

# YUNEX General Conditions of PURCHASE of Goods & Services (including Software)

## 1 Definitions

- 1.1 "Conditions" means these terms and conditions for the purchase of the Goods or Services which are incorporated into and form part of the Purchase Order.
- 1.2 "Contract" means the contract between the Seller and the Purchaser for the supply of the Goods or Services to the Purchaser.
- 1.3 "Delivery Date(s)" shall have the meaning as described in Clause 6.1.
- 1.4 "Goods" means the products, goods or items which are the subject of the Contract and which may comprise, include or relate to Software.
- 1.5 "Intellectual Property Rights" means patents, copyright, trademarks, trade secrets, service marks, registered designs, design rights or other intangible property rights
- 1.6 "Issued Material" includes but is not limited to samples, drawings, standard sheets, printing-copies, theories, models, profiles, tools, molds or other tooling, material, equipment, goods or articles or any property supplied or issued by the Purchaser to the Seller to be used in fulfilment of the Seller's obligations.
- 1.7 "Party" means the Seller or the Purchaser and "Parties" means both of them.
- 1.8 "Purchaser" means the Yunex Pte Ltd.
- 1.9 "Purchase Order" means the purchase order (in the Purchaser's prevailing standard form) and the documents (if any) incorporated by express reference on the face of the Purchase Order, together with these Conditions and the "Code of Conduct for Yunex Suppliers and Third Party Intermediaries".
- 1.10 "Related Corporation" has the meaning prescribed under Section 6 of the Companies Act (Chapter 50 of Singapore).
- 1.11 "Seller" means the person, firm or company referred to on the face of the Purchase Order with whom the Contract is made by the Purchaser.
- 1.12 "Seller Operations" means all assets, processes and systems (including information systems), data (including the Purchaser data), personnel, and sites, used or processed by Seller from time to time in the performance of this Contract.
- 1.13 "Services" means work or other services provided by the Seller which is the subject of the Contract and which may comprise, include or relate to Software.
- 1.14 "Software" means the software and firmware items which are comprised, included in or relate to the Goods or Services.
- 1.15 Any reference in the Contract to a statutory provision shall include that provision and any regulations made pursuant thereto which may from time to time be modified or re-enacted in accordance with the laws of Singapore. For the avoidance of doubt, such modifications or re-enactment of statutory provisions shall apply to the Contract prior to completion of the Contract, even if such changes in law only come into force after the execution of the Contract.
- 1.16 The headings in these Conditions are inserted for convenience only and shall be ignored in construing these Conditions. Unless the context otherwise requires, words (including words defined in the Contract) denoting the singular number only shall include the plural and vice versa. The words "written" and "in writing" include any means of visible reproduction. The words "or" and "and" shall include a reference to "and/or" where the context permits or requires.

## 2 Confirmation and Acceptance

- 2.1 The Purchase Order placed by the Purchaser shall only be considered accepted and a Contract concluded between the Parties if the Seller has confirmed acceptance of the Purchase Order in writing within 5 days of receipt of the Purchase Order. Without prejudice to Clause 4.1, the Seller will be deemed to have confirmed acceptance of the Purchase Order if the Seller commences the order or manufacture of the Goods, or commences delivery of the Services, as the case may be, even if it has not confirmed its acceptance of the Purchase Order in writing. For the avoidance of doubt, these Conditions shall apply to and are expressly incorporated into the Contract and no other terms and conditions stated by Seller, including without limitation, those contained in any sale order or quotation or invoice or any other document of Seller shall become part of the Contract and be binding upon the Purchaser, unless it is specifically incorporated by express reference on the face of the Purchase Order.

- 2.2 This Purchase Order may be modified or canceled by the Purchaser at any time prior to its receipt of written acceptance of the Purchase Order by the Seller.

## 3 Price and Payment

- 3.1 All prices shall be as stated in the Contract. The prices are fixed and include delivery and all other charges, which include, but is not limited to, the costs of transport, insurance and packing. The prices shall not be adjusted except as provided for in these Conditions.
- 3.2 The Seller represents and warrants that the price charged for the Goods or Services is the lowest price charged by the Seller to buyers of a class similar to the Purchaser purchasing in quantities and under circumstances comparable to those specified in the Purchase Order.
- 3.3 All prices do not include goods and services tax ("GST") chargeable under the Goods and Services Tax Act (Chapter 117A of Singapore) which shall be added by the Seller at the rate and in the manner from time to time prescribed by law. The Purchaser shall only be responsible for GST provided the Seller has submitted appropriate information or documentation to allow the Purchaser to recover such taxes as appropriate. The Purchaser shall have no other or further liability to the Seller with respect to any tax, duty, levy or like imposition for which the Seller may be liable as a result of the supply of the Goods or Services. If the Purchaser is required to withhold any tax or charge pursuant to any applicable law or regulation, the Purchaser shall be entitled to withhold and deduct such tax or charge from the price before payment to the Seller.
- 3.4 Upon complete delivery of the Goods or Services in accordance with Clause 6 and due acceptance by Purchaser in writing, the Seller shall send to the Purchaser a detailed invoice stating the reference number of the Purchase Order for the Goods or Services.
- 3.5 Unless otherwise specified in the Purchase Order, the payment term shall be ninety (90) days and shall commence from the time the Goods are delivered or Services are completed and the Seller's invoice is received by the Purchaser in accordance with Clause 3.4. Insofar as the Seller is required to provide material testing, test records or quality control documents or any other documentation, these requirements must be satisfied and are necessary preconditions for completing of delivery of the Goods or performance of the Services. The Purchaser shall be entitled to set off or withhold any payments for reasons of deficiency and the payment term shall commence after the complete rectification of any deficiency. Payment by the Purchaser shall not imply an acceptance by the Purchaser that the Goods or Services supplied is in accordance with the Contract.
- 3.6 The Purchaser shall be entitled to set off against the price any other sums owed to the Purchaser by the Seller.

