



STANDARD TERMS AND CONDITIONS OF PURCHASE

The following Standard Terms and Conditions of Purchase (“Terms”) only apply to transactions that do not have a written agreement, duly executed by both parties. If there is such an agreement, then those terms shall be the terms that govern the transaction and relationship of the parties.

In the absence of such a written agreement, duly executed by both parties, then these Terms provide you (“Seller”) with the guidelines and legal stipulations of your purchase order (“Order”) with Yeo Hiap Seng Limited and its group of companies (“YHS”) for the goods and/or services that are described on the face of the Order.

1. REVOCATION AND EFFECT OF ORDER. This Order may be revoked at any time prior to YHS’ receipt of written acceptance by Seller. This Order expressly limits acceptance to the terms of this Order and YHS hereby objects to any different or additional terms contained in any response to this Order. To the extent that this Order might be treated as an acceptance of Seller’s prior offer, such acceptance is expressly made on condition of assent by Seller to the terms hereof, and the shipment of the products covered by this Order (“Goods”) or work performed by Seller (“Services”) shall constitute such assent. The terms of this Order are the sole and exclusive terms on which YHS agrees to be bound.

2. DELIVERY. Time is of the essence in this Order. Delivery of the Goods and performance of any Services shall be made pursuant to the schedule, via the carrier, and to the place specified on the face hereof unless changed by written instructions from YHS prior to shipment or performance. Seller shall promptly inform YHS of any anticipated delay in shipment or performance. YHS reserves the right to return, shipping charges collect, all Goods received more than three (3) business days in advance of the specified delivery date or after the specified delivery date. If this Order calls for delivery in installments and Seller fails to deliver an installment on the designated delivery date, YHS may decline to accept subsequent installments and terminate the balance of this Order.

3. SHIPPING INSTRUCTIONS. Unless otherwise specified on the face hereof, all Goods shall be packaged by Seller in suitable containers to permit safe transportation and handling. Each delivered container must be labeled and marked to identify contents without opening, and all boxes and packages must contain packing sheets listing contents. YHS’ purchase order number, as well as YHS’ part number(s), must appear on all shipping containers, packing sheets, delivery tickets, and bills of lading.

4. TITLE AND RISK OF LOSS. Unless otherwise specified on this Order, Goods shall be delivered DDP YHS’ designated on the face hereof (Incoterms 2010), at which time title and risk of loss in the Goods shall pass to YHS. If any of the ordered Goods are destroyed or materially damaged prior to the time risk of loss passes to YHS, YHS may cancel this Order as to the destroyed or materially damaged Goods or require the prompt delivery of substitute Goods of equal quantity and quality.

5. PRICE AND PAYMENT. The price to be paid by YHS for the Goods shall be that stated on the face of the Order. If no price is set forth on the face of the Order, the Goods or Services will be billed at the price last quoted or at the prevailing market price, whichever is lower, and, in any event, Goods and Services ordered under this Order will not be billed at a higher price than last quoted or charged without YHS’ specific written authorization. Payment terms shall be net ninety (90) days from YHS’ receipt of Goods or, if applicable, acceptance of Services unless otherwise specified on the face hereof. Seller invoices must list only one YHS item number and one YHS purchase order number. Unless otherwise specified on the face hereof, the price of the Goods includes all shipping charges, taxes, GST, duties and packaging. Personal property taxes assessable upon the Goods prior to the receipt by YHS shall be borne by Seller.

6. INSPECTION. YHS shall have thirty (30) days from the date of receipt of the Goods for inspection and acceptance testing. Any Goods not rejected during that initial 30-day period shall be deemed accepted.

7. WARRANTIES. Seller warrants to YHS and its customers that it shall perform all Services hereunder in a competent and professional manner in accordance with the terms of this Order, industry accepted standards and all applicable laws and that the Goods shall be free of liens, new and unused, perform in accordance with all applicable specifications, including Seller’s published specifications, and be free from defects in materials, workmanship and design for a period of two (2) years from YHS’ receipt of such Goods. Seller further warrants it has the capability, experience, registrations, licenses, permits, and governmental approvals required to sell the Goods and perform the Services. Seller will perform the Services in a timely, efficient, professional and workmanlike manner in accordance with the applicable Order and to YHS’ satisfaction. Services include all incidental services and tasks necessary to perform the Order and provide acceptable Services. All Services shall be deemed “works made for hire”. To the extent any of the Services are not deemed “works made for hire” by operation of law, Seller hereby irrevocably assigns, transfers and conveys to YHS without further consideration all of its right, title and interest in such Services, including any related or accompanying documentation and any software or other goods necessary for the provisions of the Services, and all rights of patent, copyright, trade secret or other proprietary rights in such materials. Seller acknowledges that YHS shall have the right to obtain and hold in their own name the intellectual property rights in and to such Services. Without limiting YHS’ right to pursue any applicable remedies, Goods not meeting this warranty may in particular be returned to Seller for credit or replacement at Seller’s expense, and at YHS’ option, and Services not meeting this warranty shall be re-performed or fees reimbursed, at YHS’ option.

