execution of the Contract at the Purchaser's expense shall become the property of the Purchaser from the time of manufacture. They shall be kept for the Purchaser by the Seller until delivery. The above-mentioned manufacturing aids and the objects manufactured therewith shall not be used for other purposes, duplicated or passed on to third parties. They shall be secured against unauthorized inspection and use. They shall be returned to the Purchaser by the Seller without demand when they are no longer required.

8. Non-waiver

No failure or delay by the Purchaser in exercising any right or remedy shall operate as a waiver thereof nor shall any single or partial exercise or waiver of any right or remedy preclude its further exercise or the exercise of any other right or remedy.

9. Warranty

9.1 Without prejudice to any conditions or warranties as to the goods supplied which may be implied by law or by custom or usage, which implied conditions or warranties will at all times remain applicable in full force and effect, the goods supplied shall comply with all laws, regulations and rules of any relevant public and/or government authorities and trading associations relating to technical safety, health and safety at work and environmental protection.

9.2 The warranty period shall be one year following delivery. The warranty period for spare parts and goods for resale especially designated as such in the Contract shall be one year following their commissioning or delivery to the third party customer and shall come to an end at the latest upon the expiry of eighteen months following delivery to the Purchaser.

9.3 The Seller shall repair defects in the delivered goods which have been notified by the Purchaser during the warranty period (including the failure of the goods to comply to warranted properties) promptly upon request and at the Seller's own cost, including additional expenses. In the event of such repair being impossible or of it being unreasonable to expect the Purchaser to accept required components, the Seller shall at its own cost replace the defective components by components which are free from any defect.

9.4 The Seller warrants, represents and covenants that the manufacture, sale distribution and use of the goods do not infringe directly or indirectly any valid patent, copyright, trade secret, trademark, trade name, or other intellectual property right, and the Seller agrees to release, defend, protect, indemnify and hold the Purchaser harmless from and against any and all costs (including attorney fees and court costs), expenses, fines, penalties, losses, damages, and liabilities arising out of any alleged or actual patent, copyright, trade secret, trademark, trade name, or other intellectual property right infringement or other claim, demand or action resulting from the manufacture, sale, distribution or use of the goods.

9.5 In urgent cases or in the event of the Seller being in default of its obligations of repairing defects, the Purchaser shall be entitled to take the necessary steps itself, but at the Seller's cost and without prejudice to the Seller's warranty obligations.

9.6 In the event of such remedy not being possible or being unreasonable, the Purchaser's right to cancel the Contract or to require a reduction in the purchase price shall remain unaffected.

10. Drawings and other Documents, Tools

10.1 All information and/or material provided by the Purchaser to the Seller in connection with or arising out of the Contract shall be treated as confidential and shall not be divulged to any other party without the prior written consent of the Purchaser. Any explanatory documents, devices, tools, models etc, which have been made available to the Seller shall remain the property of the Purchaser and shall for the duration of the Contract be securely stored by the Seller on behalf of the Purchaser. Such materials may only be used and made available to third parties as agreed in the Contract.

10.2 Tools and other manufacturing equipment paid for by the Purchaser shall not be scrapped nor be made available to third parties (in particular for production purposes) by the Seller without the written consent of the Purchaser.

10.3 The Purchaser reserves and retains all its intellectual property rights in the drawings and in goods produced according to its instructions as well as in any processes developed by it.

11. Delivery and Shipping Instructions

The stipulated delivery and shipping instructions must be observed.

12. Payment

12.1 The Purchaser shall render payment either within 14 days following delivery and receipt of invoice in which case the Purchaser shall be allowed a cash discount of 3%, or by the end of the month following the month of delivery and receipt of invoice (whichever is the later).

12.2 If the Purchaser renders payment by means of bills of exchange it shall pay an appropriate discount rate.

12.3 The Purchaser shall not be deemed to have accepted the accounts presented to it merely by virtue of its rendering payment.

12.4 The Seller shall be entitled to assign its rights arising out of the Contract to third parties with the written consent of the Purchaser.

12.5 The Purchaser shall be entitled to set off against the price any sums owed to the Purchaser by the Seller.

12.6 The Purchaser may withhold from payments to be made to the Seller amounts legally required to be withheld from such payments and remitted to the taxing authority of any jurisdiction relevant to the transaction.

13. Governing Law

The Contract and all questions concerning its construction, performance, validity and interpretation shall be governed by the laws of Singapore. The United Nations Convention on Contracts for the International Sale of Goods shall not apply.

14. Place of Performance, Partial Invalidity, Place of Jurisdiction

14.1 The place of performance for payment shall be the place where the Purchaser's registered office is situated.

14.2 Each of the provisions of the contract is severable and distinct from the others so that if any provisions of the contract are held to be invalid, void, illegal or unenforceable under any applicable law or by any order of any court of competent jurisdiction, the remaining provisions shall not be impaired or affected by such illegality or invalidity or unenforceability and shall continue to bind Purchaser and Seller.

14.3 The place of jurisdiction shall be Singapore. The Purchaser may, however at the Purchaser's option also sue the Seller in the Seller's own jurisdiction.

15. General Conditions

15.1 No person who is not a party to the Contract (including any employee officer agent representative or sub-contractor of either party) shall have any right under the Contracts (Rights of Third Parties) Act (Cap. 53B) to enforce any terms of the Contract which expressly or by implication confers a benefit on that person without the express prior agreement in writing of the parties.

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