

FAMAX SUPPLIER TERMS AND CONDITIONS OF PURCHASE

(FMX-PUR-T-001)

These Terms and Conditions apply to the supply of goods and services by the party named on the face of the purchase order to FAMAX Technology (M) Sdn. Bhd. "Shall" denotes a mandatory requirement. The Buyer's registered office is A135, Jalan 2B, Kawasan Perusahaan Miel Fasa 3, 08000 Sungai Petani, Kedah Darul Aman, Malaysia.

A. THE CONTRACT**1. Definitions and Interpretation**

"Buyer" means FAMAX Technology (M) Sdn. Bhd. (Company No. 200601028954 (748710-K)). "Supplier" means the party named on the face of the PO. "PO" means the purchase order issued by the Buyer, including these Terms and all documents referenced in clause 3. "Work" means the goods and services to be supplied under the PO. "Appendix" means the FAMAX Purchase Order Appendix (Supplier Quality Requirements) applicable to the Supplier's supply category. "Instructions" means the FAMAX Important Instructions to Supplier, document FMX-PUR-F-001. "Goods" means the goods forming part of the Work, and where that term is used in an Appendix or in the Instructions it has the same meaning as "Work". "working day" means a day other than a Saturday, a Sunday, or a public holiday gazetted for the State of Kedah or for Malaysia.

Headings are for convenience only. The singular includes the plural, and "including" means "including without limitation".

2. Acceptance of Purchase Order

(a) These Terms are the only terms on which the Buyer contracts, unless a signed written agreement between the parties expressly provides otherwise.

(b) The Supplier shall acknowledge the PO and confirm the delivery schedule within two (2) working days of receipt. If the Supplier does not accept these Terms precisely as written, it shall return the PO within that period with a written explanation.

(c) Acceptance of the PO occurs on the earlier of: (i) the Supplier's acknowledgment; (ii) commencement of performance; or (iii) delivery of any part of the Work.

(d) Any term proposed by the Supplier — whether in a quotation, order acknowledgment, invoice, delivery note, website or otherwise — that adds to, differs from or conflicts with these Terms is **expressly rejected** and shall not apply, notwithstanding the Buyer's acceptance of the Work or payment.

3. Order of Precedence

In the event of conflict, the following order applies, highest first: (i) the face of the PO; (ii) the Instructions; (iii) the applicable Appendix; (iv) these Terms and Conditions; (v) drawings and specifications referenced in the PO. Where two or more of the foregoing impose overlapping obligations on the same subject, **the more stringent requirement applies**.

4. Changes to the Order

(a) The Supplier shall not make any substitution or change to the Work, or to the materials, processes, sources, tooling or facilities used to produce it, except with the Buyer's prior written approval issued as an amendment to the PO. Clause 16 applies in addition.

(b) The Buyer may by written notice make changes within the general scope of the Work, which the Supplier shall implement promptly. Verbal instructions do not constitute a change.

(c) If a change directed by the Buyer affects price or delivery, the Supplier shall notify the Buyer in writing within two (2) working days of **the Supplier's** receipt of the change notice, and the parties shall agree an equitable adjustment. Failure to notify within that period waives the claim.

5. Specification

The specifications applicable to the Work comprise all technical and business requirements, including the original manufacturer's specifications, the Buyer's specifications referenced in the PO, and any specification issued by a recognised standards body that is referenced. In the event of conflict, the Buyer's specifications prevail unless the Buyer agrees otherwise in writing.

Substitution of material, grade, specification or source — including any claim of equivalence — requires the Buyer's prior written approval. **Equivalence is determined by the Buyer and not by the Supplier.**

B. DELIVERY AND ACCEPTANCE

6. Delivery, Title and Risk

(a) Delivery shall be **FCA Supplier's facility (Incoterms 2020)** unless otherwise stated on the face of the PO. **Incoterms 2020** apply to all delivery terms used in the PO.

(b) Risk of loss of or damage to the Work passes in accordance with the applicable Incoterm.

(c) Title passes to the Buyer on the earlier of delivery in accordance with the applicable Incoterm and payment. The passing of title or risk does not constitute acceptance of the Work.

