

STANDARD TERMS AND CONDITIONS FOR SUPPLYING COMPONENTS AND SERVICES

1. Application of Terms and Conditions

Supplier shall supply and Customer shall purchase Components and Services in accordance with the quotation which shall be subject to these Terms and Conditions; and the Contract shall be to the exclusion of any other terms and conditions subject to which any such quotation is accepted or purported to be accepted, or any such order is made or purported to be made, by Customer.

2. Definitions

“Business Day or Month”	means any day other than a Saturday, Sunday or bank holiday; means a calendar Month.
“Commencement Date”	means the commencement date for the Contract as set out in the quotation;
“Confidential Information”	means, in relation to either Party, information which is disclosed to that Party by the other Party pursuant to or in connection with this Agreement (whether orally or in writing or any other medium, and whether or not the information is expressly stated to be confidential or marked as such);
“Contract”	means the contract for the purchase and sale of Components and supply of the Services under these Terms and Conditions;
“Contract Price”	means the price stated in the Contract payable for Components;
“Customer”	means the person who accepts a quotation or offer of Supplier for the sale of Components and supply of the Services, or whose order for Components and Services is accepted by Supplier;
“Delivery Date”	means the date on which Components are to be delivered as stipulated in the Customer’s order and accepted by Supplier;
“Components”	means Components (including any instalment of Components or any parts for them) which Supplier is to supply in accordance with these Terms and Conditions;
“Services”	means the Services to be provided to Customer as set out in the quotation;
“Supplier”	means SGS Taiwan Ltd. a company registered in Taipei, Taiwan.

3. Basis of Sale and Service

3.1 Supplier’s employees or agents are not authorised to make any representations concerning Components or Services unless confirmed by Supplier in writing. In entering into the Contract, Customer acknowledges that it does not rely on, and waives any claim for breach of, any such representations which are not so confirmed.

3.2 No variation to these Terms and Conditions shall be binding unless agreed in writing between the authorised representatives of Customer and Supplier.

3.3 Sales literature, price lists and other documents issued by Supplier in relation to Components and Services are subject to alteration without notice and do not constitute offers to sell Components which are capable of acceptance. No contract for the sale of Components and Services shall be binding on Supplier unless Supplier has issued a quotation which is expressed to be an offer to sell Components and Services or has accepted an order placed by Customer by whichever is the earlier of: **a)** Supplier’s written acceptance; **b)** delivery of Components; **c)** provision of the Services; or **d)** Supplier’s invoice.

3.4 Any typographical, clerical or other accidental errors or omissions in any sales literature, quotation, price list, acceptance of offer, invoice or other document or information issued by Supplier shall be subject to correction without any liability on the part of Supplier.

4. Components

4.1 No order submitted by Customer shall be deemed to be accepted by Supplier unless and until confirmed in writing by Supplier’s authorised representative.

4.2 The specification for Components shall be that set out in Supplier’s sales documentation unless varied expressly in the Customer’s order (if such variation(s) is/are accepted by Supplier). Components will only be supplied in the minimum units thereof stated in Supplier’s price list or in multiples of those units. Orders received for quantities other than these will be adjusted accordingly.

4.3 Illustrations, photographs or descriptions whether in catalogues, brochures, price lists or other documents issued by Supplier are intended as a guide only and shall not be binding on Supplier.

4.4 Supplier reserves the right to make any changes in the specification of Components which are required to conform with any applicable safety or other statutory or regulatory requirements or, where Components are to be supplied to the Customer’s specification, which do not materially affect their quality or performance.

4.5 No order which has been accepted by Supplier may be cancelled by Customer except with the agreement in writing of Supplier on the terms that Customer shall indemnify Supplier in full against all loss (including loss of profit), costs (including the cost of all labour and materials used), damages, charges and expenses incurred by Supplier as a result of such cancellation.

5. Services

5.1 With effect from the Commencement Date Supplier shall, in consideration of the price being paid in accordance with Clauses 6 and 7 will provide Services expressly identified in the quotation.

