

Semiconductor Technologies and Instruments Pte Ltd

STANDARD TERMS AND CONDITIONS OF SALES

1. DEFINITIONS

"Buyer" means the party issuing the Order.

"Equipment" means the piece of machinery, equipment and includes related vision systems modules thereto that may be described in an Order.

"Intellectual Property" includes any copyright, patented or patentable idea in any process, design, source code relating to any vision or handler module on the Equipment belonging to the Seller.

"Order" means the purchase order placed by the Buyer for the purchase of the Equipment.

"Original Delivery Date" means the date of delivery first stipulated by Seller in writing after or upon acceptance of the Order.

"Purchase Price" means the price of the Equipment specified in each of the Order.

"Quotation" means any offer of sale equipment provided by Seller in writing in response to Buyer's query.

"Seller" means Semiconductor Technologies & Instruments Pte Ltd ("STI").

"Specification" means the technical description (if any) of the Equipment contained or referred to in the order.

"Territory" means only the country in which the Equipment is delivered to pursuant to the Order at the time of purchase.

2. BINDING PURCHASE ORDER

2.1 All Quotations provided by Seller shall be subject to the terms and conditions hereto.

2.2 No Order for the purchase of Equipment shall be binding unless the order has been signed and accepted by the Seller and notice of acceptance is sent to the Buyer.

3. CONFLICTING TERMS

3.1 All Orders for Equipment accepted shall be subject to the terms and conditions provided herein.

3.2 Any terms in the Order that are inconsistent with the terms and conditions herein shall be overridden and superseded by acceptance of the Order by the Seller unless Parties agree otherwise in writing specifying expressly that such term shall be an exception to the terms and conditions herein and provided such document is appended to the said Order.

4. PRE-DELIVERY BUY-OFF

4.1 Before shipping the Equipment, the Seller shall carefully inspect and test them for compliance with the Specification.

4.2 The Seller shall, if requested by the Buyer, give the Buyer reasonable notice of such tests and the Buyer shall be entitled to be represented thereat. The Seller shall also at the request of the Buyer, supply to the Buyer a copy of the Seller's certified true copies of test sheets.

4.3 If as a result of any inspection or test under sub-clause (1) or (2) of this clause, the Buyer's representative is of the reasonable opinion that the Equipment do not comply with the Specification, or are unlikely on completion of manufacture to comply he shall inform the Seller accordingly in writing and the Seller shall take such steps as may be necessary to ensure such compliance.

5. SHIPPING TERM, PACKAGING & DELIVERY

5.1 Unless otherwise agreed in writing between the Parties in accordance with Clause 3.2, Buyer buys and Seller sells all Equipment Ex Works, Seller's Factory, Singapore in accordance with Incoterms 2010 and all Orders shall reflect accordingly.

5.2 Unless otherwise specified in writing in the Order, the Seller shall pack and secure the Equipment adequately so to reach their destination in good condition under normal conditions of transport.

5.3 Seller shall accurately complete all shipping documents it issues with respect of the Equipment including invoices, packing lists and certificate of origin shall state the genuine origin of the Equipment.

6. **TRANSFER OF TITLE & RISKS OF LOSS** Except as otherwise provided in Clause 10 herein, the title and all risk of loss and damage in the Equipment shall pass to Buyer in accordance with Ex Works, Incoterm 2010. Title in the Equipment shall pass to the Buyer on delivery.

7. **ACCEPTANCE OF EQUIPMENT** Buyer shall inspect and test the equipment for conformity with Specifications as soon as possible upon or after taking delivery of the Equipment. In any event, the Equipment delivered shall be deemed to have conformed to Specification, and, the Buyer shall be deemed to have accepted the same, within 1 month of taking delivery of the Equipment in the absence of any prior written representation otherwise by the Buyer.

8. DELAY IN TAKING DELIVERY

8.1 If Buyer is unable to take delivery of the Equipment on the Original Delivery Date specified in the Order, the Buyer shall give written notice thereof to the Seller. Seller may agree to such postponement of delivery of Equipment requested subject to the following:

(a) For postponement of delivery of more than 2 weeks but less than 6 weeks from Original Delivery Date, Seller shall invoice and Buyer's shall pay 20% advance of Purchase Price to Seller forthwith;

(b) For each further subsequent month of delay in taking delivery from the re-scheduled date, Seller shall further

invoice and the Buyer shall pay a further 20% advance on the Purchase Price for each month of the delay