(d) Time is of the essence. The Supplier is responsible for any additional cost arising from its failure to adhere to the delivery schedule, and the Buyer may set such cost off under clause 23.

(e) Partial or early delivery requires the Buyer's prior written consent.

7. Late Delivery and Liquidated Damages

(a) If the Supplier fails to deliver by the date required and does not cure within a grace period of seven (7) working days from that date, the Buyer may claim liquidated damages of three per cent (3%) of the price of the affected item for each calendar week or part week of delay. Such damages accrue from the date required and not from expiry of the grace period, and are **capped at ten per cent (10%) of the price of the affected item**.

(b) If the Work remains undelivered four (4) weeks after the required date, the Buyer may terminate the affected portion of the PO without further obligation, and clause 35 applies.

(c) Liquidated damages under this clause are the Buyer's sole monetary remedy for **delay alone**. They are without prejudice to the Buyer's rights in respect of defective or nonconforming Work, breach of any other term, or termination under clause 35.

(d) The parties agree that the sums stated in this clause represent a genuine pre-estimate of loss and reasonable compensation for the purposes of **section 75 of the Contracts Act 1950**.

8. Packing, Shipping and Customs

(a) The Supplier shall pack and ship the Work as specified in the PO and in accordance with best commercial practice for domestic and international shipment and any required storage. Packing shall be sufficient to ensure safe arrival despite rough handling and exposure to humidity and shall be free from contamination.

(b) A detailed packing list referencing the PO number shall be firmly attached to the outside of the shipping container.

(c) The Supplier shall provide complete shipping documentation in accordance with the applicable Incoterm and the Instructions.

(d) A Supplier outside Malaysia shall include a commercial invoice prepared in accordance with Malaysian customs requirements, a certificate of origin, any export permit required by the authorities of the country of despatch, and any preferential-origin declaration applicable under **ATIGA, RCEP, CPTPP** or other trade agreement identified by the Buyer.

(e) Hazardous materials shall be packed, labelled, documented and transported in accordance with applicable regulations, and accompanied by a current Safety Data Sheet.

9. Inspection, Testing and Acceptance

(a) Final acceptance occurs after delivery to the destination and satisfactory completion of all required inspection, testing and approval. Payment, in whole or in part, does not constitute acceptance.

(b) Where the PO provides for staged acceptance of equipment or services, provisional acceptance occurs on demonstration that the Work complies with the PO in a stand-alone or non-operational environment, and final acceptance on the Buyer's certification of full compliance. Deficiencies identified before final acceptance but not recorded in the acceptance certificate shall be remedied to the Buyer's satisfaction before the warranty period commences.

(c) Inspection or testing by the Buyer does not relieve the Supplier of responsibility for conformity, nor affect acceptance or warranty.

10. First Article Inspection

(a) Where the Buyer requires it, the first item produced for delivery under the PO is subject to first article inspection and acceptance in accordance with **AS9102**, or such other standard as the PO states, before further production proceeds.

(b) First article inspection shall be repeated on any change of design, material, manufacturing process, tooling, sub-tier source or facility location, and following a lapse in production of two (2) years or such other period as the PO states.

(c) If the first item fails to meet the drawing, specification and PO requirements, the Supplier shall submit a replacement first item within five (5) working days. Acceptance of the first article does not constitute acceptance of subsequent Work.

11. Rejection and Replacement

The Buyer may reject Work that is not delivered on time or does not conform to the PO. The Supplier shall, at the Buyer's option, replace, repair or refund within five (5) working days of the Buyer's notice unless a different period is stated in the PO. Rejected Work is held at the Supplier's risk and expense. The Buyer may recover the cost of sorting, rework, handling and transport incurred by the Buyer or its customer.

C. QUALITY AND PRODUCT INTEGRITY

12. Quality Management System and Personnel Awareness

(a) The Supplier shall maintain a quality management system meeting the requirements of the applicable Appendix and, as applicable to the Work, **ISO 9001, AS9100 or ISO 13485**, certified by an accredited certification body where the PO or Appendix so requires.