5.2 Supplier will use reasonable care and skill to perform the Services identified in the quotation.

5.3 Supplier shall use all reasonable endeavours to complete its obligations under the Contract, but time will not be of the essence in the performance of such obligations.

6. Price

6.1 The price of Components and Services shall be the price listed in the quotation or quarterly quote current at the date of acceptance of the Customer’s order or such other price as may be agreed in writing by Supplier and the Customer.

6.2 Where Supplier has quoted a price for Components other than in accordance with Supplier’s published price list the price quoted shall be valid for 3 months only or such lesser time as Supplier may specify.

6.3 Supplier reserves the right, by giving written notice to Customer at any time before delivery or provision, to increase the price of Components and/or Services to reflect any increase in the cost to Supplier which is due to any factor beyond the control of Supplier (including, without limitation, any foreign exchange fluctuation, currency regulation, alteration of duties, significant increase in the costs of labour, materials or other costs of manufacture), any change in delivery dates, quantities or specifications for Components and services which are requested by the Customer, or any delay caused by any instructions of Customer or failure of Customer to give Supplier adequate information or instructions.

6.4 Except as otherwise stated under the terms of any quotation or in any price list of Supplier, and unless otherwise agreed in writing between Customer and Supplier, all prices are inclusive of Supplier’s charges for packaging and transport.

6.5 The price is exclusive of any applicable value added tax, excise, sales taxes or levies of a similar nature which are imposed or charged by any competent fiscal authority in respect of Components and Services, which Customer shall be additionally liable to pay to Supplier.

7. Payment

7.1 Subject to any special terms agreed in writing between Customer and Supplier, Supplier shall invoice Customer for the

price of Components and Services on or at any time after delivery of Components and/or the Provision of the Services (as applicable), unless, in the case of Components, Components are to be collected by Customer or Customer wrongfully fails to take delivery of Components, in which event Supplier shall be entitled to invoice Customer for the price at any time after Supplier has notified Customer that Components are ready for collection or (as the case may be) Supplier has tendered delivery of Components.

7.2 Customer shall pay the price of Components (less any discount or credit allowed by Supplier, but without any other deduction, credit or set off) within 60 Business Days of the date of Supplier's invoice or otherwise in accordance with such credit terms as may have been agreed in writing between Customer and Supplier in respect of the Contract. Payment shall be made on the due date notwithstanding that delivery or provision may not have taken place and/or that the property in Components has not passed to the Customer. The time for the payment of the price shall be of the essence of the Contract. Receipts for payment will be issued only upon request.

7.3 All payments shall be made to Supplier as indicated on the form of acceptance or invoice issued by Supplier.

7.4 Supplier is not obliged to accept orders from any Customer or buyer who has not supplied Supplier with references satisfactory to Supplier. If at any time Supplier is not satisfied as to the creditworthiness of Customer it may give notice in writing to Customer that no further credit will be allowed to Customer in which event no further components or services will be delivered or provided to Customer other than against cash payment and notwithstanding sub-Clause 7.2 of these conditions, all amounts owing by Customer to Supplier shall be immediately payable in cash.

8. Delivery and Performance

8.1 Delivery of Components shall be made by Supplier delivering Components to the place in the United Kingdom specified in the quotation or, if no place of delivery is so specified, by Customer collecting Components at Supplier's premises at any time after Supplier has notified Customer that Components are ready for collection.

8.2 The Delivery Date is approximate only and time for delivery shall not be of the essence unless previously agreed by Supplier in writing. Components may be delivered by Supplier in advance of the Delivery Date upon giving reasonable notice to the Customer

8.3 If Customer fails to take delivery of Components or any part of them on the Delivery Date and/or fails to provide any instructions, documents, licences, consents or authorisations required to enable Components to be delivered on that date, Supplier shall be entitled upon giving written notice to Customer to store or arrange for the storage of Components and then notwithstanding the provisions of sub-Clause 10.1 risk in Components shall pass to the Customer, delivery shall be deemed to have taken place and Customer shall pay to Supplier all costs and expenses including storage and insurance charges arising from such failure.

