

TERMS AND CONDITIONS

1) THE PURCHASE

The Buyer desires to purchase and the Seller agrees to sell the materials and /or equipment set out in this Purchase Order subject to the terms and conditions herein.

2) MATERIALS AND/OR EQUIPMENT

2.1 Where any part of the materials and /or equipment purchased under this Order is specifically manufactured for the Buyer whether of the design of the Seller, Buyer or a third party, such part or product cannot be sold by the Seller to any third party without the Buyer's written consent.

2.2 All materials, tools, dies, fixtures, drawings, specifications and other property, method or process, owned or paid for or agreed to be paid for by the Buyer, whether directly noted on the face of this Order or included by the Seller in the unit price of the finished part or product, shall be the property of the Buyer subject to removal at any time without cost or expense to the Buyer; all such to be identified and marked as the Buyer's property, used only for the Buyer's Order, treated as confidential material and covered by adequate liability, damage and fire insurance for the fair and reasonable value. The Seller shall assume full liability, maintain, and repair the same and return or turn over the same to the Buyer in good condition, reasonable wear and tear excepted, upon the completion, cancellation or termination of this Order, but the Buyer shall have the right to require delivery of all tooling prior to final payment of the purchase price. The Seller shall provide the Buyer with inventories there as the Buyer may request.

3) TECHNICAL DATA

The Seller shall, at its own expense, furnish to the Buyer, such engineering drawings, handbooks, operation and service manuals and other technical data as the Buyer shall reasonably request with respect to the items purchased hereunder.

4) NO CHANGES OR MODIFICATIONS

Except for blanket order contracts, this Purchase Order contains the entire agreement between the parties hereto, and there are no other terms, conditions, or understandings, written or oral, than those contained herein. For blanket order contracts, the blanket order contract between the Buyer and the Seller and each subsequent Purchase Order requisitioning the specific amount to be purchased shall form the entire agreement between the parties hereto, and there are no other terms conditions or undertakings, written or oral other than those contained in the Blanket Order Contract or in this Purchase Order. In the event of conflict between the terms contained in the Blanket Order Contract and the terms in this Purchase Order, the terms in the Blanket Order Contract shall prevail. No changes or modifications in quantity, price specifications, or terms and conditions will be permitted without specific authorization in writing from the Buyer supported by the Buyer's issuance of a new revised purchase order, and no changes or modifications shall be effected by the Buyer's acknowledgement or acceptance of order which may have been accompanied by the Seller's forms containing terms or conditions at variance with or in addition to this Purchase Order.

5) DEFINITION OF WINDOW FOR CANCELLATION AND RESCHEDULING

Where applicable, components may have an agreed window for cancellation or rescheduling. The number of weeks refers to the period counting backwards from the delivery date, during which cancellation is not allowed. NIE reserves the right to cancel the purchase order if the cancellation is initiated before the period of non-cancellation is reached. The number of weeks stated refers to the period counting backwards from the delivery date, during which rescheduling of shipment is not allowed. NIE reserves the right to reschedule the purchase order if the reschedule is initiated before the period of non-rescheduling is reached.

6) QUALITY, QUANTITY & SPECIFICATIONS

Materials and /or equipment delivered must not be in excess or short of the quantity ordered, must be of the required quality and must fully meet the Buyer's specifications. Otherwise they will be returned at the Seller's expense and the Seller shall refund to the Buyer the purchase price and all freight and other costs incurred by the Buyer in connection with the purchase, transportation and delivery.



7) PACKING, LABELLING, SHIPPING

- 7.1 All materials shall be suitably packed, labeled, marked and shipped in accordance with the requirements of common carriers and in a manner which will:
- (a) secure lowest transportation costs;
 - (b) assure arrival in a safe and undamaged condition;
 - (c) permit efficient continuing storage under normal conditions; and
 - (d) comply with any notice of the Buyer's special storage requirement; and no additional charge shall be made to the Buyer therefore or for drayage unless otherwise stated herein or agreed to in writing as specified under clause 8
- 7.2 The Seller shall send a notice of shipment to the Buyer at the time the materials and /or equipment are shipped which will state the Purchase Order number, the kind of materials and /or equipment, the Seller's name and the route by which the shipment will be made. The Seller's bills of lading will contain materials and /or equipment descriptions, which will incur the lowest lawful freight charges, and the Seller shall reimburse the Buyer for any penalty or additional changes due to the use of improper descriptions.
- 7.3 Each package / container shall be marked to show purchase order, department, and plant numbers; and each shipment shall be accompanied by an itemized packing list, in the absence of which the Buyer's count shall be accepted as conclusive.
- 7.4 The Buyer reserves the right to cancel the Order for any materials and / or equipment purchased for export if a necessary export permit cannot be obtained or if the materials and / or equipment cannot be delivered owing to other circumstances or events beyond the Buyer's control. In such event, the Buyer shall have no responsibility for the Seller's losses as a result of such cancellation.