(b) The Supplier shall notify the Buyer in writing within five (5) working days of any suspension, withdrawal, lapse, change of scope or change of certification body affecting such certification.

(c) The Supplier shall ensure that its personnel are aware of **their contribution to product and service conformity, their contribution to product safety, and the importance of ethical behaviour**.

(d) The applicable supplier quality requirements are set out in the FAMAX Purchase Order Appendices, namely: Appendix IV A — Raw Materials (FMX-PUR-A-IVA); Appendix IV B — Semi-Finished Parts (FMX-PUR-A-IVB); Appendix IV C — Secondary Processes (FMX-PUR-A-IVC); Appendix IV D — Aircraft General Supplies (FMX-PUR-A-IVD); Appendix IV E — Consumables (FMX-PUR-A-IVE); and Appendix IV F — Chemical Analysis and Testing Services (FMX-PUR-A-IVF). The Appendix applicable to the Work is the one identified on the face of the PO, at the revision there stated.

13. Product Integrity — Counterfeit Prevention, Product Safety and FOD

(a) **Counterfeit prevention.** The Supplier shall maintain a documented counterfeit-part prevention process in accordance with AS9100 and, where applicable, AS5553 or AS6174, and shall procure only from the original manufacturer or its authorised distributor. Where this is not possible, the Supplier shall obtain the Buyer's prior written approval and provide test or authentication evidence. Suspect or confirmed counterfeit items shall be quarantined, notified to the Buyer within twenty-four (24) hours, and shall not be returned to the supply chain.

(b) **Product safety.** The Supplier shall identify and control risks to product safety arising from its products and processes, and shall notify the Buyer immediately of any condition affecting the safety of Work already delivered.

(c) **Foreign object debris.** The Supplier shall maintain a FOD prevention programme appropriate to the Work, and shall deliver the Work free from foreign objects, swarf, chips, debris and contamination.

14. Special Processes and Personnel Qualification

(a) Special processes — including heat treatment, plating, coating, painting, welding, brazing, chemical processing and non-destructive testing — shall be performed only by sources approved by the Buyer or the Buyer's customer, and by **NADCAP**-accredited sources where required by the PO or the Buyer's customer.

(b) Personnel performing special processes, inspection, testing and non-destructive testing shall hold the qualifications and certifications required by the applicable specification. Evidence shall be available to the Buyer on request.

(c) An approved special-process source shall not be changed without the Buyer's prior written approval under clause 16.

(d) The Supplier shall provide test specimens for design approval, inspection, verification, investigation or audit when required by the PO.

15. Nonconforming Product

(a) The Supplier shall notify the Buyer in writing within **twenty-four (24) hours** of becoming aware of nonconforming Work, including Work already delivered.

(b) The Supplier shall not disposition, rework, repair, scrap or use-as-is any nonconformance affecting the Buyer's requirements without the Buyer's prior written approval.

(c) The Supplier shall provide root cause analysis and corrective action within ten (10) working days, in the format required by the Buyer. Where the investigation is complex, the Supplier may request an extension before the deadline; any extension shall be agreed by the Buyer in writing. The Buyer may reject an inadequate analysis or corrective action, in which case the Supplier shall resubmit within five (5) working days.

(d) Where nonconforming Work has escaped to the Buyer or its customer, the Supplier shall cooperate fully in containment, sorting, recall or field action and shall bear the resulting cost.

16. Notification of Change

The Supplier shall notify the Buyer in writing and obtain the Buyer's written approval **before** implementing any change to: product design or specification; manufacturing process, method or sequence; materials or their source; process equipment or tooling; facility location; any sub-tier supplier or special-process source; quality management system certification status; or ownership or control of the Supplier's business.

17. Traceability, Certificates and Records

(a) A Certificate of Conformity shall accompany each delivery, together with mill or material test certificates, certificates of analysis, calibration certificates and special-process certificates as applicable.

(b) Certificates shall be legible, in English, issued and signed by authorised personnel of the manufacturer or processor, and traceable to the specific heat, lot or batch delivered. **Distributors shall supply the original manufacturer's certificate; transcribed, re-typed or reformatted certificates are not acceptable. A missing, unsigned or incomplete certificate is grounds for rejection of the delivery.**

(c) Lot, batch, heat or serial identification shall be marked on the Work or its packaging and shall correspond to the accompanying documentation. The Supplier shall maintain records enabling identification of all Work produced from the same lot or batch.