8. ITEMS FURNISHED BY YHS. Unless otherwise specified by YHS in writing, all designs, tools, patterns, drawings, data, materials, and equipment supplied to Seller or paid for by YHS shall remain the property of YHS, shall be used only for making the Goods or performing the Services for YHS, shall be insured by Seller at replacement value, and shall be returned to YHS in good condition upon completion of this Order. Seller assumes all responsibility for the accuracy of tooling used in the production of the Goods or performance of Services, whether such tooling is fabricated by Seller or furnished by YHS.

9. INDEMNITY. Seller agrees to indemnify, defend and hold YHS and its customers harmless from and against any and all claims, actions, losses, expenses, damages, penalties, fines, liabilities and settlements arising from any actual, alleged or threatened third-party claims relating to

- any infringement, misappropriation or violation on the part of Seller’s Goods or Services of any third party’s patent, copyright, trade secret, mask work, trademark, trademark rights or any other intellectual property right,
- personal injury or property damage caused by the Goods or Services,
- defects in the Goods or Services which amount to a breach of Seller’s warranties in Section 7;
- breach of Section 15, or
- as a result of any negligent or reckless act or willful misconduct of the Seller.

10. CHANGES. YHS may, by purchase order amendment issued to Seller, change (a) the method of shipment or packing, (b) the drawings, designs, or specifications, (c) the place of delivery, or (d) the shipment date. Seller shall promptly inform YHS of any modifications to the delivery schedule necessitated by the changes. If any Goods are designated non-cancelable/non-returnable (“NCNR”), YHS may reschedule the delivery of any NCNR Goods at any time up to the time of shipment for a period of up to ninety (90) days beyond the delivery date, and YHS shall not have any liability for any costs associated with such rescheduling. Within three (3) days from receipt of a purchase order amendment, Seller shall notify YHS in writing of any increase or decrease in the cost of performance caused by a purchase order amendment and provide supporting documentation. YHS shall make an equitable adjustment in the Order to reflect valid cost variances due to the changes requested by YHS. Seller shall advise YHS in writing of any foreseeable part shortages, and shall advise YHS not less than one (1) year in advance of any changes that might affect Seller’s ability to accept YHS’ purchase orders.

11. TERMINATION AND REMEDIES. YHS may terminate this Order in whole or in part at any time by written notice to Seller, even Orders in which Goods are designated as NCNR. Seller will thereupon immediately (a) stop work on the cancelled Goods or Services; (b) notify its subcontractors to do likewise; (c) cancel orders for components for the cancelled Goods or Services; (d) return unneeded components for cancelled Goods to their suppliers or divert such components to jobs for other customers; and (e) otherwise mitigate all non-returnable, unneeded components for cancelled Goods or Services. Seller shall not be entitled to compensation for cancelled Goods. Except for termination due to default or delay of Seller, Seller shall be entitled to commercially reasonable compensation for NCNR Goods on hand at the termination date as follows: YHS will purchase (a) finished Goods at the Order price, (b) work-in-process Goods at a reasonable pro-rata percentage of the finished Goods Order price and (c) custom components for the cancelled Goods, which Seller properly ordered and was not able to cancel, return, or otherwise mitigate using diligent efforts within ninety (90) days after cancellation, at Seller’s cost for such custom components. The total compensation paid by YHS for such cancellation shall not exceed the price on the Order for the cancelled Goods. In the event that YHS breaches its obligations under this Order, and fails to cure within a commercially reasonable time after receiving written notice of such default, Seller’s only remedy shall be to receive direct damages for the Goods in question as if such Goods were cancelled, computed in the manner set forth in the fourth sentence of this Section. In no event shall Seller be entitled to indirect, incidental, consequential, special, or punitive damages or loss of profit, for YHS’ breach of the terms and conditions of this Order, or for any other act or omission occurring as a result of YHS’ breach of its performance obligations under this Order.

