TERMS AND CONDITIONS OF SALE AND DELIVERY OF SEW-EURODRIVE THAILAND LTD ("SEW")



1. VALIDITY:

(a) Unless other terms and conditions are expressly accepted by us by means of a written amendment to these terms and conditions signed by one of our Directors and referring specifically to the term or condition to be amended, the Contract shall be on the terms and conditions set out below and overleaf (thereinafter together called "the Contract Terms") to the exclusion of any other terms and conditions whether or not the same are endorsed upon delivered with or referred to in any purchase order or other document delivered by the Purchaser to us. Any reference overleaf to the Purchaser's Order, Specification or like document shall not be deemed to imply that any terms or conditions endorsed upon delivered with or referred to in such Order, Specification or like document shall have effect to the exclusion or amendment of the Contract Terms.

(b) Where goods or services are supplied by us under a Blanket Order given by the Purchaser or other arrangement whereby deliveries are only made pursuant to delivery Schedules. Release Authorisations or other instruction given by the Purchaser, then each such Schedule, Authorisation or instruction shall be deemed to conclude a separate contract upon the Contract Terms.

2. GUARANTEE:

(a) So far as we reasonably can, we will transfer or make over to the Purchaser the benefit of any guarantee warranty or free service or maintenance commitment which may have been given by the manufacturer in respect of any goods the subject of this contract which are not made by us. In addition if during the period either of 15 months from the date of despatch from our factory or of one year from the date of delivery to the Purchaser (whichever shall be the less) any part manufactured by us is found upon inspection by us to have proved defective in material or workmanship under normal use and service and in accordance with the rating as shown overleaf and when properly installed and connected, we will free of cost repair or, if we so wish, replace such part provided the part is returned carriage paid to us as soon as possible after discovery of the defect. Any cost or expense incurred by us or any other person in dismantling or reassembling the part shall be borne by the Purchaser. We will not however, be liable to repair or replace any part if any identification or serial number thereon has been altered defaced or removed or, if the part has not been properly maintained in accordance with our recommended maintenance procedure or has been subjected to any misuse, unauthorised repair, replacement, modification or alternation.

- (b) Save as aforesaid, we will in no circumstances be liable for any loss or damage of any kind whatsoever caused directly or indirectly by any defect in material or workmanship or any defect in the goods or services supplied or by any negligence on the part of any of our servants and agents and all warranties and conditions express or implied statutory or otherwise are hereby expressly excluded.
- (c) The Guarantee is not assignable to persons dealing in our goods are in no way our agents and have no right or authority to bind us in any way or to assume on our behalf any obligations express or implied.
- (d) Not recommendation by us of any goods or services supplied by any other person shall make us in any way liable in respect of such goods or services.

3. LIABILITYFOR DAMAGES AND IMBURSEMENT

- (a) In the case of gross negligence on the part of nonmanagerial employees, SEW's liability is limited to property damage deemed typical within the scope of this agreement and which can be reasonably foreseen.
- (b) In case of minor negligence, SEW shall only be liable for property damage only in the event of violation of significant contractual obligations. In this regard too, the liability of SEW shall be limited to property damage deemed typical and foreseeable within the scope of this agreement.
- (c) All other liability for damages other than that regulated in the preceding paragraphs is excluded, irrespective of the legal nature of the claim asserted.

4. MAINTENANCE, ETC.

- (a) The Purchaser agrees that he/it will acquaint himself/itself with the requirements of all Government or statutory or other authority bodies or corporation relating to the goods and undertakes that all times whilst the goods are in the Purchaser's possession or under the Purchaser's control the Purchaser will comply with such requirements and will indemnify us against any liability due to a breach of any such requirement.
- (b) The Purchaser undertakes to comply with our maintenance schedules relating to the goods.

5. PRICE AND TERMS OF PAYMENT:

- (a) Unless otherwise agreed in writing, Prices set by us are quoted ex works or delivery storage sites provided that no other written agreements have been made. Prices do not include packaging, shipping, postage, insurance or the legally applicable sales tax. Payments shall be made within 30 days after the invoice date in cash without any deductions and free of charge to a designated SEW account.
- (b) The price is based upon the cost of materials labour transport customs and other duties and other over heads, ruling at the date of the Sales Note and the price is subject to fair adjustment by us to take into account any alternation therein prior to delivery of the goods or (in the case of delivery by instalments) to the final delivery.
- (c) We are entitled to carry out outstanding deliveries and services, also in deviation to the order confirmation, only upon advance payment, and to withdraw from the Agreement after a reasonable period of grace unless the customer provides security. The same applies for failure to comply with the Terms of Payment, even if failure to do so concerns other orders from the mutual business relationship.

