



## STANDARD TERMS & CONDITIONS OF SALES

### 1.0 GENERAL

- 1.1 Supply of any of the services, equipment, material or components described or referred to in this quotation by Frontken (Singapore) Pte Ltd (hereinafter referred to as "FSPL" or "the Seller") is expressly conditioned upon the terms and conditions set forth below and, if any, on the front hereof. In the event of any inconsistencies between the terms on the front hereof and the terms set forth below, the former shall prevail.
- 1.2 Any order for the supply of or any direction to proceed with any such services, equipment, material or components shall constitute assent to the aforesaid terms and conditions, and a representation that the Customer (who may also be referred to herein as "the Buyer") is solvent and will remain solvent.

### 2.0 WARRANTY

- 2.1 FSPL warrants to the Customer that the services to be performed and the equipment, material and components to be furnished hereunder will be free from defects in material or workmanship and will be of the kind and quality designated or specified in the contract.

PROVIDED always that where a particular equipment, material or components or method of work or design is prescribed by the Customer, FSPL shall not be responsible nor liable, in any way whatsoever, for any defects in the equipment, material and components or any defect in or fault in the method of work or design so prescribed by the Customer, whether or not such defect or fault is apparent or visible.

- 2.2 The warranty with respect to each defect is conditional upon :-

- (i) the defect becoming apparent to the Customer within one year from the date of completion of work by FSPL; and
- (ii) FSPL having received written notice of the defect within one month after the defect becomes apparent to the Customer.

The conditions of any tests to verify any defect shall be mutually agreed upon and FSPL shall be represented at all tests that may be made.

- 2.3 If the services performed or equipment, material or components furnished hereunder do not meet the above warranty, and if the Customer promptly notifies FSPL, FSPL shall thereupon correct any defect, including non-conformance with the specifications, either, at its option, by repairing or by replacing at its factory the defective work, equipment or components. The liability of FSPL under this warranty, or for any loss or damage to the equipment whether the claim is based on contract or negligence, or on any other ground, shall not in any case exceed the value of the work awarded to FSPL and upon the expiration of the warranty period all such liability shall terminate.

FSPL does not warrant any equipment, material or components designated or supplied by the Customer.

www.frontken.com  
fs@frontken.com

**FRONTKEN (SINGAPORE) PTE LTD**  
Co. Reg. No: 199606464C (A subsidiary of Frontken Corporation)  
156A, Gul Circle, Singapore 629614  
T +65 6863 4500 F +65 6863 4766



### **3.0 LIMITATION OF LIABILITY**

- 3.1 The total liability of Seller, on all claims of any kind, whether in contract, warranty, indemnity, tort (including negligence), strict liability, or otherwise, arising out of the performance or breach of the Contract or use of any Parts shall not exceed the Contract Price of a fixed price contract or the price of work completed on time and materials or cost plus type contract. All liability under the Contract shall terminate upon expiration of the applicable warranty period.
- 3.2 In no event, whether as a result of breach of contract, warranty, indemnity, tort (including negligence), strict liability, or otherwise, shall Seller be liable for loss of profit or revenues, loss of use of the Buyer's Equipment or any associated equipment, cost of capital, cost of substitute equipment, facilities, services or replacement power, downtime costs, claims of Buyer's customers for such damages, or for any special, consequential, incidental, indirect or exemplary damages.
- 3.3 If Seller furnishes Buyer with advice or assistance concerning any products, systems or work which is not required pursuant to the Contract, the furnishings of such advice or assistance will not subject Seller to any liability, whether in contract, warranty, indemnity, tort (including negligence), strict liability or otherwise.
- 3.4 In no event shall Seller be liable for any loss or damage whatsoever arising from its failure to discover or repair latent defects or defects inherent in the design of goods serviced (unless such discovery or repair is normally discoverable by tests expressly specified in the scope of work under the Contract) or caused by the use of goods by the Buyer against the advice of Seller.
- 3.5 For the purposes of this Article 3, the term "Seller" shall mean Seller, its affiliates, subcontractors and suppliers of any tier, and their respective agents and employees, whether individually or collectively.
- 3.6 The provisions of this Article 3 shall prevail over any conflicting or inconsistent provisions contained in any of the documents comprising the Contract, except to the extent that such provisions further restrict Seller's liability.
- 3.7 Buyer waives rights of recovery against Seller, whether Buyer's claim is brought under breach of contract, indemnity, warranty, tort (including negligence), strict liability or otherwise, for loss or damage to the property of Buyer to the extent such claim is covered by insurance maintained by Buyer.