12. WAIVER. No claim or right arising out of the breach of this Order by Seller can be discharged by a waiver of the claim or right by YHS unless the waiver is supported by consideration and is in writing signed by YHS.

13. ASSIGNMENT. Seller shall not assign its rights or obligations under this Order without the advance written consent of YHS. YHS may assign its rights under this Order to a subsidiary or affiliate upon written notice to Seller.

14. CONFIDENTIALITY. Neither party shall, without first obtaining the other’s written permission, advertise, publish, or disclose the terms, details, pricing or specifications of this Order, the amount of revenue generated or to be generated from this Order, nor will either party communicate the fact that Seller has furnished or has contracted to furnish YHS with the Goods or Services. Both parties agree to maintain in confidence those materials and information either has designated as being confidential or proprietary information.

15. ANTI-CORRUPTION MEASURES: Seller warrants that in supplying any Goods and performing any work under this Order, Seller, its affiliates and agents have not and will not pay, offer or promise to pay, or authorize the payment, directly or indirectly, of any money or anything of value to any government official, government employee, political party or candidate for political office for the purpose of influencing any act or decision of such person or of the government to obtain or retain business, or direct business to any person or business. Seller further warrants it, its affiliates and its agents have not and will not pay, offer or promise to pay, or authorize the payment directly or indirectly, of any money or anything of value to any employee of YHS to obtain or retain business.

16. DISPUTE RESOLUTION. Any dispute arising out of or relating to this Order shall be referred to and finally resolved in accordance with the Rules of the Singapore International Arbitration Centre for the time being in force (“Rules”), which Rules are deemed to be incorporated by reference into this Section 16 except as such Rules conflict with the provisions of this Section 16, in which event the provisions of this Section 16 shall prevail. Any arbitration commenced pursuant to this Section 16 shall be conducted by one (1) arbitrator nominated jointly by the parties, or failing such joint nomination in accordance with the Rules. The language to be used and all written documents provided in such arbitration shall in all cases be English. The venue of arbitration shall be Singapore. This Section shall not preclude parties from seeking provisional remedies from a court of appropriate jurisdiction. The parties agree that any arbitration award made pursuant to any arbitration commenced pursuant to this Section may be enforced by the relevant party against the assets of the other party wherever those assets are located or may be found, and a judgement upon any such arbitration award may be entered into by any court of competent jurisdiction thereof and for this purpose, the parties expressly submit to the jurisdiction of any such court for purpose of enforcing such arbitration award. The United Nations Convention for the International Sale of Goods (1980) is hereby excluded and shall not apply. To the extent that a court of competent jurisdiction or arbitral panel reasonably determines that a local law must apply (notwithstanding the express choices of law described in this Section 16), the parties agree and acknowledge that the application of such local law shall be limited in scope and narrowly tailored to apply in a limited context, and that thereafter all disputes shall be otherwise governed by this Section 16 as well as by the express arbitration provisions set forth herein.

17. PERSONAL DATA PROTECTION. Each party shall respect the privacy of personal data disclosed to each other and is committed to protect the personal data of an individual according to applicable laws. The collection, use and disclosure of personal data is outlined in YHS’ Personal Data Protection Policy. For a copy of the Policy, please visit <http://www.yeos.com.sg/about-us/pdpa/>.

18. RIGHT OF THIRD PARTY. A person who is not a party to this Order shall have no rights under the Contracts (Rights of Third Parties) Act (Cap.53B) of Singapore (or its equivalent under applicable law) to enforce any of its Terms and notwithstanding any term hereof, the consent of any third party is not required for any variation (including any release or compromise of any liability) or termination of this Agreement.

19. INTERPRETATION. As a result of accepting YHS’ Order, Seller acknowledges that this Order, including the provisions on its face, contains the entire agreement between the parties concerning the purchase and sale of the Goods or provision of Services, or both, as applicable, unless the parties have otherwise negotiated and executed an overriding agreement, in which case the terms in such agreement shall take precedence. Except to the extent YHS has relied upon statements and writings of Seller and Seller’s agents in connection with this Order, there are no oral understandings, representations, or agreements relative to this Order which are not fully expressed herein. Seller warrants that Seller is familiar with and agrees to be bound by this Order and all supplier quality requirements, which may be found on the following website: http://www.yeos.com.sg/wp-content/uploads/2018/11/YHS_Procurement_Terms_and_Conditions.pdf. YHS requires high ethical standards from employees and supplier.