## 4 Purchase Orders and Variations

- 4.1 Without prejudice to Clause 16.1, the Purchaser may cancel the Purchase Order if the Seller has not confirmed acceptance of the Purchase Order in writing within 5 days of receipt of the Purchase Order.
- 4.2 If the Seller's confirmation varies from the Purchase Order, the Purchaser shall be bound thereby only if it agrees to such variation in writing. For the avoidance of doubt, neither the acceptance of delivery of the Goods or Services nor payments made shall constitute approval or agreement of any such variation.
- 4.3 Any variations to the Purchase Order shall only be effective if the Purchaser confirms such variations in writing.
- 4.4 If, at any time during the course of the Contract, the Purchaser wishes to vary the Goods or Services ordered, it shall notify the Seller. Upon receipt of such notification, the Seller shall within 14 days provide a written statement of the amount of the following by which such variation would increase or decrease:

- (i) the dates, timescales or milestones; and
- (ii) the charges,

which have been agreed in the Contract, and such other information as the Purchaser may reasonably require.

- 4.5 The implementation of any variation to the Goods or Services shall be subject to the prior written agreement of the Parties and the issuance of a revised Purchase Order or an addendum to the Purchase Order (as the case may be). The Seller shall not undertake any such variations unless specifically instructed to do so by

the Purchaser.

- 4.6 If any change directly affects the prices or delivery schedules of the Goods or Services, an equitable adjustment may be made provided that such equitable adjustment is documented in writing and signed by the authorised representative of each Party. If, after reasonable and good-faith efforts, the Parties are unable to agree upon the amount of the adjustment, the Purchaser may terminate, without any charge or liability, the Contract as to all the Goods or Services affected.
- 4.7 The Seller shall not, without the prior written consent of the Purchaser, make any process or design changes affecting the Goods or Services.

## 5 Export Control and Foreign Trade Data Regulations

- 5.1 For all Goods to be delivered and Services to be provided according to this Contract, the Seller shall comply with all applicable export control, customs and foreign trade regulations ("Foreign Trade Regulations") and shall obtain all necessary export licenses, unless the Purchaser or any party other than the Seller is required to apply for the export licenses pursuant to the applicable Foreign Trade Regulations.
- 5.2 The Seller shall advise the Purchaser in writing as early as possible, but not later than two (2) weeks prior to the Delivery Date(s), of any information and data required by the Purchaser to comply with all Foreign Trade Regulations for the Goods or Services applicable in the countries of export and import as well as re-export in case of resale. In any case the Seller shall provide the Purchaser for each Good and Service:
- (i) the "Export Control Classification Number" according to the U.S. Commerce Control List (ECCN) if the Good is subject to the U.S. Export Administration Regulations;
  - (ii) all applicable export list numbers;
  - (iii) the statistical commodity code according to the current commodity classification for foreign trade statistics and the HS (Harmonized System) coding;
  - (iv) the country of origin (non-preferential origin); and
  - (v) upon request of the Purchaser: the Seller's declaration for preferential origin (in case of European suppliers) or preferential certificates in case of non-European suppliers) ("Export Control and Foreign Trade Data").
- 5.3 In case of any alterations to origin or characteristics of the Goods or Services or to the Foreign Trade Regulations, the Seller shall update the Export Control and Foreign Trade Data as early as possible but not later than two (2) weeks prior to the Delivery Date(s). The Seller shall be liable for any expenses or damage incurred by the Purchaser due to the lack of or inaccuracy of the Export Control and Foreign Trade Data.

## 6 Delivery and Delays, Marked Goods, Title and Risk

- 6.1 The Goods or Services shall be delivered on the date(s) (the "Delivery Date(s)") and at the rates and locations specified in the Purchase Order. Where more than one date is specified at the item level for the delivery of the Goods or Services, or part thereof ("Item Level Delivery Date"), each of these Item Level Delivery Dates shall be regarded as a Delivery Date for the purposes of these Conditions, and all clauses in these Conditions shall apply in full to each Item Level Delivery Date, unless expressly provided or the context otherwise requires. Delivery may be direct to the Purchaser's end user if so specified on the Purchase Order. The Purchaser may, without compensation, delay or alter such dates, rates and destinations upon giving the Seller notice in writing of such alterations.
- 6.2 Goods marked with any mark used or owned by the Purchaser or its customers shall not be disposed of to any third party or used by the Seller without the prior written consent of the Purchaser.
- 6.3 Any shipment terms quoted in relation to the delivery of the Goods shall be in accordance with Incoterms 2010 or its latest version as from time to time modified, supplemented or revised.
- 6.4 Time is of the essence in respect of the Delivery Date(s). Failure to meet the Delivery Date specified on the Purchase Order shall constitute a breach of the Contract. The Seller shall promptly give the Purchaser notice of any prospective failure to deliver the Goods or Services by the Delivery Date(s). If only a portion of the Goods or a part of the Services can be delivered on the Delivery Date(s), the Seller shall deliver the available Goods or Services unless otherwise directed by the Purchaser in writing. Partial deliveries shall be deemed late deliveries and be considered complete only when all the Goods or Services are delivered.
- 6.5 If the Seller fails to deliver the Goods or Services in accordance with the Contract,

or fails to deliver by the Delivery Date, then the Seller shall pay to the Purchaser liquidated damages ("Liquidated Damages") calculated as follows:

(i) Where the Purchase Order provides for a single Delivery Date for the Goods or Services (i.e. there are no Item Level Delivery Dates), Liquidated Damages shall be calculated at the rate of 0.3% of the price of the respective Purchase Order for each day of delay starting from the date of default until the date the obligations required to be performed by the Delivery Date are completely performed by the Seller.

(ii) Where the Purchase Order provides for Item Level Delivery Dates, Liquidated Damages shall be calculated with respect to each Item Level Delivery Date and at the rate of 0.3% of the part of the Contract price payable upon delivering the Goods or Services required by that Item Level Delivery Date for each day of delay starting from the date of default until the date the obligations required to be performed by the Delivery Date are completely performed by the Seller.

