

## Laser Cladding Singapore Pte Ltd Terms and Conditions of Sale and Service

### 1. General

- a. ("Vendor") means Laser Cladding Singapore Pte Ltd ("LCS") or its subsidiary / associated Companies as the case may be and ("Purchaser") means "the person, customer, firm or company whose purchase order has been accepted by the vendor."
  - b. These Terms and Conditions of Sale and Service shall, unless otherwise agreed in writing apply to all reconditioning work, laser clad parts and associated works performed on engine or mechanical parts ("Work") undertaken by Vendor, any authorized member, agent or representative of Vendor to any Purchaser
  - c. These conditions supersede any other terms and conditions appearing in the Vendor's catalogues or elsewhere that shall apply to all quotations made or purchase orders accepted by the Vendor and shall form part of the contract
7. These conditions shall override any conditions stipulated, incorporated or referred to by the Purchaser whether in its purchase order in any negotiations or any qualification thereof shall not form part of the contract.

### 2. Validity

- a. All quotations of offers of the Vendor are open for acceptance for the period stated therein or when no period is stated, within thirty (30) days only after the date of the quotations or offers.

### 3. Prices

- a. All prices quoted by the Vendor are based on but not limited to a defined repair scope, related costs of material, mechanical or other processing tasks and methods, labour, transport and statutory obligations, rates of exchange, freight and insurance ruling at the date of the contract.
- b. Should any additional work or materials be found necessary in the course of the repairs or subsequent testing, it will be necessary to make an extra charge where this additional work involves a substantial increase in the quoted amount, a supplementary quote will be submitted for acceptance.

### 4. Terms of Payment

- a. Unless otherwise specified, payment must be made in full for any goods on presentation of invoices. Purchaser agrees to pay a late payment interest of the higher of the rate of 12% per annum and the rate per annum which is equal to 2% above the The Development Bank of Singapore's prime lending rate from time to time from the due date of payment to date of actual payment. When deliveries are spread over a period each delivery shall be invoiced when dispatched and each invoice shall be treated as separate account and payable accordingly.
- b. If the Purchaser fails to make any payment in accordance with these conditions or fails to comply with any provisions of these conditions, the Vendor may without prejudice to any of its rights cancel any undelivered portion of the goods or services

### 5. Delivery and Lead Time

- a. Any date or period for Work completion stipulated or quoted shall be deemed to be an estimate only, and there shall be no express or implied time limit in dispatching or completing any Work.
- b. The Vendor has a right to suspend the performance of its obligations under the Contract if it is reasonably clear from the circumstances that the Purchaser will not be able to perform its obligations as stated in the Contract.

### 6. Warranty

- a. The Vendor offers a limited warranty for components of Diesel Engines firing with MDO or HFO of 380 Centistokes or other Mechanical Components.
- b. These warranties strictly apply to all Engine Parts or other Mechanical Components rebuilt using Laser Cladding or related processes through the Vendor or its Authorized Representatives.
- c. All Piston grooves and Turbocharger shafts or Mechanical Components that are Laser Clad or otherwise repaired by Vendor after acceptance by Purchaser are warranted to be free from defects in the Laser Clad Material, Process and Workmanship for a period of 6 months from date of Parts or Component installed to engine or mechanical system for use and 12 months from date of Purchase.
- d. Purchaser agrees that its sole and exclusive remedy against Vendor shall be limited to remedy set forth in the section "Warranty Limitations". This exclusive remedy shall not be deemed to have failed of its essential purpose so long as Vendor is willing and able to provide the remedy set forth below. In the event it is found that the exclusive remedy has failed of its essential purpose or in the event the Purchaser is allowed to assert a claim for replacement of Component. Vendor liability for any damages due purchaser shall be limited to the purchase

price of the laser cladding. This paragraph states purchaser's sole and exclusive remedy for breach of warranty. Vendor shall not be liable for any loss, damage or injury resulting from delay in delivery or installation of the goods or any failure to perform which is due to circumstances beyond its control. Vendor's maximum liability for damages, including, without limitation, contract damages and damages for injury to person or property, with respect to the goods or any services in connection with the goods, is limited to an amount not to exceed the price of the purchase of the goods. In no event shall the vendor be liable to purchaser for any incidental, consequential or special damages. The statute of limitation applicable to all claims arising under this agreement otherwise shall be one (1) year from the date the claim accrues.