8.4 With effect from the Commencement Date Supplier shall, in consideration of the price being paid in accordance with these Terms and Conditions and the quotation provide the Services expressly identified in the quotation.

9. Non-Delivery of Components and Services

9.1 If Supplier fails to deliver Components or provide the Services or any of them on the Delivery Date (or Commencement Date, as appropriate) other than for reasons outside Supplier's reasonable control or the Customer's or its carrier's fault: **a)** if Supplier delivers Components and/or provides the Services at any time thereafter Supplier shall have no liability in respect of such late delivery; or **b)** if Customer gives written notice to Supplier within 7 Business Days after the Delivery Date (or Commencement Date, as appropriate) and Supplier fails to deliver Components and/or Services within the confirmed shipping date, Customer may cancel the order and Supplier's liability shall be limited to the excess (if any) of the cost to Customer (in the cheapest available market) of similar Components or services to those not delivered or provided over the price of Components or Services not delivered or provided.

10. Risk and Retention of Title

10.1 Risk of damage to or loss of Components shall pass to

Customer at: **a)** in the case of Components to be delivered at Supplier's premises, the time when Supplier notifies Customer that Components are available for collection; or **b)** in the case of Components to be delivered otherwise than at Supplier's premises, the time of delivery or, if Customer wrongfully fails to take delivery of Components, the time when Supplier has tendered delivery of Components; or **c)** in the case of Components being installed by Supplier, the time that Supplier notifies Customer that the installation is complete.

10.2 Notwithstanding delivery and the passing of risk in Components, or any other provision of these Terms and Conditions, legal and beneficial title to Components shall not pass to Customer until Supplier has received in cash or cleared funds payment in full of the price of Components.

10.3 Sub-Clause 10.2 notwithstanding, legal and beneficial title of Components shall not pass to Customer until Supplier has received in cash or cleared funds payment in full of the price of Components and any other Components supplied by Supplier and Customer has repaid all moneys owed to Supplier, regardless of how such indebtedness arose.]

10.4 Until payment has been made to Supplier in accordance with these Conditions and title in Components has passed to the Customer, Customer shall be in possession of Components as bailee for Supplier and Customer shall store Components separately and in an appropriate environment, shall ensure that they are identifiable as being supplied by Supplier and shall insure Components against all reasonable risks.

10.5 Customer shall not be entitled to pledge or in any way charge by way of security for any indebtedness any of Components which remain the property of Supplier, but if Customer does so all money owing by Customer to Supplier shall (without prejudice to any other right or remedy of Supplier) forthwith become due and payable.

10.6 Supplier reserves the right to repossess any Components in which Supplier retains title without notice. Customer irrevocably authorises Supplier to enter the Customer's premises during normal business hours for the purpose of repossessing Components in which Supplier retains title and inspecting Components to ensure compliance with the storage and identification requirements of sub-Clause 10.4.

10.6 The Customer's right to possession of Components in which Supplier maintains legal and beneficial title shall terminate if: **a)** Customer commits or permits any material breach of his obligations under these Terms and Conditions; **b)** Customer enters into a voluntary arrangement for Insolvency, or any other scheme or arrangement is made with his creditors; or **c)** Customer is or becomes the subject of a bankruptcy order or takes advantage of any other statutory provision for the relief of insolvent debtors;

11. Assignment

11.1 Supplier may assign the Contract or any part of it to any person, firm or company without the prior consent of the Customer.

11.2 Customer shall not be entitled to assign the Contract or any part of it without the prior written consent of Supplier.

12. Defective Components

12.1 If on delivery any of Components are defective in any material respect and either Customer lawfully refuses delivery of the defective Components or, if they are signed for on delivery as "condition and contents unknown" Customer gives written notice of such defect to Supplier within 5 Business Days of such delivery, Supplier shall at its option: **a)** replace the defective Components within 10 Business Days of receiving the Customer's notice; or **b)** refund to Customer the price for those Components (or parts thereof, as appropriate) which are defective; but Supplier shall have no further liability to Customer in respect thereof and Customer may not reject Components if delivery is not refused or notice given by Customer as set out above.