8) DANGEROUS GOODS

The Seller shall be responsible for identifying any materials and / or equipment, which are by law, classified as dangerous goods and shall ensure adequate safety measures for safe handling, packing, and transportation of such materials and / or equipment. The Seller shall comply with any laws, rules, regulations, orders, conventions whether inside or outside the country of Origin of the materials and /or equipment to be supplied which will be applicable for the safe handling, transportation, labeling and marking of such materials and / or equipment. The Seller shall indemnify the Buyer for any fine, penalty, cost, expense, damages, loss, injury to or death of persons; or damage to property of the Buyer or third parties, any claims, suits or proceedings that may be brought against the Buyer arising out of the noncompliance hereunder.

9) DELIVERY

- 9.1 Materials and / or equipment ordered shall be delivered to the Buyer on the date required. If these materials and / or equipment are not delivered within such time, the Buyer reserves the right to cancel the Order in respect of such items at no cost to the Buyer unless otherwise stated on the face of the PO.
- 9.2 If the Seller fails to deliver the materials and / or equipment or any part of the quantity or quality specified within the time and under the specified conditions, the Buyer may at its option cancel this Order and decline to accept and pay for any materials shipped or unshipped. Upon the exercise of such option, the Buyer may buy the materials and / or equipment from other suppliers and the Seller shall pay the Buyer for any loss and additional expenses incurred by the Buyer.
- 9.3 So long as the Seller effects delivery on the date(s) specified, shipment may be made by express or by freight as may be necessary to meet such delivery dates but if shipment by express is necessary to meet such dates, the Seller shall assume and pay the difference between the cost of shipment by freight and the cost by express. Delivery shall not be deemed complete until the materials and / or equipment have been actually received and accepted by the Buyer.

10) PRICES

- 10.1 Unless otherwise stated on the face of this Order for purchases made FOB, CIF, C & F, in accordance with current Incoterms published by the international Chamber of Commerce, subject to any amendments contained herein, prices shall include
- (a) delivery to the Buyer's premises as set out in this Purchase Order or to any other location designated by the Buyer: and
 - (b) handling, transportation and packing for delivery to any location designated by the Buyer.
- 10.2 If the Buyer requests special handling, transportation or packing services resulting in additional cost for the Seller, such charges shall have the prior approval of the Buyer in writing as specified in Clause 4



11) PAYMENT

Unless otherwise stated on the face of this Order for purchases made FOB, CIF, C & F in accordance with current Incoterms published by the international Chamber of Commerce, subject to any amendments contained herein.

11.1 An invoice in triplicate supported by shipping documents or signed delivery order shall be submitted to the Buyer for all items supplied under this Purchase Order.

11.2 Charges for transportation, handling, boxing, insurance and freight approved by the Buyer shall be substantiated by third party invoices, bill of lading or airway bill.

11.3 Separate invoices shall be required for each shipment.

12) TITLE

Unless otherwise stated on the face of this Order for purchases made FOB, CIF, C & F in accordance with current Incoterms published by the International Chamber of Commerce, subject to any amendments contained herein, title to and risk of loss to materials and / or equipment supplied shall pass to the Buyer when the materials and / or equipment have been received and accepted by the Buyer.

13) WARRANTIES

13.1 The Seller expressly warrants that all materials and / or equipment under this Order shall conform to the specifications, drawings, samples or other description furnished or specified by the Buyer, and shall be merchantable of good material and workmanship and free from defects, and that all materials and / or equipment covered by this Order which is the product of the Seller or which is in accordance with the Seller's specifications shall be fit and sufficient for the purpose intended. The Seller further agrees that this warranty shall survive acceptance inspection and payment for the materials and / or equipment, that it will run to the Buyer, its successors, assigns, customers and users of its products, and also agrees to save the Buyer harmless from any loss, damage expense whatsoever, including attorney's fees, that may be suffered as a result of any breach of such warranty. The aforesaid express warranties shall be in addition to any warranties expressed or implied in law and / or any standard warranty or guarantee of the Seller.

13.2 The Seller warrants that the materials and / or equipment are free and clear of all liens and encumbrances whatsoever and that the Seller has a good and marketable title to the same. The Seller agrees to hold the Buyer free and harmless against any all claimants to the said materials and / or equipment.