- 6.5 Notwithstanding the above, if the Seller fails to deliver in accordance with the Contract, or if the Seller notifies the Purchaser of a prospective failure to deliver by the Delivery Date(s), the Purchaser reserves the right to terminate the Contract or any part of it without charge or liability and reserves all rights in damages and otherwise arising including but not limited to the right to purchase substitute Goods or Services elsewhere and to hold the Seller liable for any loss, expense or additional cost incurred thereby.
- 6.6 The Purchaser shall be entitled to monitor the progress of the Seller and if it is in the opinion of the Purchaser that the Seller is unable to keep to any Delivery Date(s) or to any agreed contract schedule and it is probable that this would cause a delay to any Delivery Date(s) or to any milestones under an agreed contract schedule, the Purchaser shall, upon giving 24 hours' notice in writing, be entitled to: (1) take any necessary measures to assist the Seller, or (2) have a third party provide the necessary goods or services to assist the Seller, in order that the Seller shall be able to keep to the agreed contract schedule or Delivery Date(s) (as the case may be). Any reasonable costs incurred by the Purchaser as a result of such corrective measures shall be charged to the Seller.
- 6.7 The Seller shall ensure that all Goods are marked in accordance with the provisions of the Contract and the written instructions of the Purchaser. Goods shall be packed so as to reach places of delivery undamaged and in good condition. The Seller shall provide in respect of each consignment of Goods a packaging note detailing the Purchase Order number, description, code number (if any) and the quantity of Goods consigned. The information on the packaging note must tally with the Purchase Order. Notice of dispatch shall be provided immediately with the same information.
- 6.8 The Seller warrants that it has good title to the Goods it is selling to the Purchaser, and that the Goods are free of any third party rights. Without prejudice to any right of rejection to which the Purchaser may be entitled under Clauses 6 and 10, title to the Goods shall pass to the Purchaser upon receipt by the Purchaser at the destination specified in the Purchase Order or payment corresponding to it, whichever is earlier. For Services, title passes upon written acceptance by the Purchaser. The transfer of risk to the Purchaser occurs upon written acceptance by the Purchaser. The Seller acknowledges that the Goods may be on-sold to an end user by the Purchaser and warrants that the Purchaser will be able to supply the end user with good title.
- 6.9 Clause 6.9 herein is without prejudice to Clause 8 in respect of any Software.
- 6.10 Any Issued Material will be supplied or used at the Seller's risk whilst in its possession.
- 6.11 If transport of the Goods or Services is performed by a carrier commissioned by the Purchaser, the Seller will inform the carrier of the necessary data concerning dangerous goods in accordance with legal requirements. The Seller is responsible to pack, mark and label the Goods or Services accordingly prior to shipment.
- 6.12 If the Purchaser informs the Seller that following the initial transport another transport with a different mode of transport is scheduled, the Seller will also comply with the relevant legal requirements concerning dangerous goods with regard to such on-going transport.

## 7 Quality & Compliance, Statutory Obligations

- 7.1 The Seller represents and warrants that all Goods and Services supplied shall, where applicable:-
- (i) conform with the quantity, quality, specifications, description and any other particulars contained in the Contract;

(ii) conform with any sample, design criteria, drawing, description and specification furnished by the Purchaser and other requirements described or referenced in the Purchase Order;

(iii) be of highest quality, merchantable and fit for any intended use or purpose expressly or impliedly made known to the Seller and free from all defects, liens, encumbrances and other claims against title; and

(iv) comply with the performance specifications in the Contract.

7.2 All Services supplied shall comply fully with the terms of the Contract and shall be executed in a proper and skilful manner by properly qualified and experienced personnel and conform to the best industry standards.

7.3 This Clause 7 shall include and apply to any replacement, repaired, substituted or remedial Goods or substituted or remedial Services provided by the Seller.

7.4 While on the Purchaser's or its customer's premises, the Seller shall abide by any written or verbal instructions in relation to safety and security issued by the Purchaser or its customer.

7.5 The Seller shall comply with all relevant statutes, rules and regulations and by-laws affecting its obligations and the performance of the Contract.

## 8 Software Licences

8.1 If the Goods or Services include Software, the Seller acknowledges that the Purchaser may be on-selling the same to its customers or end users and represents and warrants that it has good title to license the Software.

8.2 The Seller grants to the Purchaser a perpetual, worldwide, unconditional, non-exclusive, no-charge, royalty-free, transferable, irrevocable licence:

(i) to use and allow others to use the Software including integration into other products;

(ii) to sublicense the right of use under (i) above to any Related Corporations, other distributors and end users;

(iii) to grant a licence to Related Corporations, other distributors and end users to sublicense the right of use in accordance with (i) above;

(iv) to copy the Software for installation in hardware or to have such Software copied by Related Corporations or other distributors or end users;

(v) to market and resell the Software and any accompanying hardware either alone or as part of a package; and

(vi) to reproduce and distribute copies of the Software in any medium, with or without modifications.

8.3 If the Software includes documentation, the Seller grants to the Purchaser a perpetual, worldwide, non-exclusive, unconditional, no-charge, royalty-free, transferable, irrevocable licence to use, reproduce, distribute and prepare derivative works in the Purchaser's name in respect of all documentation furnished by the Seller. The Purchaser may reproduce such documentation without the Seller's logo or other identification of source, and the Seller hereby waives and shall cause to be waived all applicable rights with respect to such documentation. These rights with respect to the Software and documentation shall extend to:

(i) third parties to use and reproduce the Goods for the Purchaser's use; and

(ii) third party channels of distribution.

8.4 The Seller undertakes to supply the Purchaser with all updates of the Software and to allow the Purchaser to copy them to those of its customers who hold an original version.

8.5 The Seller shall provide the Purchaser with such technical advice, assistance, data and documentation, including source code where necessary, to enable the Purchaser to maintain the Software if it so wishes.

8.6 The Seller shall inform the Purchaser (no later than the time the Purchase Order is confirmed) whether the Goods or Services to be delivered contain Open Source Software. In the context of this provision "Open Source Software" means any software that is provided royalty-free by the respective licensor to any user on the basis of a license or another agreement with the right to modify or to distribute such software. By means of example and without limitation, such open license terms

include the following licenses: the GNU General Public License (GPL), the GNU Lesser GPL (LGPL), the BSD License, the Apache License or the MIT License. Should the Goods or Services delivered by the Seller contain Open Source Software, the Seller must deliver the following to the Purchaser by no later than at the time the Purchase Order is confirmed:

(i) the source code of the relevant Open Source Software, insofar as the applicable open source conditions require the disclosure of this source code;

(ii) a schedule of all open source files used, indicating the relevant license and including a copy of the complete text of such license; and

(iii) a written declaration that through the intended use of the Open Source Software, neither the Goods of the Seller nor the Goods of the Purchaser will be subject to a Copyleft Effect. In the context of this provision, "Copyleft Effect" means that the provisions of the open source license require that certain of the Seller's Goods, as well as any Goods derived from these, may only be distributed further in accordance with the terms of the open source license e.g. only if the source code is disclosed.