### 7. Warranty Limitations

- a. Vendor will make serviceable any laser clad parts and or reserve the right and discretion to offer replacement parts found to be within the warranty period and will not be responsible for any additional repair costs, parts and labor.
- b. The vendor is not responsible for failures resulting from purchaser, operator or third party abuse or neglect including, but not limited to, engine operation without adequate lubricant or coolant, over or under fuel, over-speeding, lack of maintenance to cooling, lubrication, or air intake system, improper storage, starting, warm-up, shut down procedures, continued operation of engine after first sign of malfunction and use of no maker approved related parts.
- c. The vendor is not responsible for failures resulting from any previous defect in the mechanical or chemical property inherent in the base material of the part that requires laser cladding repair.
- d. The vendor is not responsible for failures resulting from improper installation or repair procedures, alterations or misapplication of parts, or use in engines modified for competitions, or level of performance beyond the engine manufacturers original specifications.
- e. The Warranty set forth herein are the sole warranties made by Vendor and its Partners. No Agent or Representative of Vendor shall have the authority to modify the terms expressed herein.
- f. The warranties apply to all inspected and laser Clad parts undertaken by Vendor and its Appointed Representatives and do not include Parts that Vendor has advised against cladding and was carried out on special request by Purchasers or Parts that have exceeded 10 years of age or 60,000 running hours.

### 8. Purchaser Responsibilities

- a. Purchasers are responsible for proper operation and maintenance of the Engine/Equipment in accordance with Engine/Equipment Manufacturers' published operation and maintenance manuals and Technical Bulletins.
- b. It shall be the obligation of the Purchaser to provide the Vendor's satisfactory evidence of compliance with the Engine/Equipment Manufacturers published Operation and Maintenance Manuals and Technical Bulletins.
- c. Purchasers must follow the prescribed claim procedure initiated by notifying the Vendor or its appointed Representatives responsible for the sale of the service offered within 30 Days of any failure suspected to be warrantable, otherwise any claims that the Purchaser raises may be deemed waived.
- d. Purchaser is responsible for delivery of the Parts to repair location. Any freight, storage, packing or documentation and declaration will be the responsibility of the Purchaser.
- e. Purchaser is responsible for cost of all repairs which are not reimbursable under this warranty.

### 9. Tax

- a. Local government taxes are to be borne by the Purchaser on local purchases and is calculated by reference to the amount of services rendered, goods supplied and any other sums payable by Purchaser to the Vendor. The Vendor as collecting agent for the local Government shall collect the said tax from Purchaser in the manner and within the period in accordance with applicable laws and regulations. Relevant taxes on export sales (with proper shipping and custom documents submitted) will be zero-rated.

### 10. Packing

- a. Unless otherwise specified, packing cases and packing materials will be charged accordingly
- b. For non-standard parts which require special packaging, the packing cases and packing materials will be charged separately and included in the quotation accordingly.

### 11. Cancellation of Order

- a. Orders, once accepted are not subjected to cancellation without our written consent. Should the Vendor consent to acceptance of any cancellation of orders,

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the Purchaser will have to pay a cancellation fee. The amount of which will be determined by Vendor.

### 12. Storage

- a. If the Purchaser fails to confirm a quotation within three (3) months from date of quotation issuance with a Purchase Order, the Vendor reserves the right to apply storage charges to the Purchaser. The storage charge (excluding any applicable taxes) will remain unchanged for the first three (3) months of the Agreement. After that period, LCS reserves the right to periodically review the charges and fees. Reviewed charges and fees are applicable 30 days after written notice is provided by LCS.
- b. For Purchaser's goods stored at the Vendor's premises which are awaiting a confirmation of quotation from the Purchaser, the Vendor will not be held responsible for the deterioration of goods in question whether this amounts to rusting, tarnishing, or other forms of naturally occurring deterioration if said goods are stored beyond a reasonable time frame.
- c. For Purchaser's goods stored at the Vendor's premises which are awaiting a confirmation of quotation from the Purchaser, the Vendor will not be held liable for any missing or damaged of items if said goods are stored beyond one (1) year after quotation issued.
- d. If the Purchaser fails to accept delivery of goods within six (6) months from the completion of the job, the Vendor reserves the right to apply storage charges to the Purchaser.
- e. If Purchaser's goods are for whichever reason left at Vendor's premises for more than two (2) years without a Purchase Order or without any further written instruction from the Purchaser, the Purchaser must take back the goods at his own expense or else the Vendor will reserve the right to dispose of said goods. If Purchaser fails to provide clear instruction by these two (2) years, Vendor will also not be held responsible for said goods. The purchaser must, prior to the end of two (2) years, make good on storage charges and other applicable fees regardless.

