



## **Purchase Order-Terms & Conditions for Goods (for Indirect Procurement)**

Buyer OBJECTS in advance to the inclusion of any additional or different terms proposed by Seller in his acceptance or acknowledgment of this Purchase Order (the "Order"). Unless expressly agreed upon by Buyer in writing, the inclusion of such terms by the Seller will be of no significance, such terms will not be terms and conditions or additional terms to the Order, and Buyer's acceptance of Seller's goods shall not be deemed as acceptance of such terms and conditions. Unless otherwise stated on the face of the Order, the following terms and conditions shall apply.

### **1. DELIVERY**

All goods must be shipped at the most advantageous rates unless otherwise authorized in writing by the Buyer. Any extra expense in effecting delivery of goods not so shipped will be charged to the Seller.

Adequate scheduling of shipment of goods shall be made by Seller in that delivery dates included within the Order are essential to the Buyer. Seller shall not, however, make material commitments or production arrangements in advance of reasonable flow-time needed to meet Buyer's delivery schedule. No claims shall be allowed for such advance effort in case of change or termination. Shipments shall be strictly in accordance with Buyer's delivery schedule. Buyer reserves the right to return, at Seller's expense, all goods received in advance of delivery schedules or to hold the goods and pay Seller's invoices on normal maturity after the scheduled delivery date.

### **2. EXCUSABLE DELAYS**

Neither party shall be liable for damages resulting from delays arising out of any causes beyond its reasonable control and without its fault or negligence, including acts of God, orders or acts of the Government, fires, floods, typhoon, terrorism, strikes or other labor disturbances, riots, freight embargoes, revolutions, war (declared or undeclared), sabotage, or unusually severe weather, nor shall such delay affect the remainder of this Order. Seller shall notify Buyer in writing within ten (10) days after the occurrence of any cause for delay and provide adequate assurances to Buyer that the delay will not exceed thirty (30) days and shall exert best efforts to remove the cause or circumstance which result in the subject failure or delay in performance, in the absence of which Seller waives his right for an excuse for such delay.

### **3. PACKING AND SHIPPING**

An itemized list of contents must be placed in each package bearing this Order Number. Seller shall ensure that goods under an Order are shipped adequately protected to the final destination and are adequately labeled and/or contain appropriate instructions for the safe and proper handling of the goods shipped. No charge will be allowed by Buyer for cartage or packing unless agreed upon before hand in writing. All expenses incurred by Seller's failure to furnish necessary shipping documents shall be charged to Seller.

### **4. INVOICING**

Seller shall properly prepare and deliver accurate invoice of goods under an Order purchased hereunder in a form reasonably satisfactory to Buyer. Packing lists in DUPLICATE and itemized invoices, each bearing the Order Number must be mailed before or on the day of shipment. BILL OF LADING OR EXPRESS RECEIPT MUST BE ATTACHED TO Seller's INVOICE. Order Number in the invoice must be shown immediately following Buyer's name.

Invoices subject to cash discount should be mailed on the day they are dated. If they are not, discount period will begin on the day when the bills are received by Buyer's Purchasing



Department. Failure to attach Bill of Lading or Express Receipt to Seller's invoice will delay payment and discount period will begin when the documents are well received by Buyer.

Seller shall provide Buyer with valid tax invoice pursuant to relevant applicable laws. If Buyer is not able to claim tax credit and/or benefits, incurs any costs or suffers any loss due to Seller's failure to provide such tax invoice, Seller shall compensate Buyer for such costs and/or loss, and Buyer shall have the right to deduct/set off such costs and/or loss from any payment Buyer owes to Seller, and/or recover such costs and/or loss as debt due from Seller, and/or withhold the payment to Seller until such valid tax invoice is received by Buyer.

## **5. INSPECTIONS AND TESTING**

Buyer shall have the right to expedite, inspect and test any of the goods or work covered by this Order prior to shipment. All goods are also subject to Buyer's inspection and approval on arrival. If rejected, they will be held for disposal at Seller's risk. Such inspection, or the waiver thereof, however, shall neither relieve the Seller from full responsibility for furnishing goods and work conforming to the requirements of the Order, nor prejudice any claim, right or privilege that the Buyer may have because of the use of defective or unsatisfactory goods or work.