### **4.0 HEALTH AND SAFETY MATTERS ; HAZARDOUS MATERIAL.**

- 4.1 Buyer will take all necessary precautions, at all times, for the safety of Seller personnel at Site. This includes, but is not limited to, instruction of Buyer's safety practices, proper and safe handling of hazardous substances and protection of Seller's personnel from exposure thereto, energization / de-energization of all power systems (electrical, mechanical and hydraulic) using a safe and effective lock-out tag procedure, and conducting periodic safety meetings during construction and start-up. If Seller personnel require medical attention, local Buyer facilities will be made available to Seller personnel for the duration of such needs.



- 4.2 The operation of equipment at the Site is the responsibility of Buyer. If Buyer requires or permits Seller's personnel to operate equipment at the Site, Buyer shall indemnify and save Seller, its employees and agents, harmless from expense and liability (including reasonable attorneys' fees) incurred by or imposed upon Seller, its employees and agents, based upon injury to persons (including death) or damage to property resulting from operation of equipment at the Site by Seller personnel.
- 4.3 If, at the Site, Seller encounters toxic substances, hazardous substances or hazardous wastes (collectively, the "Hazardous Materials") which require special handling and/or disposal, Buyer shall immediately take whatever precautions are required to legally eliminate such hazardous conditions so that the work under the Contract may safely proceed. If any such Hazardous Materials cause an increase in Seller's cost of or the time required for performance of any part of the work, an equitable adjustment shall be made in the price and schedule. Buyer agrees to properly dispose of all Hazardous Materials produced or generated in the course of Seller's work at the Site. Buyer shall indemnify Seller for any and all claims, damages, losses, causes of action, demands, judgments and expenses arising out of or relating to (i) the presence of any Hazardous Materials which are present on the Site prior to the commencement of Seller's work or (ii) improperly handled or disposed of by Buyer or (iii) brought on to the Site or produced thereon by parties other than Seller.

## **5.0 PATENTS**

- 5.1 FSPL assumes no obligations whatsoever to the Customer with respect to patent risks.
- 5.2 The Customer shall indemnify FSPL against all damages, penalties, costs and expenses to which FSPL may become liable if any work done in accordance with the Customers specification and instructions involves in infringement of a registered design or patent, trade mark or trade name.

## **6.0 DELIVERY/COMPLETION DATES**

Delivery or completion dates are approximate only and are subject to prompt receipt of payment and ready access to the equipment material or components and prompt receipt of all necessary information and instructions.

## **7.0 EXCUSABLE DELAYS**

FSPL shall not be liable for any failure or delay in delivery or in performance due to -

- 7.1 causes beyond its reasonable control; or
- 7.2 acts of God, acts of the Customer, acts of civil or military authority, priorities, fires, strikes or other labour disturbances, floods, epidemics, war, riot, delays in transportation or car shortages; or
- 7.3 inability on account of causes beyond its reasonable control to obtain necessary labor, materials, components or manufacturing facilities. In the event of any such delay, the date of delivery or of performance shall be extended for a period equal to the time lost by reason of the delay.