Should the Seller indicate only after the time the Purchase Order is confirmed that its Goods or Services contain Open Source Software, then the Purchaser is entitled, without any liability, to cancel the Purchase Order within 14 days of becoming aware that the Goods or Services contain Open Source Software.

## 9 Representations & Warranties

9.1 The Seller represents and warrants that it has all necessary permits and licences to allow it to sell the Goods or Services to the Purchaser, and that it has complied with all relevant laws, rules and regulations affecting its obligations and the performance of the Contract.

9.2 The Seller represents and warrants that all Goods are new and do not contain any used or reconditioned parts or materials unless otherwise specified or approved by the Purchaser in writing.

9.3 Without prejudice to the Purchaser's rights under the Contract and at law, the Seller represents and warrants the Goods or Services against deficiencies or defects for the longer of (i) the Seller's normal warranty period; (ii) statutory period prescribed under applicable law; or (iii) a period of 36 months (or as otherwise stated in the Contract) from the date acceptance by the Purchaser of the Goods or Services or from the handover date of the Goods or Services to the Purchaser's end user, whichever date is later. In the case of defective Goods or Services, this warranty period shall be calculated from the date of receipt by the Purchaser of the delivery of the repaired or replaced Goods or rectified Services under Clause 10.

9.4 Clauses 7 and 9 shall include and apply to any replacement, repaired, substituted or remedial Goods or Services provided by the Seller.

9.5 Breach of any of the representations and warranties in this Clause 9 shall, without prejudice to any other rights of the Purchaser, entitle the Purchaser to terminate the Contract and claim damages, loss, costs and expenses from the Seller (including, without limitation, legal costs on an indemnity basis).

9.6 The Seller shall fully indemnify and hold harmless the Purchaser and all its assigns, subcontractors and customers from and against all claims, liabilities, actions, demands, damages, costs and expenses (including, without limitation, legal costs on an indemnity basis) of any kind or nature arising from, in connection with or related in any way to any breach or alleged breach of any of the representations and warranties made by the Seller under the Contract.

## 10 Inspection and Rejection

10.1 The Seller represents and warrants that it has inspected and tested the Goods for compliance with the Contract prior to delivery and shall, if requested, supply the Purchaser with certificates of origin or testing. Such certificates must state the Purchase Order number together with any item numbers.

10.2 If the Goods or Services do not comply with the Contract the Purchaser shall within a reasonable time give notice of rejection to the Seller. Without prejudice to any of its other rights, the Purchaser may at its option require the Seller to comply with the Contract by expeditiously replacing or repairing as appropriate any rejected, defective or deficient Goods and rectifying or remedying any rejected, defective or deficient Services. The rejected Goods shall be returned to the Seller at its own risk, cost and expense. Any Services found to be defective, non-conforming or failing to meet any of the Seller's representations and warranties shall be completely re-performed at the Seller's risk, cost and expense. In urgent cases or if the Seller is in default with its obligation to repair, rectify, remedy, replace or re-perform within 14

days of the Purchaser's notice to the Seller to do so, the Purchaser shall be entitled at the Seller's cost and expense, to exercise any one or more of the following rights: (i) to take the necessary steps to repair such defects itself or to entrust a third party to do so; (ii) terminate the Contract in whole or in part without being subject to liability for damages; (iii) demand a reduction in price; and (iv) claim damages in lieu of performance. The Seller's representations and warranty obligations remain unaffected.

- 10.3 Unless otherwise specified or approved by the Purchaser in writing, the Seller shall remove the Purchaser's name and any of the Purchaser's trademarks, trade names, insignia, part numbers, symbols or decorative designs from all Goods rejected or returned by the Purchaser or not sold or delivered to the Purchaser.
- 10.4 Any reference to "Seller" in this Clause 10 includes any subcontractor of the Seller permitted under Clause 22.2. Where the Seller repairs or replaces Goods or provides remedial Services, these Conditions shall apply to the repaired or replaced Goods or the remedial or remedied Services.
- 10.5 The Purchaser reserves the right (but shall not be obliged) to inspect or test the Goods or the Services at any stage before delivery and the Seller shall give rights of access to premises and such facilities as the Purchaser may reasonably require for such inspection.
- 10.6 Testing, inspection and acceptance by the Purchaser or end user shall not be deemed a waiver of the Seller's obligations under Clauses 7, 9 and 10.

## 11 Tools, Patterns, Samples, Confidential Information

- 11.1 All Issued Material shall be and remain the property of the Purchaser (even if charged for). The Issued Material shall not be passed on to third parties or used for purposes other than those specified in the Contract. The Seller shall indemnify and compensate the Purchaser and all its assigns, subcontractors and customers from and against any claims, liabilities, actions, demands, damages, loss, costs and expenses (including, without limitation, legal costs on an indemnity basis) suffered as a result of a breach of this Condition.
- 11.2 The Seller hereby undertakes to: (i) maintain the Issued Material in good order and condition, (ii) keep the Issued Material separate from the Seller's property, and (iii) identify the Issued Material as the property of the Purchaser. The Seller shall not use it except in respect of the performance of the Contract. The Seller shall insure the Issued Material against all risks of loss or damage of an amount equal to its replacement cost and with the Purchaser's interest noted on the policy and with the Purchaser as loss payee. On completion of its obligations under the Contract or as otherwise directed by the Purchaser, the Seller shall return the Issued Material to the Purchaser in good order and condition.
- 11.3 The Contract and any other information supplied by the Purchaser are confidential. Issued Material is also confidential. Use of any such information and Issued Material is permitted solely for the purpose of carrying out the Contract. The Seller shall not, without the prior written consent of the Purchaser, disclose such confidential information to anyone other than those employees or agents of the Seller on a need-to-know basis and only if these parties are bound to the Purchaser by substantially similar confidentiality provisions.
- 11.4 The Seller shall not without the Purchaser's written consent advertise or otherwise make known that the Seller supplies or has supplied Goods or Services to the Purchaser.
- 11.5 The confidentiality obligations in this Clause 11 shall survive the termination or expiration of the Contract.