(d) The Supplier shall retain all records of manufacture, inspection, test and traceability for a minimum of ten (10) years from the date of final delivery, or longer where the PO, the Appendix or applicable regulation requires, and shall not dispose of them without the Buyer's prior written consent. On cessation of business the Supplier shall offer such records to the Buyer.

18. Medical Device and Regulated Product Requirements

Where the PO states that the Work is intended for medical device application, the Supplier shall additionally:

(a) maintain a quality management system conforming to **ISO 13485**;

(b) not implement any change to the product or to any process affecting it without the Buyer's **prior written agreement**, in accordance with ISO 13485 clause 7.4;

(c) maintain traceability records for the lifetime of the device as notified by the Buyer, and in any event for not less than the period in clause 17(d);

(d) cooperate fully and promptly with the Buyer and any regulatory authority in complaint investigation, vigilance reporting, advisory notice, field safety corrective action and recall;

(e) meet any cleanliness, particulate, bioburden or packaging requirement stated in the PO or on the drawing.

19. Sub-tier Suppliers

(a) The Supplier shall flow down to its sub-tier suppliers all applicable requirements of the PO, including the Buyer's customer requirements, key characteristics, quality requirements, product safety, counterfeit prevention, record retention, right of access, and the compliance obligations in clauses 29 to 34, together with all updates and changes.

(b) The Supplier remains fully responsible for the conformity of Work produced by its sub-tier suppliers.

(c) The Supplier shall not subcontract any part of the Work without the Buyer's prior written approval. Approval does not relieve the Supplier of any obligation under the PO.

(d) Where the PO states that the Work is supplied in support of a higher-tier prime contract, the terms of that prime contract identified on the face of the PO, including any standard government terms so identified, also apply to the PO except where expressly excluded or in direct conflict with these Terms, and the prime contractor's rights under those terms are transferred to and exercisable by the Buyer. The Buyer shall furnish a copy of those terms on the Supplier's request.

20. Right of Access

The Buyer, its representatives, its customers and regulatory authorities have the right of access, at all reasonable hours, to all facilities involved in the PO **at any level of the supply chain** and to all applicable records, at any stage of performance and throughout the retention period in clause 17(d), for the purpose of inspection, verification, audit and investigation. The Supplier shall secure equivalent rights from its sub-tier suppliers.

D. COMMERCIAL TERMS

21. Price and Taxes

Unless expressly stated otherwise in the PO, prices are firm and fixed and include all costs of packing and preparation for shipment, but exclude sales and service tax (SST) and any other sales, use, excise, value-added, service or business transfer taxes, customs and import or export duties and applicable fees, all of which the Supplier shall state expressly. The Supplier warrants that the price charged for the Work is **not higher** than that charged to other purchasers for comparable quantity and specification. The Supplier shall pass to the Buyer the benefit of any duty drawback or preferential tariff treatment available in respect of the Work.

22. Invoices and Payment

(a) A separate invoice shall be issued for each PO and sent to **finance@fmefamax.com**, quoting the PO number and itemising quantity, description, price, applicable taxes and any other charges.

(b) The PO number shall appear on all packages, packing slips, invoices, correspondence, customs documentation, bills of lading and associated documentation.

(c) Unless otherwise stated in the PO, payment terms are net sixty (60) days from receipt and approval of a correct and undisputed invoice.

(d) Any request to change the Supplier's bank or remittance details shall be submitted on the Supplier's letterhead and takes effect only after the Buyer has verified it by telephone with a previously known Supplier contact using contact details already held by the Buyer. **The Buyer will not act on bank-detail changes**

notified by e-mail alone and accepts no liability for payment made against details not verified through this process.

23. Set-Off

The Buyer may set off against any sum due to the Supplier any amount owed by the Supplier to the Buyer, including liquidated damages, sorting and rework costs, cover-purchase costs and indemnity claims.