## 8.0 PAYMENTS

- 8.1 Payment of the contract price shall be as and when the equipment, material or components are ready for delivery at FSPL's facility or as and when work is completed at the Customer's premises and the Customer is given notice hereof. In the event of delivery by installments, payment shall be made on a prorata basis.
- 8.2 Notwithstanding the foregoing, FSPL shall have the right, at any time, to require full or partial payment of the contract price in advance.
- 8.3 Payment should be made by crossed cheque in favour of FSPL.
- 8.4 Credit terms is 30 days. Interest will be charged at 1% per month on overdue accounts.

## 9.0 TERMINATION

In the event of bankruptcy or insolvency of the Customer or in the event any proceeding is brought against the Customer, whether voluntarily or involuntarily, under any bankruptcy or insolvency laws, or in the event that FSPL is of the opinion that the financial stability of the Customer is questionable or the Customer defaults in any payment hereunder, FSPL shall be entitled to cancel any order then outstanding at any time and the Customer shall be liable to reimburse FSPL for all costs, expenses and losses incurred by FSPL as a result of such cancellation.

## 10.0 LIEN FOR UNPAID CHARGES

- 10.1 FSPL at its option may retain possession of any equipment, material or component repaired, modified, inspected tested, maintained or serviced under this contract until its charges for such services are paid. If such charges are not paid within 90 days following completion of the work and invoicing the Customer, FSPL may, upon not less than 7 days' written notice by registered post to the Customer at the Customer's last known address, sell the equipment, material or components at public or private sale and apply the net proceeds to FSPL's charges.
- 10.2 FSPL shall be entitled, in addition to any right of lien to which FSPL may be entitled by law or as aforesaid, to a general lien enforceable as provided in Clause 10 (1) above on all the goods, machines or equipment of the Customer in FSPL's possession, (although such goods or services or some of them have been paid for or part-payment has been made under the terms of this Agreement), for the unpaid price of any other goods sold and delivered or for any other services rendered by FSPL to the Customer under the same or any other contract and FSPL shall be entitled to setoff and strike a balance between all accounts under any contract or otherwise between FSPL and the Customer.

## 11.0 TITLE AND RISK

- 11.1 The title and right of possession of equipment, material or components repaired, modified, inspected, tested or maintained under this contract shall, subject to any applicable lien rights of FSPL and to its right of sale in the event of nonpayment as provided in the preceding paragraph, remain with the Customer.

www.frontken.com  
fs@frontken.com

**FRONTKEN (SINGAPORE) PTE LTD**  
Co. Reg. No: 199606464C (A subsidiary of Frontken Corporation)  
156A, Gul Circle, Singapore 629614  
T +65 6863 4500 F +65 6863 4766



11.2 Any equipment, material or components held by FSPL shall be at the sole risk and expense of the Customer. The Customer shall be solely responsible for arranging adequate insurance cover.

11.3 Title to any equipment from time to time loaned or hired to the Customer shall remain with FSPL.

11.4 All scrap resulting from the work shall be the property of FSPL

## **12.0 CANCELLATION**

The Customer may cancel his order only upon written notice and upon payment of a reasonable and proper cancellation charge prescribed by FSPL.

## **13.0 INDEMNITY**

The equipment, material and components furnished or serviced hereunder are not designed, manufactured or intended for use in or with any atomic installation or activity and the Customer hereby indemnify and hold FSPL harmless for any liability or damage whatsoever arising out of or as a consequence of the use of the equipment, material or components in such a manner.

## **14.0 ASSIGNMENT AND SUBCONTRACTING**

14.1 FSPL shall have the right to subcontract any or all of the work covered by the contract.

14.2 Any assignment of this order or any rights hereunder, by the Customer without written consent of the Company, shall be void.

## **15.0 PRIOR AGREEMENT SUPERSEDED**

This document contains the entire agreement of the parties and no understanding, promise or representation, waiver, alteration or modification of any of the provisions hereof, shall be binding upon FSPL unless assented to in writing by an Authorized representative of FSPL.

## **16. PROPER LAW**

The terms and conditions herein shall be governed by and construed in accordance with the Laws of Singapore.

V. 0306