- 8.2 Seller shall give credit on payments already made toward Purchase Price upon delivery of the Equipment when billing for Purchase Price.
 - 8.3 For the avoidance of doubt, Seller's agreement to postpone delivery shall not prejudice in any way their rights and entitlement to applicable Cancellation Charges in accordance with Clause 9 should Buyer subsequently decide to cancel the purchase of the Equipment; **SAVE THAT** Seller shall give credit to payment made by Buyer towards Purchase Price in calculation of the Cancellation Charges.
9. **CANCELLATION CHARGES**
- 9.1 Calculation of cancellation charges shall be based upon intervening time period between date of cancellation of Order and the Original Delivery Date.
 - 9.2 All Orders for Equipment duly accepted shall not be cancelled except upon payment by Buyer of the following cancellation charges:
 - (a) If Buyer cancels order within 30 days of Original Delivery Date, Buyer shall pay ninety percent (90%) of the Purchase price as cancellation charges;
 - (b) If Buyer cancels order within 60 days of, but more than 30 days from, Original Delivery Date, Buyer shall pay seventy percent (70%) of the Purchase price as cancellation charges;
 - (c) If Buyer cancels order within 90 days of, but more than 60 days from, Original Delivery Date, Buyer shall pay fifty percent (50%) of the Purchase price as cancellation charges.
 - (d) Seller may impose payment terms not more onerous than the above provisions for cancellation of any Order occurring more than 90 days from Original Delivery Date.
 - 9.3 If cancellation of Order occur after payments for postponement has been made, Seller shall give credit for payments already made towards Purchase Price in calculating the Cancellation Charges.
10. **LIMITED WARRANTY**
- 10.1 **Warranty on Commercial Items** Seller will transfer to Buyer any transferable warranties or indemnities given by the manufacturer of any commercial items used in the manufacture of the Equipment or that given by third party vendor/service provider to Seller. **SELLER SHALL HAVE NO LIABILITY TOWARDS BUYER BEYOND THE EXPRESS TERMS OF THE PRODUCT WARRANTIES GIVEN BY THE MANUFACTURER FOR SUCH COMMERCIAL ITEMS. SELLER ASSUMES NO LIABILITY FOR THE QUALITY OF THE COMMERCIAL ITEM PROVIDED, WORK PERFORMED OR SERVICES RENDERED BY THIRD PARTY VENDORS/SERVICE PROVIDERS. IT IS BUYER'S OBLIGATION TO REQUEST COPIES OF ANY APPLICABLE MANUFACTURERS' WARRANTIES AND BUYER SHALL BE DEEMED TO HAVE ACCEPTED SUCH WARRANTIES UPON ACCEPTANCE OF THE EQUIPMENT.**
 - 10.2 **Equipment Warranty** Seller warrants that the Equipment shall:
 - (a) conform as to quantity, description and agreed Specification stated in the Order at time of delivery; and
 - (b) be free of defects in material and workmanship for a period stipulated in Quotation ("warranty period") from date of delivery of the Equipment (fair wear and tear excepted).
 - 10.3 **General Warranty Provisions**
 - (a) Seller's exclusive obligations with respect to non-conforming Equipment shall be, at Seller's option, to repair or replace the defective parts or the Equipment altogether.
 - (b) Any Equipment replaced, or any parts repaired or replaced shall be warranted as set forth in Clause 10.2 above for the balance of the warranty period.
 - (c) No warranty shall apply to any Equipment that has been subject to misuse, improper testing, assembly, mishandling, or which has been operated contrary to instructions given in Equipment user manual, or contrary to industry standards.
 - 10.4 **THE FOREGOING WARRANTIES ARE THE SOLE WARRANTIES, EXPRESS OR IMPLIED, GIVEN BY SELLER IN CONNECTION WITH THE SALE OF THE EQUIPMENT AND SELLER DISCLAIMS ALL OTHER WARRANTIES, INCLUDING, BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY INTELLECTUAL PROPERTY RIGHTS AND WARRANTIES AGAINST LATENT DEFECTS.**
11. **IP INDEMNITY**
- 11.1 Subject to other provisions of this clause and of this Agreement, Seller shall settle or defend, indemnify and hold the Buyer harmless against any action, claim, demand, costs, charges, and expenses arising from any legal proceeding (whether threatened or commenced) commenced by a third party against the Buyer for any infringement or alleged infringement of any letters patent, registered design, trade mark, or trade name through the ordinary use of the Equipment by the Buyer at Buyer Premise and to the extent such threatened proceedings or legal proceeding is attributable solely to Seller's design or manufacturing processes with respect the Equipment; **PROVIDED ALWAYS** such indemnity shall apply only if Buyer
 - (a) gives written notice to Seller within 24 hours of receipt of any notification of any such alleged infringement, giving full details of the alleged infringement;
 - (b) allows Seller full control and conduct of such negotiations or legal proceedings and provide all assistance and information in Buyer's possession that Seller may need to defend the action;
 - (c) does not settle or compromise such negotiations or legal suits without Seller's written consent during Seller's conduct of the matter;
 - (d) shall support Seller's conduct of negotiations and/or conduct of legal proceedings and shall not act in any

way that would undermine or adversely affect Seller's conduct of the same.