## 12 Intellectual Property Rights

- 12.1 The Seller represents and warrants that the Goods and the Software (if applicable) or the Services do not violate or infringe any Intellectual Property Rights.
- 12.2 The Seller shall fully indemnify the Purchaser and its assigns, subcontractors and customers from and against any claims, liabilities, actions, demands, damages, loss, costs and expenses (including, without limitation, legal costs on an indemnity basis) in respect of any alleged or actual infringement by any of the Goods, Software (if applicable) or Services of any Intellectual Property Rights and the Seller shall at its own cost and expense defend or settle all such claims or actions or proceedings brought or threatened to be brought against the Purchaser.
- 12.3 Without prejudice to any of the foregoing, if any of the Goods or the Software (if applicable) or Services is held or claimed to be infringing third party Intellectual Property Rights, the Seller shall at its own cost and expense use its best efforts to procure the right for the Purchaser to continue using or receiving the infringing Goods

or Software or Services. If the Seller is unable to do so, then the Seller undertakes at its own cost and expense to:

(i) replace or modify the infringing Goods or Software, or remedy the Services expeditiously so that it is no longer infringing; or

(ii) if the Seller is unable to replace or modify the infringing Goods or Software or remedy the Services, then the Seller shall refund in full all payments made by the Purchaser in respect of the infringing Goods or Software or Services. Further, the Seller shall also reimburse the Purchaser in relation to all additional loss, costs and expenses incurred by the Purchaser in purchasing any substitute Goods Software, or Services.

- 12.4 The Purchaser shall own all intellectual property rights arising from modifications and customizations of the Goods, Software, or Services made by Seller for the Purchaser, or by the Purchaser itself. The Purchaser reserves all its rights in drawings and in goods produced according to its instructions as well as in any processes developed by it.

12.5 All Intellectual Property Rights in the works carried out under the Contract are hereby assigned and shall vest in the Purchaser absolutely. This includes any copyright or design rights which will vest in and become the property of the Purchaser as and when such rights come into existence.

## 13 Indemnity

- 13.1 The Seller shall fully indemnify the Purchaser and its assigns, subcontractors and customers from and against any claims, liabilities, actions, demands, damages, loss, costs and expenses (including, without limitation, legal costs on an indemnity basis):-

(i) sustained by the Purchaser and its assigns, subcontractors and customers or for which the Purchaser and its assigns, subcontractors and customers may be liable as a result of the Seller's breach of or failure to perform any of its obligations under the Contract; and

(ii) resulting from death, injury, loss or damage to persons or property caused or contributed by the negligence, act, default or omission of the Seller, its employees, sub-contractors (if permitted under Clause 22.2) or agents.

- 13.2 The Seller accepts liability for all other claims, liabilities, actions, demands, loss, damage, costs and expenses (including, without limitation, legal costs on an indemnity basis) incurred by the Purchaser and its assigns, subcontractors and customers and which is attributable to negligence, act, default or omission on the part of the Seller, its employees, subcontractors (if permitted under Clause 22.2) or agents or resulting from or in connection with the furnishing of the Goods or Services by the Seller or otherwise arises or results from a breach of the Contract.

## 14 Reservation Clause

The Purchaser shall not be obligated to fulfil this Contract if such fulfillment is prevented by any impediments arising out of national or international foreign trade or customs requirements or any embargos or other sanctions.

## 15 Force Majeure

- 15.1 A Party will not be liable to the other for any delay in or failure to perform its obligations as a result of any cause beyond its reasonable control, including acts of God, acts of terrorism, acts of war or threat, fire, flood, explosion, infectious diseases, epidemics or government action, provided such delay or failure is not the fault of such Party. If any such delay is caused by the delay of a subcontractor of the Seller (if permitted under Clause 22.2), and is beyond the control and without the fault or negligence of both the Seller and such permitted subcontractor, the Seller shall incur no liability for such delay unless the Goods or Services to be furnished by such permitted subcontractor were obtainable from other sources in sufficient time to meet the Delivery Date(s). The Seller shall notify the Purchaser immediately upon learning of any event which may result in any delay.

- 15.2 If such delay or failure continues for at least 1 month, the unaffected Party shall be entitled to immediately terminate the Contract by notice in writing. In such event, no Party shall have any claim against the other in respect of such force majeure.

## 16 Termination

- 16.1 The Purchaser shall be entitled to terminate the Contract for its convenience in respect of all or part of the Goods or Services by giving written notice to the Seller at any time, in which event the Purchaser shall pay a fair and reasonable

sum for and accept delivery of all finished Goods manufactured by the Seller and Services properly rendered at the date of termination provided such sum does not exceed the price of the Contract.

- 16.2 The Purchaser shall be entitled to terminate the Contract immediately without liability to the Seller by giving written notice to the Seller at any time if-
- (i) the Purchaser determines in good faith that the Seller is in breach of the Contract and, in the case of a breach capable of remedy, fails to remedy the breach within 14 days of being notified of the breach in writing;
  - (ii) the Seller makes any voluntary arrangement with its creditors or (being an individual or firm) becomes bankrupt or (being a company) goes into liquidation (whether compulsory or voluntary, otherwise than for the purpose of amalgamation or reconstruction) or have an order made or resolution passed for such winding-up or shall otherwise become insolvent or make such proposal, assignment or arrangement for the benefit of its creditors or have a receiver or manager appointed over its affairs or have an application made to court for the appointment of a judicial manager or be placed under a judicial management order;
  - (iii) an encumbrancer takes possession, or a receiver is appointed, over any of the property or assets of the Seller;
  - (iv) the Seller ceases, or threatens to cease, to carry on business;
  - (v) there is a change in control of the Seller which in the reasonable opinion of the Purchaser adversely affects the position, rights or interests of the Purchaser. For the purposes of this sub-clause, "control" means the ability to direct the affairs of another whether by virtue of contract, ownership of shares, or otherwise howsoever;
  - (vi) in the reasonable opinion of the Purchaser, there occurs a material change in the financial position of the Seller which is likely to affect the Seller's ability to perform its obligations under the Contract;
  - (vii) the Purchaser reasonably apprehends that any of the events mentioned above is about to occur in relation to the Seller and notifies the Seller accordingly;
  - (viii) if the events referred to in Clause 15 continues for at least 1 month; or
  - (ix) if the Purchaser determines in good faith that the Seller has breached any of its representations and warranties in Clause 18.