## **6. WARRANTY**

All goods furnished by Seller and any services or installation relating thereto pursuant to this Order shall be warranted to be of the best quality of their respective kinds and to be free of defects in design, workmanship, or material and when known to Seller suitable for their intended purposes. In the event of breach, the Seller shall take all necessary action, at Seller's expense, to correct such breach in the most expeditious manner possible. Should the Seller fail to correct any such breach in a timely manner, the Buyer may proceed, at Seller's expense, to perform the necessary corrective work. This warranty shall also inure to the benefit of Buyer's customer or user of the goods.

## **7. ASSIGNMENT AND SUBCONTRACTING**

Seller shall not assign or subcontract any portion of the Order without the prior written approval of the Buyer.

## **8. CHANGES**

Buyer may at any time make changes in shipping and packing instructions, quantities, drawings, designs, specifications, place of delivery and/or delivery schedules, for which an appropriate adjustment to the Order shall be made.

## **9. TERMINATION FOR DEFAULT**

Buyer may terminate all or any part of the Order by giving notice of default to Seller, if Seller: (a) refuses or fails to deliver the goods within the time specified; (b) fails to comply with any of the provisions of the Order or so fails to make progress as to endanger performances hereunder; (c) becomes insolvent or subject to proceedings under any law relating to bankruptcy, insolvency or the relief of debtors; or (d) Seller hereto has infringed, in the opinion of competent counsel of Buyer, upon Buyer's intellectual property rights.

In the event of a termination for default, Buyer's liability shall be limited to the payment for goods delivered and accepted by Buyer under the Order.

## **10. TERMINATION FOR CONVENIENCE**



Buyer may terminate the Order at any time for its convenience, in whole or in part, in which event, Buyer's sole obligations shall be to reimburse Seller for (a) those goods actually shipped and accepted by Buyer up to the date of termination, and (b) costs incurred by Seller for unfinished goods, which are specifically manufactured for Buyer and which are not standard products of the Seller, as of the date of termination. In no event shall Buyer be responsible for loss of anticipated profit or indirect loss nor shall reimbursement exceed the Order value.

## **11. STOP WORK ORDER**

Buyer may at any time by written notice to the Seller stop all or any part of the work called for by the Order. Upon receipt of such notice, the Seller shall take all reasonable steps to minimize the incurrence of costs during the period of work stoppage. Buyer may subsequently either cancel the stop work Order resulting in an equitable adjustment in the delivery schedule and/or the price, or terminate the work in accordance with the provisions of the Order.

## **12. PATENTS**

Seller agrees to indemnify and save harmless the Buyer, its officers, employees, agents, representatives or any of its customers buying or using the goods specified herein from any loss, damage or injury arising out of or in connection with a claim or suit at law or equity for actual or alleged infringement of letters patent, by reason of the buying, selling or using the goods supplied under the Order, and will assume the defense of any and all suits and will pay all costs and expenses incidental thereto.

## **13. CONFIDENTIAL INFORMATION**

Seller agrees not to make any use of data, designs, drawings, specifications and other information furnished to it by the Buyer, except for the performance of the Order and Seller further agrees not to disclose such data, designs, drawing, specifications and other information to others except for the performance of its obligations under the Order. Upon completion or termination of the Order, Seller shall immediately return to Buyer without any need for on demand, all such data, designs, drawings, specifications and other information, including copies made by Seller.

The Order is confidential between Buyer and the Seller, and it is agreed by the Seller that none of the details connected herewith shall be published or disclosed to any third party without the Buyer's written permission.

## **14. RISK OF LOSS**

Seller assumes the following risks: (a) all risks of loss or damage to all goods, work in process, materials and other things until the delivery thereof as herein provided; (b) all risks of loss or damage to third persons and their property until the delivery of all the goods as herein provided; (c) all risks of loss or damage to any property received by Seller from or held by Seller or its supplier for the account of Buyer, until such property has been delivered to Buyer or its customer as the case may be, and (d) all risks of loss or damage to any of the goods or part thereof rejected by Buyer, from the time of shipment thereof to Seller until redelivery thereof to Buyer.

Any patterns, dies, molds, jigs and fixtures furnished to Seller by Buyer, or specifically paid for by Buyer, shall be the property of Buyer and subject to removal by Buyer upon completion of the Order, and shall be used only in filling Buyer's orders and held by Seller at its sole risk.