- 11.2 Time shall be of the essence in respect of Buyer's obligation under clauses 11.1(a) and 11.1(b) in order to claim on Seller's obligation to defend and to indemnify.
- 11.3 FOR THE AVOIDANCE OF DOUBT, Buyer shall have no remedy or recourse against Seller and Seller shall have no liability or any defense or any indemnification obligations
- (a). In the event if Buyer uses the Equipment outside of the Territory;
 - (b). Buyer fails to strictly adhere to the condition precedents to indemnity set out in Clause 11.1 (a) to (d) throughout Seller's conduct of negotiations or legal proceedings, in which event Buyer shall alone shall be responsible for all loss and damage arising thereto (if any); and
 - (c). to the extent the alleged infringement arises from or is otherwise based upon
 - (i) any portion of the Equipment that had been built by Seller in compliance with specific engineering design provided and stipulated by Buyer;
 - (ii) modifications or alterations to the Equipment not made by the Seller; or
 - (iii) a combination of the Equipment with other equipment to form an allegedly infringing system not furnished or manufactured by the Seller.
- 11.4 In the event that the allegedly infringing Equipment in such proceedings are permanently enjoined or restrained from use by any competent court of authority or administrative authority; Seller shall have the option to elect at its sole discretion, the following:
- (a). To procure for Buyer from the party claiming such infringement or violation the right to use the Equipment;
 - (b). To modify the allegedly infringing portion of the good to make it non-infringing, or substitute the allegedly infringing portion with a non-infringing one, provided that the overall functionality or performance of the good remains substantially the same.
- 11.5 The provisions of this clause 11 states the Seller's entire liability and obligation and Buyer's rights with respect to any alleged intellectual property infringement or claims thereto.
12. **IP CONFIDENTIALITY**
- 12.1 Notwithstanding the sale of any Equipment, Buyer agrees and undertake that they shall not in the course of business disclose any Intellectual Property on the Equipment to Sellers' competitors including by opening up any part of the Equipment for inspection or examination by Seller's competitors or allowing any third party to disassemble ad/or reverse engineer any part of the Equipment.
- 12.2 Buyer may not reproduce any part of the Equipment or decompile any source code on any software provided by Seller without Seller's written approval.
13. **LIMITATION OF LIABILITY** NOTWITHSTANDING ANY PROVISIONS TO THE CONTRARY IN THIS AGREEMENT, IN RESPECT OF ANY CLAIM HOWEVER ARISING, WHETHER CONTRACTUAL, TORTIOUS, STATUTORY, WHETHER BASED ON BREACH OF WARRANTY OR INFRINGEMENT OF ANY THIRD PARTY INTELLECTUAL PROPERTY; BUYER SHALL NOT IN ANY EVENT BE ENTITLED TO, AND SELLER SHALL NOT BE LIABLE FOR, ANY INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY NATURE INCLUDING, WITHOUT LIMITATION, BUSINESS INTERRUPTION COSTS, REMOVAL AND/OR REINSTALLATION COSTS, REPROCUREMENT COSTS, LOSS OF PROFIT OR REVENUE, LOSS OF DATA, PROMOTIONAL OR MANUFACTURING EXPENSES, OVERHEAD, INJURY TO REPUTATION OR LOSS OF CUSTOMERS, EVEN IF SELLER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. BUYER'S CLAIM FROM SELLER FOR ANY DAMAGES, REIMBURSEMENT, PENALTIES OR LOSSES HOWSOEVER ARISING SHALL NOT UNDER ANY CIRCUMSTANCES EXCEED ONE HUNDRED PER CENTUM (100%) OF BUYER'S PURCHASE PRICE FOR THE EQUIPMENT GIVING RISE TO SUCH CLAIM PROVIDED ALWAYS THAT THE AGGREGATE AMOUNT CLAIMED BY SELLER SHALL NOT EXCEED SINGAPORE DOLLARS ONE MILLION (S\$1,000,000).
14. **ANTI-CORRUPTION**
- 14.1 The Seller represents and warrants that it is in compliance with all laws of those countries in which it operates, including all anti-corruption and anti-bribery laws, and will remain in compliance with all such laws during the term of this Agreement. The Seller further represents and warrants that it has not made, authorized or offered to make payments, gifts or other transfers of value, directly or indirectly, to any government official or private person in order to (1) improperly influence any act, decision or failure to act by that official or person, (2) improperly induce that official or person to use his or her influence with a government or business entity to affect any act or decision by such government or entity or (3) secure any improper advantage.
- 14.2 The Seller agrees that should it learn or have reason to know of any payment, gift or other transfer of value, directly or indirectly, to any government official or private person that would violate any anti-corruption or anti-bribery law, it shall immediately disclose such activity to the Buyer. If, after consultation by all Parties to the Agreement, any concern cannot be resolved in the good faith and reasonable judgment of the Buyer, then the Buyer, on written notice to the Seller, may withdraw from or terminate this Agreement. The Buyer shall have the right to terminate this Agreement if the Seller breaches this, or any other, representation, warranty or undertaking set forth in this Agreement.