- 16.3 Termination of the Contract shall not discharge either Party from any existing obligation accrued due on or prior to the date of termination.
- 16.4 For the avoidance of doubt, any termination or cancellation of the Contract shall not affect the continuance in force of Software licences granted to the Purchaser, its Related Corporations, its distributors or its customers.
- 16.5 In the event that the Purchaser terminates the Contract in whole or in part as provided in Clause 16.2, the Purchaser may procure, upon such terms and in such manner as the Purchaser deems appropriate, replacement Goods or Services and the Seller shall reimburse the Purchaser upon demand for all additional loss, cost and expense incurred by the Purchaser in purchasing such substitute Goods or Services.
- 16.6 The rights and remedies granted to the Purchaser pursuant to the Contract are in addition to, and shall not limit or affect, any other rights or remedies available at law or in equity.

## 17 Corporate Responsibility and Security in the Supply Chain

- 17.1 The Seller shall comply with the principles and requirements of the "Code of Conduct for Yunex Suppliers and Third Party Intermediaries" the Code of Conduct and shall execute the Declaration of Compliance ("Declaration") and return the duly executed Declaration to the Purchaser as may be prescribed by the Purchaser. A copy of the Code of Conduct and Declaration is available at <http://w5.Yunex.com/cms/supply-chain-management/en/information/pages/coc.aspx>. The Seller may, by written notice, also request the Purchaser to provide a physical written copy. The Seller shall further provide the necessary organisational instructions and take measures, particularly with regard to the following types of security: premises security, packaging and transport, business partner, personnel and information - in order to guarantee the security in the supply chain according to the requirements of respective internationally recognised initiatives based on the WCO SAFE Framework of Standards (e.g. AEO, CTPAT). The Seller shall protect the Goods or Services provided to the Purchaser or provided to third parties designated by the Purchaser against unauthorised access and manipulation. The Seller shall only

deploy reliable personnel for those Goods or Services and shall obligate any subcontractors (if permitted under Clause 22.2) to take equivalent security measures.

- 17.2 If requested by the Purchaser, the Seller shall not more than once a year either, at its option, provide the Purchaser with (i) a written self assessment in the form provided by the Purchaser, or (ii) a written report approved by the Purchaser describing the actions taken or to be taken by the Seller to assure compliance with the above Clause 17.1.
- 17.3 The Seller shall maintain complete and accurate records of and supporting documentation for the Seller's compliance with Clause 17.1. The Seller agrees to provide such documentation and other information as reasonably requested by the Purchaser to verify the Seller's compliance with Clause 17.1.
- 17.4 The Seller shall inform the Purchaser immediately of any non-compliance with Clause 17.1. Should either allegations of the Seller's non-compliance with Clause 17.1 or other claims which threaten to endanger the Purchaser's reputation become public, e.g. by way of media coverage, the Seller shall provide a written statement, immediately upon the Purchaser's request, concerning the Seller's non-compliance or the allegations made.
- 17.5 The Purchaser, its authorised agents and representatives or a third party appointed by the Purchaser, shall be entitled (but not obliged) to conduct inspections at the Seller's premises to verify the Seller's compliance with Clause 17.1. The Seller shall reasonably cooperate in any inspections conducted. Each Party shall bear its expenses in connection with such inspection.
- 17.6 In addition to other rights and remedies the Purchaser may have, in the event of: (i) the Seller's material or repeated failure to comply with Clause 17.1, or (ii) the Seller's denial of the Purchaser's right of inspection as set out in Clause 17.5, the Purchaser may immediately terminate the Contract without any liability whatsoever. Material failures include, but are not limited to, incidents of failure to ensure security in the supply chain, child labour, corruption and bribery, and failure to comply with the Code of Conduct's environmental protection requirements.

## 18 Compliance with Applicable Anti-Corruption, Antitrust, Anti-Money Laundering and Other Criminal Laws

- 18.1 The Seller represents and warrants that it will comply with all applicable anti-corruption, antitrust, anti-money laundering or other criminal laws, rules or regulations in respect of the activities contemplated by the Contract.
- 18.2 The Seller represents and warrants that no portion of its compensation, reimbursement or other benefit has been or shall be, directly or indirectly, promised, offered or given to a Government Official for the Government Official himself or herself or another person or entity, in order to influence official action or secure an improper advantage in relation to the business of the Purchaser.
- 18.3 The term "Government Official" shall include any officer, director or employee of a government at any level or of a government-controlled entity or of a public international organisation, or of a non-governmental institution which employees are treated because of that status or otherwise as officials under laws applicable to the parties to the Contract, or any person acting in an official capacity for or on behalf of any of the foregoing, or any political party or official thereof, or candidate for political office. For the purposes of the Contract, the term "government-controlled entity" includes, but is not limited to, any entity, whether organised under public or private law, in which one or more governmental entities has sufficient interest to give it control. Any entity which is at least fifty percent (50%) owned by, or is controlled-in-fact by, any government or governmental entity qualifies as a government-controlled entity.
- 18.4 The Seller hereby represents and warrants that it and all of its directors, officers, and employees who will perform services under the Contract are familiar with the rules, restrictions and principles herein and agrees to take appropriate steps to ensure compliance therewith by any such persons in respect of the activities contemplated by the Contract.
- 18.5 The Seller hereby represents and warrants the following:
- (i) neither the Seller nor any close relative of the Seller (a) is a Government Official or (b) has any personal or business relationship or association with any Government Official in any country in which the Seller will provide Goods or Services to the Purchaser pursuant to the Contract; and
  - (ii) no director, officer, or controlling shareholder of the Seller and no employee who will perform services under the Contract is a Government Official or has any close personal or business relationship or association with any Government

Official who is or will be in a position to affect or influence the award of business or other advantages to the Purchaser in any country in which the Seller will provide Goods and Services to the Purchaser pursuant to the Contract.

- 18.6 If, during the term of the Contract, the Seller becomes aware that the representation and warranty set forth in this Clause 18 are no longer true and correct, the Seller must notify the Purchaser in writing within 10 business days, and, whether or not so notified within that time period, if the Purchaser determines that the changed circumstances provide good cause to terminate the Contract in accordance with Clause 16, the Contract may be immediately terminated at the Purchaser's sole discretion.
- 18.7 In the event that the Purchaser has reasonable grounds to believe (on the basis of credible information, including, but not limited to, third-party statements that the Purchaser believes to be reliable or well-sourced press reports) that there has been a material breach of the representations and warranties contained in this Clause 18, the Purchaser, or a third party acting on the Purchaser's behalf, shall have the right to audit the books and records of the Seller pertaining to the Seller's performance under the Contract. The Seller agrees to fully cooperate in the event of any such audit.
- 18.8 The Seller agrees that the Purchaser may, at any time and for any reason, disclose the existence and terms of the Contract, including the Seller's identity and compensation under the Contract, to any person the Purchaser determines has a legitimate need for that information, including but not limited to any government or government agency.