## **15. INSURANCE AND INDEMNIFICATION**

Seller agrees to indemnify and save harmless the Buyer, its officers, agents and employees from and against any and all claims and liabilities (including expenses) for injury or death of



persons or damage to any property which may result, in whole or in part, from any act or omission on the part of the Seller, its agents, employees or representatives, or arising from any Seller furnished goods or services, except to the extent that such damage is due solely and directly to the negligence of the Buyer.

Seller shall carry comprehensive general liability insurance, including contractual and product liability coverage, with minimum limits acceptable to the Buyer. Seller shall, at the request of the Buyer, supply certificates evidencing such coverage.

## **16. LAWS AND REGULATIONS**

This Terms and Conditions for Services shall be governed by the laws of the country (and state or province, if applicable) where the Buyer is incorporated and registered in all aspects, excluding the provisions of the United Nations Convention on Contracts for the International Sale of Goods and any choice of law provisions that require application of any other law.

Any legal or equitable action or proceedings by Buyer against Seller arising out of, or in connection with, any contract may be brought by Buyer in any court(s) having jurisdiction over Seller or, at Buyer's option, in any court(s) having jurisdiction over Buyer, in which event Seller consents to such jurisdiction and venue, including service of process in accordance with applicable procedures; and any legal or equitable actions or proceedings by Seller against Buyer arising out of, or in connection with, such contract may be brought by Seller only in the court(s) having jurisdiction over the Buyer.

During the period when the dispute is being resolved, except for the matters being disputed, the Parties shall in all other respects continue to perform their obligations hereunder.

## **17. CONFLICT**

If there is any conflict between the provisions of the Order and any other terms relates to the contemplated transaction herein, the Order shall prevail, unless the parties agree otherwise.

## **18. ANTI-BRIBERY**

(1) Seller acknowledges and agrees that:

(i) it shall not violate applicable laws and regulations in performing its duties under the Order;

(ii) it does not and shall not engage in any conduct that shall violate any applicable anti-bribery or anti-corruption laws or regulations of the countries where Seller and Buyer are incorporated or elsewhere;

(iii) it (and its owners, officers, directors, employees and agents) shall not pay, offer, promise or authorise the payment of, either directly or indirectly, anything of value (including but not limited to cash or cash equivalents (such as stocks, gift cards, debit cards, travelers' cheques), gifts, entertainment, charitable donations or sponsorships, political donations or sponsorships, products, services, discounts, meals, travel, entertainment, favors, loans, loan guarantees, the use of property or equipment, job offers, transportation, and the payment of expenses or debts) to

(a) any government official or employee of any government;

(b) any official or employee of any department, agency, or instrumentality of a government;



(c) any employee of any corporation or entity owned or controlled by a government;

(d) any family member of such officials or employees;

(e) any political party, party official, or political candidate; or

(f) any other persons, owners, officers, directors, employees and agents of any corporation or entity; to improperly or illegally assist in obtaining or retaining business (including but not limited to any contracts, avoidance of duties or reduction of tariffs, reduction of taxes or to obtain money owed, or to obtain regulatory approval) or for the purpose of causing, soliciting or inducing the sale and purchase of Buyer's products or services by any party;

(iv) it has full knowledge of and will comply with Buyer's Code of Conduct for Business Partners as set forth in Appendix 1 attached hereto; and

(2) Seller shall indemnify and hold Buyer harmless from any claim, demand, expense or cost arising from any breach of this anti-corruption provision.

(3) Seller shall permit Buyer to conduct an audit or review of Seller's financial books and records and business operations related to Seller's business with Buyer at such other times that Buyer considers it necessary to confirm compliance with this anti-corruption provision. Such audit may be conducted by representatives of Buyer or, at the Buyer's sole discretion, by a certified public accounting firm selected by the Buyer. Seller shall cooperate with any inquiries from the Buyer's Ethics & Compliance Group.

(4) A violation of this anti-corruption provision constitutes a material breach of the Order and Buyer may terminate the Order immediately, with no opportunity to cure, in accordance with Article 9 of the Order.



## Appendix 1 Code of Conduct for Business Partners



Supplier\_IR  
Business\_Partners\_