24. Warranty

(a) The Supplier warrants that, for not less than twelve (12) months from the later of final acceptance and first operational use, but in no event beyond eighteen (18) months from delivery, the Work is and shall be: (i) new and unused; (ii) free from defects in design, materials and workmanship; (iii) in conformance with the specifications; (iv) fit for its intended purpose where that purpose has been made known to the Supplier; and (v) free from any lien or encumbrance.

(b) The Supplier shall bear all direct and indirect costs of remedying any defect, including removal, reinstallation, sorting, rework and transport, whether incurred at the Buyer's premises or at the premises of the Buyer's customer.

(c) Defective Work shall be repaired or replaced within five (5) working days of the Buyer's request. The Supplier shall pay all shipping charges and provide a report detailing the repair and the root cause.

(d) The obligations in this clause apply without time limit, and accordingly at any time after expiry of the warranty period in (a), in respect of a **latent defect** — that is, a defect not reasonably discoverable by the inspection and testing carried out before final acceptance — and in respect of any counterfeit item or falsified record. In those cases the Supplier shall promptly and at its sole expense, and without limiting any further liability, recall and repair or replace all affected Work; and if the defect cannot be repaired or replaced, the Buyer is entitled to full repayment of the purchase price. A patent defect is subject to the warranty period in (a).

(e) Repaired or replaced Work carries a fresh warranty for the balance of the original period or six (6) months, whichever is longer.

(f) The Work and its spare parts shall remain available for purchase by the Buyer and supported by the Supplier for at least three (3) years after delivery, or such longer period as the PO states.

25. Indemnity

The Supplier shall indemnify and hold harmless the Buyer, its officers, employees and agents against all claims, proceedings, losses, damages, costs and expenses, including **legal costs on a solicitor-and-client basis**, arising directly or indirectly from any act, omission or breach of the PO by the Supplier or by its employees, agents or subcontractors, including property damage and personal injury (including death) arising from the sale or use of the Work by the Buyer or any third party, and against all claims for royalties, licence fees or infringement of patents, trademarks or other protected rights in respect of the Work or its manufacture, sale, possession or use.

26. Insurance

The Supplier shall maintain at its own expense, and provide evidence on request: (a) public liability and property damage insurance of not less than RM1,000,000 per occurrence; (b) product liability insurance of not less than RM1,000,000 in the aggregate; (c) marine or transit insurance where transport is at the Supplier's risk; and (d) registration and contributions with **SOCISO (PERKESO)** under the Employees' Social Security Act 1969 for all employees, together with employer's liability cover where applicable. The Supplier shall notify the Buyer of any cancellation or material reduction in cover.

27. Intellectual Property and Licence

(a) All intellectual property created by the Supplier specifically for the Buyer in performance of the PO vests in the Buyer on creation.

(b) Where the Work includes a licence to the Supplier's pre-existing intellectual property, then unless otherwise expressly agreed in writing that licence is non-exclusive, perpetual, irrevocable, fully paid, transferable and worldwide, permitting the Buyer and its customers to use, sell, modify, repair, support,

sublicense and commercially exploit the intellectual property as necessary for the use, maintenance and resale of the Work.

(c) The Supplier warrants that it holds all rights necessary to grant the licence conveyed, and shall disclose all third-party intellectual property embedded within, delivered with, or used in the Work, including any open-source components and their licence terms.

(d) The Buyer's drawings, models, tooling, specifications and data remain the Buyer's property, shall be returned on demand, and shall not be used for any third party.

28. Confidentiality, Information Security and Data Protection

(a) The Supplier shall maintain in strict confidence all information disclosed by the Buyer, including technical and business data, drawings, models, software, pricing and know-how, shall use it solely to perform the PO, and shall disclose it only to personnel and approved subcontractors bound by equivalent obligations and on a need-to-know basis.

(b) Information disclosed by the Supplier to the Buyer is not subject to any confidentiality obligation unless expressly agreed by the Buyer in writing.

(c) The Supplier shall protect the Buyer's information with technical and organisational controls no less rigorous than those it applies to its own confidential information and appropriate to the risk, including access control, secure storage and transmission, and secure disposal.