12.2 No Components may be returned to Supplier without the prior agreement in writing of Supplier. Subject thereto any Components returned which Supplier is satisfied were supplied subject to defects of quality or condition which would not be apparent on inspection shall either be replaced free of charge or, at Supplier's sole discretion Supplier shall refund or credit to Customer the price of such defective Components but Supplier shall have no further liability to the Customer.

12.3 Supplier shall be under no liability in respect of any defect

arising from fair wear and tear, or any wilful damage, negligence, subjection to normal conditions, failure to follow Supplier's instructions (whether given orally or in writing), misuse or alteration of Components without Supplier's prior approval, or any other act or omission on the part of the Customer, its employees or agents or any third party.

12.4 Components, other than defective Components returned under sub-Clauses 12.1 or 12.2, returned by Customer and accepted by Supplier may be credited to Customer at Supplier's sole discretion and without any obligation on the part of Supplier.

12.5 Subject as expressly provided in these Terms and Conditions, and except where Components are sold under a consumer sale, all warranties, conditions or other terms implied by statute or common law are excluded to the fullest extent permitted by law.

12.6 Customer shall be responsible for ensuring that, except to the extent that instructions as to the use or sale of Components are contained in the packaging or labelling of Components, any use or sale of Components by Customer is in compliance with all applicable statutory requirements and that handling and sale of Components by Customer is carried out in accordance with directions given by Supplier or any competent governmental or regulatory authority and Customer will indemnify Supplier against any liability loss or damage which Supplier might suffer as a result of the Customer's failure to comply with this condition.

13. Customer's Default

13.1 If Customer fails to make any payment on the due date then, without prejudice to any other right or remedy available to Supplier, Supplier shall be entitled to: **a)** cancel the order or suspend any further deliveries or provision of Components and Services to the Customer; **b)** appropriate any payment made by Customer to such of Components and/or Services (or Components and/or services supplied under any other contract between Customer and Supplier) as Supplier may think fit (notwithstanding any purported appropriation by the Customer); and **c)** charge Customer interest (both before and after any judgement) on the amount unpaid, at the rate of 1.5% per annum above Bank of Taiwan base rate from time to time, until payment in full is made (a part of a month being treated as a full month for the purpose of calculating interest).

13.2 This condition applies if: **a)** Customer fails to perform or observe any of its obligations hereunder or is otherwise in breach of the Contract; **b)** Customer becomes insolvent or (being an individual or firm) becomes bankrupt or (being a company) goes into liquidation; **c)** an encumbrancer takes possession, or a receiver is appointed, of any of the property or assets of the Customer; **d)** Customer ceases, or threatens to cease, to carry on business; or **e)** Supplier reasonably apprehends that any of the events mentioned above is about to occur in relation to Customer and notifies Customer accordingly.

13.3 If sub-Clause 13.2 applies then, without prejudice to any other right or remedy available to Supplier, Supplier shall be entitled to cancel the Contract or suspend any further deliveries under the Contract without any liability to the Customer, and if Components have been delivered but not paid for the price shall become immediately due and payable notwithstanding any previous agreement or arrangement to the contrary.

14. Liability

14.1 Supplier will not by reason of any representation, implied warranty, condition or other term, or any duty at common law or under express terms of the Contract (or these Terms and Conditions), be liable for any loss of profit or any indirect, special or consequential loss, damage, costs, expenses or other claims (whether caused by Supplier's servants or agents or otherwise) which arise out of or in connection with the supply of Components and Services.

14.2 All warranties, conditions and other terms implied by statute or common law (save for the mandatory terms) are, to the fullest extent permitted by law, excluded from the Contract.

14.3 Customer shall indemnify Supplier against all damages, costs, claims and expenses suffered by arising from loss or damage to any equipment (including that of third parties) caused by Customer, its agents or employees.

14.4 Where Customer consists of 2 or more persons such expression throughout shall mean and include such 2 or more persons and each or any of them. All obligations on the part of such a Customer shall be joint and several obligations of such persons.