## 19 Environmental Protection, Duties to Declare, Dangerous Goods

- 19.1 Should the Seller deliver legally permissible Goods, which are, however, subject to statutorily-imposed substance restrictions or information requirements (e.g. REACH, RoHS), the Seller shall declare such substances in the web database BOMcheck ([www.BOMcheck.net](http://www.BOMcheck.net)) or in a reasonable format provided by the Purchaser no later than the date of first delivery of the Goods. The foregoing shall only apply with respect to laws which are applicable at the registered seat of the Seller or the Purchaser or at the designated place of delivery requested by the Purchaser. Furthermore, the Seller shall also declare all substances which are set out in the "Yunex list of declarable Substances" applicable at the time of delivery in the manner described above.
- 19.2 Should the delivery contain goods which are classified as dangerous goods according to international regulations, the Seller will inform the Purchaser hereof in a form to be agreed upon between the Seller and the Purchaser, but in any case no later than the date of Purchase Order confirmation.

## 20 Compliance with Personal Data Protection Laws

20.1 The Seller undertakes that:

(i) it will take all appropriate and commercially reasonable security arrangements to prevent unauthorised access, collection, use, disclosure, copying, modification, disposal or similar risks of any personal data which it receives and collects from the Purchaser or the Purchaser's employees;

(ii) it will comply with the Personal Data Protection Act 2012 (Singapore) and any applicable privacy and data protection laws which it is subject to;

(iii) it will not sell, share or otherwise use or disclose any personal data collected from the Purchaser or the Purchaser's employees without the prior written consent of the Purchaser or the Purchaser's employees, as applicable; and

(iv) the personal data collected from Purchaser is available only to its employees who have a legitimate business need to access the personal data, who are bound by confidentiality obligations and who are aware of the Seller's privacy and data protection obligations under the Personal Data Protection Act 2012.

20.2 In the event the Seller breaches any of the foregoing provisions, the Seller shall indemnify, defend and hold harmless the Purchaser from and against any and all liabilities, fines, penalties, costs, damages, expenses, legal costs arising out of or in relation to any unauthorised use or disclosure of personal data collected from the Purchaser, the Purchaser's employees and the Seller's breach of the Personal Data Protection Act 2012 and any applicable privacy and data protection laws which it is subject to.

## 21 Cybersecurity

21.1 The Seller shall take appropriate organizational and technical measures to ensure the confidentiality, authenticity, integrity and availability of the Seller Operations as

well as products and services. These measures shall be consistent with good industry practice and shall include an appropriate information security management system consistent with standards such as ISO/IEC 27001 or IEC 62443 (to the extent applicable).

21.2 Should products or services contain software, firmware, or chipsets:

21.2.1 The Seller shall implement appropriate standards, processes and methods to prevent, identify, evaluate and repair any vulnerabilities, malicious code, and security incidents in products and services which shall be consistent with good industry practice and standards such as ISO/IEC 27001 or IEC 62443 (to the extent applicable);

21.2.2 The Seller shall continue to support and provide services to repair, update, upgrade and maintain products and services including the provision of patches to the Purchaser remedying vulnerabilities for the reasonable lifetime of the products and services;

21.2.3 The Seller shall provide to the the Purchaser a bill of materials identifying all third-party software components contained in the products. Third-party software shall be up-to-date at the time of delivery to the Purchaser;

21.2.4 The Seller shall grant to the Purchaser the right, but the Purchaser shall not be obliged, to test or have tested products for malicious code and vulnerabilities at any time, and shall adequately support the Purchaser;

21.2.5 The Seller shall provide the Purchaser a contact for all information security related issues (available during business hours).

21.3 The Seller shall promptly report to the Purchaser all relevant information security incidents occurred or suspected and vulnerabilities discovered in any the Seller Operations, services and products, if and to the extent Purchaser is or is likely to be materially affected.

21.4 The Seller shall take appropriate measures to achieve that its subcontractors and suppliers shall, within a reasonable time, be bound by obligations similar to the provisions of this section.

21.5 Upon the Purchaser's request, the Seller shall provide written evidence of its compliance with this section including generally accepted audit reports (e.g., SSAE-16 SOC 2 Type II).

## 22 Miscellaneous

22.1 The Purchaser is a member of the group of companies ("the Yunex group of companies") whose holding company is Yunex Aktiengesellschaft ("SAG"), and accordingly the Purchaser may perform any of its obligations or exercise any of its rights hereunder by itself or through any other member of this group, provided that any act or omission of any such other member shall be deemed to be the act or omission of the Purchaser. The Purchaser may, in its sole discretion, assign, transfer or novate the Contract, or any part of it, to any member of the Yunex group of companies or any entity who acquires or substantially acquires the relevant portion of the business of the Purchaser relating to this Contract. The Seller shall be bound by such novation or assignment. The Seller agrees to be a party to any novation or assignment, if so requested by the Purchaser, and to execute all relevant documents in connection therewith.

22.2 The Seller shall not, either in whole or in part, subcontract or assign any rights, duties or obligations under the Contract, or any claims for any debt owed by the Purchaser to the Seller under the Contract unless the Purchaser gives its prior written consent, such consent to be signed by authorised representatives of both Parties, to such assignment or subcontract. If the Purchaser gives its written consent, the Seller is not relieved of any of its obligations under the Contract. The Purchaser may attach conditions to the giving of its consent. Any attempted delegation or assignment otherwise shall be void.

22.3 If the Goods or Services supplied under the Contract require the Purchaser to have any permit or licence from any governmental or other regulatory authority, the Contract shall be deemed conditional upon such permit or licence being granted at the required time.

22.4 Without prejudice to Clause 9.1, the Seller represents and warrants that it shall comply with all applicable laws, rules, regulations and requirements and shall obtain at its own costs and expense, all necessary permits and licences. Upon request, the Seller shall furnish to the Purchaser information or documentation of the Seller's compliance as well as any other information or documentation required to enable the Purchaser to comply with any laws, rules, regulations and requirements applicable to its receipt and use of any Goods or Services.