(d) The Supplier shall not store or process the Buyer's information outside Malaysia, or in any third-party cloud or hosted service, without the Buyer's prior written approval.

(e) The Supplier shall notify the Buyer at it@famefamax.com within **twenty-four (24) hours** of any information security incident, unauthorised access, loss or suspected compromise affecting the Buyer's information, and shall cooperate in investigation and remediation.

(f) The Supplier shall return or securely destroy the Buyer's information on written request or on completion of the PO and shall confirm destruction in writing.

(g) Where personal data is processed in connection with the PO, the Supplier shall comply with the **Personal Data Protection Act 2010** and shall process such data only on the Buyer's documented instructions.

(h) The Supplier shall not disclose the Buyer's name, the existence of the PO, or use the Buyer's marks in any publicity without the Buyer's prior written consent.

(i) The obligations in this clause survive termination and continue for seven (7) years thereafter.

E. COMPLIANCE AND RESPONSIBLE BUSINESS

29. Compliance with Laws

The Supplier shall comply with all applicable laws, regulations and by-laws of Malaysia and of any country in which the Work is produced, processed or from which it is shipped, including the Customs Act 1967, the Strategic Trade Act 2010, the Environmental Quality Act 1974, the Occupational Safety and Health Act 1994, the Employment Act 1955, the Malaysian Anti-Corruption Commission Act 2009 and the Personal Data Protection Act 2010, and shall obtain and maintain all licences, permits and approvals required for performance of the PO.

30. Export Control and Trade Compliance

(a) The Supplier shall comply with all applicable export control, sanctions and trade laws, including the **Strategic Trade Act 2010** and, where applicable, the US Export Administration Regulations, the International Traffic in Arms Regulations and EU dual-use controls.

(b) The Supplier shall identify to the Buyer in writing, at the time of quotation and again on delivery, any Work or technical data subject to export control, stating the controlling regulation and classification.

(c) The Supplier shall not transfer controlled Work or technical data to any person or destination without the required authorisation.

(d) The Supplier warrants that neither it, nor its owners or directors, nor, to the best of its knowledge after reasonable enquiry, any of its sub-tier suppliers is named on a sanctions or restricted-party list applicable to

the Buyer or its customers, including lists under the Strategic Trade Act 2010, United Nations Security Council sanctions and, where applicable, United States lists. The Supplier shall notify the Buyer in writing immediately if this changes.

31. Environmental and Restricted Substances

- (a) The Work shall comply with all applicable restricted-substance legislation, including **RoHS** and **REACH** (including declaration of Substances of Very High Concern and notification above the applicable threshold), and with any restricted-substance list stated in the PO. Written declarations shall be provided on request.
- (b) The Supplier shall provide, on request, conflict-minerals (3TG) declarations and, where the Buyer's customers or carbon border reporting obligations require, data on the embedded greenhouse-gas emissions and energy attributable to the Work.
- (c) A current Safety Data Sheet in English and Bahasa Malaysia shall be provided before first delivery of any chemical or hazardous substance, and again on any change of formulation or classification.
- (d) Packaging shall be minimised so far as practicable and free from prohibited materials. The Supplier shall comply with the Environmental Quality Act 1974 and its subsidiary regulations, including those governing scheduled waste generated in performing the PO.
- (e) The Supplier shall maintain an environmental management system appropriate to its operations. A Supplier certified to **ISO 14001** shall notify the Buyer of any suspension or withdrawal of that certification.

32. Occupational Health and Safety

- (a) The Supplier shall provide safe and healthy working conditions and comply with the **Occupational Safety and Health Act 1994** and its subsidiary legislation.
- (b) Supplier personnel entering the Buyer's premises shall report to security, complete the visitor or contractor induction, wear the personal protective equipment designated for the area entered, observe all site traffic, safety and environmental rules, and remain within authorised areas. The Buyer may refuse or withdraw site access from any person not complying.
- (c) The Supplier shall report to the Buyer immediately any incident, injury, near-miss, dangerous occurrence or spillage occurring on the Buyer's premises or arising from the Work.
- (d) Where the Supplier performs work on the Buyer's premises, it shall provide a risk assessment and method statement before commencement, together with evidence of competency and certification for any regulated work.