15. **GENERAL**

- 15.1 **Notices** All notices required to be served or given hereunder shall be in writing and shall be effective and deemed served or given upon personal delivery or upon the expiration of five (5) business days after posting by way of registered air mail, and postage fully prepaid if sent to the registered address of the companies of the relevant parties.
- 15.2 **Assignment** Seller shall not assign or transfer the Order or any part of it to any other person except as part of a company amalgamation or reconstruction without the consent in writing of the Buyer (which shall not be unreasonably withheld).
- 15.3 **Insolvency**
- (a). If the Seller being an individual (or, when the Seller is a firm any partner in that firm) shall at any time become bankrupt or shall have a receivership order or administration order made against him or shall make any composition or arrangement with, or for the benefit of his creditors, or shall make any conveyance or assignment for the benefit of his creditors or shall propose to do so, or any application shall be made under any Bankruptcy Ordinance for the time being in force for sequestration of his estate, or a trust deed shall be granted by him on behalf of his creditors, or if the Seller, being a company, shall pass a resolution, or the court shall make an order that company shall be wound up (not being a members' winding up for the purpose of reconstruction or amalgamation) or if receiver, or manager on behalf of a creditor shall be appointed, or if circumstances shall arise which entitle the court or a creditor to appoint a receiver or manager, or which entitle the court to make a winding up order, then the Buyer shall be at liberty:
- (i) to cancel the Order summarily by notice in writing without compensation to the Seller, or
- (ii) to give any such receiver or liquidator or other person the option of carrying out the order.
- (b). The exercise of any of the rights granted to the Buyer under sub-clause 15.3(a)(i) hereof shall not prejudice or affect any cause of action or remedy which shall have accrued or shall accrue thereafter to the Buyer.
- 15.4 **Force Majeure**
- (a). If Seller by reason of flood, storm, earthquake, typhoon, embargo, war, riots, strikes; plant explosion or accidents, lockouts, work stoppages or other labour disputes or any other causes beyond its control, is unable to fulfil its obligations under this Agreement, it shall be excused from such obligation or obligations for so long as it is so delayed or prevented, and shall not be liable to the other party for the effects of such failure or delay.
- (b). The party intending to excuse themselves from the performance of this Agreement in accordance with Clause 17.1, it shall promptly notify the other party, advising of on the occurrence of force majeure event, its probable duration and why the Party is unable to perform its obligation under the contract.
- (c). If the force majeure event persists for more than 6 months, either party to the contract may give notice to cancel the relevant purchase orders without liability.
- 15.5 **Dispute Resolution**
- (a). Parties shall exercise goodwill and attempt to resolve all disputes arising through negotiations. However, if Parties are unable to resolve the dispute within 30 days of its arising, they shall refer the dispute for arbitration in accordance with the provision herein.
- (b). Any dispute, controversy, or claim arising out of or relating to this contract, including the formation, interpretation, breach or termination thereof, including whether the claims asserted are arbitrable shall be referred to and settled by final and binding arbitration in accordance with the Arbitration Rules of the Singapore International Arbitration Centre ("SIAC Rules") for the time being in force, which rules are deemed to be incorporated by reference in this clause.
- (c). The Tribunal shall consist of one (1) arbitrator who shall not be a national of either of the Parties. The arbitrator shall be appointed by the agreement between the Parties or by the chairman of SIAC if such agreement cannot be reached between the Parties within twenty (20) days from the date on which the respondent party receives the notice of arbitration. English shall be the language used in the arbitration proceedings.
- (d). The prevailing party in any arbitration arising out of or relating to this Agreement shall be entitled to recover all reasonable attorney fees and other costs incurred in connection with the dispute. The award of such arbitration, including cost allocation, shall be final and binding upon the parties hereto, and the losing party hereby consents that judgment based on the award rendered by the arbitrator shall be enforceable by any court having jurisdiction over that party.
- (e). Parties agree that this clause that does prohibit the parties from applying for any injunctive relief as may be necessary before any administrative body or before any court of competent authority.
- 15.6 **Law & Forum** The Order shall be governed by and construed in accordance with the laws of Singapore and the parties hereto submit to the non-exclusive jurisdiction of the court of Singapore.
- 15.7 **Variation** Neither the Buyer nor the Seller shall be bound by any variation, waiver of, or addition to, these conditions except as agreed by both parties in writing and signed on their behalf.
- 15.8 **Waiver** The neglect or failure to enforce any rights against the Buyer or any accommodation made by Seller for the Buyer shall not be deemed as waiver of any of its rights.