13.3 The Seller warrants that none of the materials and / or equipment covered by this Order nor their purchase, use, consumption or resale, infringes upon any patent, trademark or copyright and that the Seller shall, at its own expense, hold the Buyer harmless from and defend it against any claim, demand, damages or liability asserted against the Buyer on account of any claimed infringement, together with all costs, including attorney's fees in connection therewith.

14) TIME OF ESSENCE

Time shall be of the essence of this Order and the Buyer reserves the right to cancel this order in whole or in part if deliveries are not made on the date specified.



- 15) **RIGHT OF INSPECTION AND REJECTION**
All materials and / or equipment shall be received subject to the Buyer's right of inspection and rejection, and Buyer may return rejected merchandise or hold such merchandise at the Seller's risk and expense and may in either event charge Seller with cost of transportation, shipping, unpacking, examining, repacking, reshipping, insuring or other like expenses. The Buyer reserves the right, in addition to all others allowed by law, to reject merchandise shipped contrary to instructions, than recognized standard containers and if inspection discloses that part of the materials and / or equipment received is not in accordance with the Buyer's specification, the Buyer shall have the right to cancel any unshipped portion of the Order. By accepting this order, the seller agrees to respond in a timely manner to and all requests for corrective action. And RFCA's resulting from rejection of seller's material. This response must show the specific actions taken by seller to prevent.
- 16) **CONSTRUCTION**
If the Buyer does not object to a failure by the Seller to comply with the terms of this Order, this will not affect its right to object to subsequent failures, Likewise, if the Buyer does not exercise a right or remedy it has herein, this will not affect its right to exercise such right or remedy subsequently.
- 17) **RIGHT OF DEDUCTION**
Payments to the Seller under this Order shall be subject to deductions of any valid claims of Buyer against Seller arising from this or any other transaction.
- 18) **FORCE MAJEURE**
In the event of fire, flood, strikes, lockouts, accidents, war, or any other cause beyond the Buyer's control interfering with the use, conversion or reshipment by the Buyer of the materials and / or equipment ordered, the Seller agrees to suspend delivery upon receipt of instructions to such effect from the Buyer, and no liability or claim shall result to the Buyer from such suspension.
- 19) **COMPLIANCE WITH LAW**
The Seller shall comply with all laws, rules and regulations for the time being in force which are applicable whether inside or outside the country of origin of the materials and / or equipment supplied, and shall indemnify the Buyer from any liability or penalty which may be imposed on the Buyer by reason of any alleged or actual violation of any law by the Seller.
- 20) **ASSIGNMENT**
The Buyer may, upon written notice to the Seller but without its consent, assign this Agreement or any part thereof and any duties and / or rights hereunder to any corporation related to it as defined under Section 6 of the Companies Act (Cap.50). Otherwise, this Agreement shall not be assigned in whole or in part by either party without the consent of the other.
- 21) **APPLICABLE LAW**
This Purchase Order shall be governed and construed according to the laws of the Republic of Singapore and the parties shall submit to the jurisdiction of Singapore.

- 22) COC
- All the Shipments from the Sellers must accompany by COC.
The mandatory information is this COC are
 - (i) Manufacturer Part Number / Revision #
 - (ii) Purchase Order Number
 - (iii) Customer Part Number
 - (iv) Quantity
 - (v) Lot code, serial number range or date code
 - (vi) Statement of Compliance with Signature
 - (vii) Country of Origin
 - (viii) The above information must come under Company Letterhead
 - (ix) A statement of I-STD002/STD003 category 3 is required to declare in COC with every shipment made
 - (x) Manufacturer Name (If applicable)
 - (xi) For Military or Industrial specification, the certification shall identify the certified specification.
- 23) All the standard off the shelf product's document must keep for 7 years. The related documents are Purchase order, COC & Records of test, inspections and any other quality control activities and corrective action taken.
- 24) All components part must supply as per supplier item No/Description indicated in Purchase Order. ROHS or NON ROHS parts need to notify buyer if unable to supply as per notification in Purchase order.
- 25) PACKAGING REQUIREMENT
Parts supplied against this purchase are ESD sensitive and shall be packaged in accordance with the industry's established practices or packaged using manufacturer's standard packaging for parts which the manufacturer considers to be ESD sensitive packages shall be suitably labeled to caution the buyer of the sensitivity of the shipment.
- 26) FIRST ARTICLE INSPECTION REPORT
All parts supplied which need FAIR must follow Honeywell's spoc 124.
- 27) PARTS OBSOLESCENCE
The supplier shall notify buyer when made aware of a material obsolescence at least six months prior to the last date (cutoff) that an order from buyer.