14.5 Supplier shall not be liable to Customer or be deemed to be in

breach of these terms and conditions by reason of any delay in performing, or any failure to perform, any of Supplier's obligations if the delay or failure was due to any cause beyond Supplier's reasonable control.

14.6 Nothing in these Terms and Conditions excludes or limits the liability of Supplier: **a)** for death or personal injury caused by Supplier's negligence; **b)** for any matter which it would be illegal for Supplier to exclude or attempt to exclude its liability; or **c)** for fraud or fraudulent misrepresentation.

14.7 Subject to the remaining provisions of this Clause 14: **a)** Supplier's total liability in contract, tort (including negligence or breach of statutory duty), misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of the Contract shall be limited to the Contract Price; and **b)** Supplier shall not be liable to Customer for any pure economic loss, loss of profit, loss of business, depletion of goodwill or otherwise, in each case whether direct, indirect or consequential, or any claims for consequential compensation whatsoever (howsoever caused) which arise out of or in connection with the Contract

15. Confidentiality

15.1 Each Party undertakes that, except as provided by sub-Clause 15.2 or as authorised in writing by the other Party, it shall, at all times during the continuance of the Contract and for 3 years after its termination: **a)** keep confidential all Confidential Information; **b)** not disclose any Confidential Information to any other person; **c)** not use any Confidential Information for any purpose other than as contemplated by and subject to these Terms and Conditions and the Contract; **d)** not make any copies of, record in any way or part with possession of any Confidential Information; and **e)** ensure that none of its directors, officers, employees, agents or advisers does any act which, if done by that Party, would be a breach of the provisions of sub-clauses 15.1(a) to 15.1(d) above.

15.2 Either Party may disclose any Confidential Information to **(a)** any sub-contractor or supplier of that Party; **(b)** any governmental or other authority or regulatory body; or **(c)** any employee or officer of that Party or of any of the aforementioned persons, parties or bodies; to such extent only as is necessary for the purposes contemplated by these Terms and Conditions and the Contract, or as required by law, and in each case subject to that Party first informing the person, party or body in question that the Confidential Information is confidential and (except where the disclosure is to any such body as is mentioned in sub-Clause 15.1 (b) above or any employee or officer of any such body) obtaining and submitting to the other Party a written undertaking from the person in question, as nearly as practicable in the terms of this Clause 15, to keep the Confidential Information confidential and to use it only for the purposes for which the disclosure is made; and use any Confidential Information for any purpose, or disclose it to any other person, to the extent only that it is at the date of the Contract, or at any time after that date becomes, public knowledge through no fault of that Party, provided that in doing so that Party does not disclose any part of that Confidential Information which is not public knowledge.

15.3 The provisions of this Clause 15 shall continue in force in accordance with their terms, notwithstanding the termination of the Contract for any reason.

16. Notices

All notices under these Terms and Conditions and under the Contract shall be in writing and be deemed duly given if signed by, or on behalf of, a duly authorised officer of the Party giving the notice. Notices shall be deemed to have been duly given: (a) when delivered, if delivered by courier or other messenger (including registered mail) during the normal business hours of the recipient; or (b) when sent, if transmitted by facsimile or e-mail and a successful transmission report or return receipt is generated.

17. Force Majeure

Neither Party shall be liable for any failure or delay in performing their obligations where such failure or delay results from any cause that is beyond the reasonable control of that Party. Such causes include, but are not limited to: power failure, Internet Service Provider failure, industrial action, civil unrest, fire, flood, storms, earthquakes, acts of terrorism, acts of war, governmental action or any other event that is beyond the control of the Party in question.

18. Law and Jurisdiction

These Terms and Conditions and the Contract (including any non-contractual matters and obligations arising therefrom or associated therewith) shall be governed by, and construed in accordance with, the laws of Taiwan. Any dispute, controversy, proceedings or claim between the Parties relating to these Terms and Conditions or to the Contract (including any non-contractual matters and obligations arising therefrom or associated therewith) shall fall within the jurisdiction of the courts of Taipei, Taiwan.