### 13. No Waiver of Conditions

- a. Failure by the Vendor to insist upon strict performance of the terms and conditions herein shall not constitute waiver of such terms and conditions.

### 14. Import and Export Permits and duties

- a. All import or export permits and licenses and the payment of all import or export duties and customs fees shall be for the account and the sole responsibility of the Purchaser
- b. If after the date of the contract, any tax, duty, tariff or any other such imposition is charged in respect of the goods before the time of delivery and if such imposition has to be paid by the Vendor, then the Vendor may add the amount of such imposition to the price of the goods and services and the Purchaser shall pay the same.

### 15. Intellectual Property

- a. Neither party shall copy or disclose to a third party any document or data provided by the other party without the prior written consent of the other party or use them for purposes other than those for which they were provided. Intellectual property rights associated with the Service Work or any document or data provided by the Vendor in connection therewith shall remain the Vendor's property. The Purchaser shall defend, indemnify and hold harmless the Vendor against all claims, losses and damages, including reasonable attorneys' fees, arising out of or resulting from any reuse, modification, reproduction or publication of the Vendor's intellectual property documents or data. To the extent there is a conflict between the foregoing provisions regarding confidentiality and intellectual property and any terms or conditions of any software license agreement, the terms and conditions of such software license agreement shall prevail.
- b. Notwithstanding the foregoing, the Purchaser consents to the collection and use of information and to the ownership of the derived or incorporating works as set forth herein. The Purchaser shall be responsible for providing equipment technical data through any reasonable means requested by the Vendor, including internet-connected devices. The term "Equipment Technical Data" refers to all data relating to the technical operating parameters of any equipment delivered, including without limitation, all information that the Vendor shall gather from sensors, instruments, monitors, or other industrial control or SCADA devices located at the Purchaser's sites or on the equipment delivered. Equipment Technical Data shall be transmitted to the Vendor for purposes including, but not limited to, developing its products, solutions and services. The Vendor, the Vendor's parent, subsidiaries and/or affiliates shall own all works, products, reports and improvements each may develop based upon,

derived from, or incorporating Equipment Technical Data. Equipment Technical Data may be transferred: (a) to the Vendor's parent, subsidiaries and/or affiliates and (b) to third parties who act for or on the Vendor's behalf for processing in accordance with the non-exclusive purpose(s) listed above or as may otherwise be lawfully processed. Equipment Technical Data may also be disclosed to a third party if the Purchaser is required to do so due to an applicable law, court order or governmental regulation, or if such disclosure is otherwise necessary in support of any criminal or other legal investigation. The Vendor's rights to use Equipment Technical Data shall survive the termination or expiration of the governing agreement, these terms and conditions and/or any understanding between the parties hereto with respect to the Vendor's rights to use Equipment Technical Data and any applicable warranty period and any other commercial contract between the Vendor and Purchaser.

### 16. Force Majeure and Other Excusable Delays

- a. Neither the Vendor nor the Purchaser shall be liable for any failure or delay in performing its obligations hereunder, or for any loss or damage resulting therefrom, caused by or arising from an event of force majeure ("Force Majeure"), which includes without limitation acts of God, wars whether declared or not, any events involving armaments of war, civil wars and riots, hostilities, public disorder, acts of terrorism and severe threat of terrorism, any measures taken by public authorities in connection with threat of terrorism, embargos, acts of civil or military authorities, fire, flood, accidents, strikes, failure of a subVendor or sub-supplier to provide manpower, materials or goods caused by an event that qualifies under this Clause 8.1, epidemics, unusually severe weather affecting either party, or causes beyond their control.
- b. If the Work cannot be commenced or completed as agreed due to reasons attributable to the Purchaser or is interrupted by Force Majeure or for other reasons not attributable to the Vendor, the costs should be borne by the respective parties.

### 17. Governing Law

- a. This contract shall be governed by the laws of The Republic of Singapore.