- 22.5 If any provision of these Conditions is held by any competent authority to be invalid or unenforceable in whole or in part, such provision shall be construed, limited or, if necessary, severed to the extent necessary to eliminate such invalidity or unenforceability and the validity of these Conditions and the remainder of the provision in question shall not be affected thereby but shall remain in full force and effect.
- 22.6 The Purchaser does not waive any right under the Contract by failing to insist on compliance with any of the terms of the Contract or by failing to exercise any right hereunder. Any waivers granted hereunder are effective only if recorded in writing and signed by an authorised representative of the Purchaser. No waiver by the Purchaser of any breach of the Contract by the Seller shall be considered as a waiver of any subsequent breach of the same or any other provision.
- 22.7 The Contract is the entire agreement between the Parties and shall supersede any previous communications, representations or agreements, whether verbal or written, with respect to the subject matter hereof and may not be changed unless agreed in writing and signed by authorised representatives of both Parties.
- 22.8 All notices must be in writing, signed by the authorised representatives of the sending Party and sent to the address, fax number or email set out in the Contract. They may be delivered by hand, prepaid registered post, facsimile or email and shall be deemed to have been served:-  
 (i) if by hand, at time of delivery;  
 (ii) if by prepaid registered post, three (3) business days after posting;  
 (iii) if by facsimile, on the date and time printed on the facsimile transmission report produced by the sender's machine evidencing successful transmission; or  
 (iv) if by email, on the date and time shown on the electronic record evidencing successful transmission.
- 22.9 Only upon the Purchaser's prior written approval may Seller be allowed to mention the Purchaser as a reference customer or make reference to the Goods or Services which the Seller has developed during the performance of the Contract.
- 22.10 Seller shall provide to Purchaser all related documentation and the current and readable source code and object code of software developed or converted for Purchaser.
- 22.11 Save for the Yunex group of companies or its related corporations, the Parties do not intend that any term of the Contract should be enforceable by virtue of the Contracts (Rights of Third Parties) Act (Chapter 53B of Singapore) or otherwise, by any person who is not a party to the Contract.
- 22.12 In the event that the Contract is drafted and executed in more than one language apart from English due to any requirement of applicable laws, the Parties agree that English shall be the governing language of the Contract and in the event of any conflict and/or inconsistency between the English version and the non-English version, the English version shall prevail to the extent of such inconsistency or conflict, and the relevant non-English version shall be deemed to be automatically amended to conform to and be consistent with the English version.

### 23 Applicable Law and Dispute Resolution

- 23.1 The Contract shall be governed by and construed in accordance with the laws of Singapore. The application of the United Nations Convention on Contracts for the International Sale of Goods of April 11, 1980 shall be excluded.
- 23.2 If a dispute arises out of or in connection with the Contract, the responsible representatives of the Parties shall attempt to settle such dispute. Upon request of a Party a senior management representative of each Party shall participate in the negotiations. Each Party shall be entitled to terminate these negotiations by written notification to the other Party(-ies) at any time.
- 23.3 Nothing in this Clause 23 shall limit the right of the parties to seek relief intended to preserve the status quo or interim measures in any court of competent jurisdiction, or from an emergency arbitrator or arbitral tribunal.
- 23.4 All negotiations connected with the dispute will be conducted in complete confidence and the Parties undertake not to divulge details of such negotiations except to their professional advisers who will also be subject to such confidentiality obligations and such negotiations shall be without prejudice to the rights of the Parties in any future proceedings.

- 23.5 All disputes arising out of or in connection with the Contract which are not resolved pursuant to Clause 23.4, including any question regarding the termination or any subsequent amendment of the Contract, shall be finally settled at the election of the Purchaser in accordance with either (a) the Arbitration Rules ("Rules") of the Singapore International Arbitration Centre ("SIAC") or (b) the exclusive jurisdiction of the Singapore Courts. In the event the Seller wishes to commence legal proceedings against the Purchaser pursuant to this Clause 23.5, the Seller shall by way of written notice to the Purchaser, enquire whether the Purchaser intends to have the dispute finally settled by arbitration or in the Singapore Courts and the Seller shall state the nature and the value of the dispute against the Purchaser. The Purchaser shall provide written notice of its election to the Seller within 14 calendar days after receiving the aforesaid notice. In the event the Purchaser does not respond within the aforesaid period, it shall be deemed to have elected that the dispute be resolved in the Singapore Courts.

- 23.6 In the event the Purchaser has elected to have the dispute resolved by arbitration in accordance with Clause 23.5 above, and if the value of the total matter in dispute, including the value of any counterclaims, is less than SGD 3 million, the proceeding shall be conducted in accordance with the rules on expedited proceedings of the SIAC Rules. If the value of the total matter in dispute is above this threshold, Article 5 of the Rules shall not apply and the arbitral tribunal shall consist of three arbitrators. If the arbitral tribunal consists of three arbitrators, each Party shall nominate one arbitrator for appointment by the SIAC. Both arbitrators shall agree on the third arbitrator within 28 calendar days after their appointment. Should the two arbitrators fail to reach an agreement on the third arbitrator within the abovementioned period, the SIAC shall select and appoint the third arbitrator. The time limits set forth in Articles 4.1 and 11.2 of the Rules shall each be extended to twenty-eight (28) calendar days. The seat of arbitration shall be Singapore. The law applicable to the dispute resolution clause shall be the law of the seat of arbitration. The language to be used in the arbitration shall be English. Any order for the production or disclosure of documents shall be limited to the documents on which each Party specifically relies in its submission(s). Consolidation of arbitrations pending under the Rules into a single arbitration shall only be possible if all parties have agreed to consolidation, save that in the event any third party commences any arbitration or court proceedings against the Purchaser, and the aforesaid proceedings, in the Purchaser's sole opinion, relates to and/or arises from any act or omission by the Seller and/or the works performed by the Seller under the Contract, the Purchaser has the option to include the Seller as a party to the aforesaid proceedings and the Seller agrees to and shall waive its right to object to such a joinder. Upon request of a Party, the arbitral tribunal shall order any claiming or counterclaiming Party to provide security for the legal and other costs of any other Party related to that claim or counterclaim, by way of bank guarantee or in any other manner and upon such terms as the arbitral tribunal considers appropriate.