6. CARRIAGE AND DELIVERY:

- (a) Carriage on all orders will be chargeable to the Purchaser unless otherwise stated on Quotation Form.
- (b) No claim for damages or shortages will be considered unless we are advised in writing within 7 days of delivery and no claim for non-delivery will be considered unless we are notified in writing within 14 days of despatch.
- (c) We will endeavour to complete the contract or deliver the goods within the time agreed and if no time is agreed within a reasonable time but in no circumstances will we be liable for any loss, or damages of any kind whatsoever caused directly or indirectly by any delay in the completion of the contract or the delivery of the goods. If for any reason whatsoever the completion of the contract or the delivery of the goods is in our opinion rendered impracticable, we shall be at liberty to terminate the contract by sending by ordinary post to or by delivering to the Purchaser a notice in writing to that effect. There upon the Purchaser will pay to us such a sum as will together with any other sums paid

previously bear the same proportion to the contract price (including any variation thereof) as the goods delivered or services supplied bear to the goods or services contract for.

7. RISK. ETC.

- (a) The property in the goods shall pass on payment of the price.
- (b) The risk shall pass on delivery to the Purchaser or a carrier whichever is the earlier.
- (c) The price shall become payable irrespective of delivery when we send an invoice to the Purchaser and unless otherwise stated payment shall be made by the end of the month next following the month in which each invoice is sent to Purchaser. All payments are to be made on or before the date as a condition precedent to future deliveries.

8. ASSIGNMENT, ETC.

(a) We will be entitled to assign, sub-contract or sublet this contract or any part thereof.

9. DESIGN, ETC.

- (a) Where the goods are manufactured to the design or specification of the Purchaser: -
- (i) The Purchaser warrants that such goods do not infringe any patent registered design or other like protection or the provision of any statue statutory instrument or regulation for the time being in force.
- (ii) We will have the right to retain any drawings specifications or other documents supplied by the Purchaser.
- (b) No variation by us in the specification or design of any of the goods shall constitute a breach of contract or impose upon us any liability whatsoever.

10. TOOLING:

- (a) Where the cost of tooling is wholly borne by the Purchaser the tools belong to the Purchaser. Where only part of the cost is borne by the Purchaser the tools belong to us.
- (b) If any tools supplied by the Purchaser are damaged during the process of manufacture, then the Purchase will replace the same at his/its own expense.
- (c) We will not be responsible for the safe keeping maintenance or repair of the Purchaser's tools (whether made by us and belonging to the Purchaser or supplied by the Purchaser) whilst they are in our possession or under our control.
- (d) At any time after the process of manufacture is completed, we shall be entitled by written notice to call upon the Purchaser to remove the Purchaser's tools from our premises. If at the end of one month from the date of the notice the Purchaser has not removed the tools, then we shall be entitled to destroy or otherwise dispose of them without making any payment or other compensation to the purchaser.

11. GENERAL:

(a) We carry on business as manufacturers of Engineering Products for use in all types of industry both under licence and otherwise. If the Purchaser cancels or purports to cancel the order or any part thereof or fails to take delivery of any goods at the time agreed (if any) such cancellation or failure is calculated to cause dislocation to our production and the Purchaser shall be liable without prejudice to any of our other rights to claim damages to indemnify us against any loss damage or claim resulting from such dislocation and against any loss damage or expense incurred by us in connection with the manufacture or non-manufacture of the goods including the payment of licence and other fees the cost of any material plant or tools used or intended to be used therefore and the cost of labour and other overheads.

- (b) SEW reserves the right of ownership and copyrights for all patterns, illustrations, drawings, calculations, and similar information of corporeal and incorporeal nature, including those in electronic form. The same applies for documents and information designated as "confidential." Prior written permission from SEW is required to disclose this information to third parties.
- (c) These Terms and Conditions also apply to all future deliveries and services until new terms and conditions of sale and delivery from SEW come into effect.
- (d) Failure by us to enforce any of the Contract Terms shall not be construed as a waiver of any of our rights hereunder.
- (e) This contract shall be construed and operate in accordance with Thai Law and the Purchaser hereby submits himself/itself to the jurisdiction of the Thai Courts.

12. EXPORT CONTROL:

- (a) The Purchaser and SEW are in agreement that the delivery and/or service (or parts thereof), in particular the export and transit of goods, the transfer of technology, commercial and brokerage transactions, technical support or the provision of financial resources, may be subject to Thailand, European, US re-export laws or other applicable national export control regulations (for example export control regulations relating to goods, persons, countries or purpose of use) and financial sanctions (hereinafter referred to as "Export Restrictions").
- (b) The Purchaser and SEW are obliged to comply with all applicable Export Restrictions. In particular these include any regulations of the destination country. The Purchaser and SEW agree that deliveries and/or services being subject to applicable Export Restrictions may be prohibited or subject to a permit. Should an applicable Export Restriction permanently prevent SEW or the Purchaser from fulfilling the Contract, either party shall have the right to cancel the affected delivery and/or service or the Contract in full or in part.
- (c) Delays due to approval procedures on the part of competent export control authorities shall extend the contractual fulfilment times; accordingly, this applies to the delivery deadlines.
- (d) Damage claims due to the authorities rejecting an application relating to Export Restrictions or a permit being issued late are excluded, unless this relates to a loss due to injury to life, body or health or if the loss was caused intentionally or gross negligently by one of the parties.
- (e) The contracting parties shall be obliged to cooperate in any approval proceedings. In particular, they shall immediately provide the other party, upon request, with the appropriate information/documents (for example end use declarations) which are required in the course of the application process.