33. Labour Standards and Responsible Business Conduct

The Supplier shall comply with the FAMAX Supplier Code of Conduct FMX-PUR-P-001 and shall:

- (a) not use forced, bonded, indentured, trafficked or prison labour, not retain workers' passports or identity documents, and not require workers to bear recruitment fees;
- (b) not employ any person below the minimum legal working age, and comply with the Children and Young Persons (Employment) Act 1966;
- (c) comply with the Employment Act 1955 and the applicable Minimum Wages Order in respect of wages, working hours, rest days, overtime and leave;
- (d) respect freedom of association and the right to collective bargaining;
- (e) prohibit discrimination, harassment and abuse in any form;
- (f) where worker accommodation is provided, meet the standards of the Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990 (Act 446);
- (g) permit the Buyer or its nominated auditor to conduct social compliance audits, including SMETA-type audits, at reasonable notice, and cooperate with any corrective action arising;
- (h) flow these requirements down to its own suppliers and labour providers and disclose all recruitment agents used.

34. Anti-Bribery and Anti-Corruption

- (a) The Supplier shall not offer, give, solicit or accept any bribe, kickback, facilitation payment or other improper advantage, whether to or from a public official or a private person.
- (b) The Supplier shall comply with the **Malaysian Anti-Corruption Commission Act 2009, including section 17A**, and shall maintain adequate procedures to prevent corruption by persons associated with it.
- (c) The Supplier shall not offer gifts, hospitality or entertainment to the Buyer's personnel that could improperly influence a business decision.
- (d) The Supplier shall disclose any actual or potential conflict of interest, including any relationship between its personnel and the Buyer's personnel.
- (e) The Supplier shall report promptly to the Buyer any suspected corruption relating to the PO. Breach of this clause entitles the Buyer to terminate immediately under clause 35(b).
- (f) The Supplier shall maintain accurate books and records relating to the PO and make them available for audit under clause 20.

F. GENERAL

35. Rescheduling, Suspension and Termination

- (a) The Buyer may reschedule, suspend or terminate the PO, in whole or in part, on written notice to the Supplier.
- (b) The Buyer may terminate immediately if the Supplier defaults and fails to cure within fifteen (15) days of notice, and immediately without cure period on the Supplier's insolvency, receivership, winding up or cessation of business, or on breach of clause 34.
- (c) On termination for convenience, the Buyer's liability is limited to the price of conforming Work completed and delivered before the date of notice, together with the documented cost of work in progress and non-cancellable materials properly incurred and approved by the Buyer. The Buyer is not liable for loss of profit and is not liable for any termination cost where the Work is a standard product marketed by the Supplier.
- (d) On termination for the Supplier's default, the Supplier is not entitled to damages or reimbursement of any cost, and the Buyer retains all remedies at law and in equity, including the right to procure the Work elsewhere and recover the additional cost of cover.
- (e) Where the Supplier's failure to perform prevents the Buyer meeting its commitments to its customers and the Buyer has terminated for default, the Supplier shall indemnify the Buyer under clause 25 and pay the difference between the PO price and the price at which the Buyer contracted to sell the Work, together with fifteen per cent (15%) of that contracted price in respect of the Buyer's management and overhead costs. Where the Supplier's failure consists solely of delay and the Buyer has not terminated, clause 7 applies instead.
- (f) On termination the Supplier shall promptly deliver up all property of the Buyer, including tooling, drawings, data and materials.

36. Force Majeure

- (a) Neither party is liable for failure or delay in performance (other than an obligation to pay) caused by an event beyond its reasonable control, including act of God, war, civil unrest, act of government, epidemic, fire, flood, earthquake, unusually severe weather or freight embargo.
- (b) This clause does not extend to a labour dispute confined to the affected party's own workforce; failure or delay of the Supplier's own suppliers unless itself caused by an event of the kind described in (a); or the affected party's financial inability to perform.
- (c) The affected party shall notify the other within five (5) days, state the expected duration, and take all reasonable steps to mitigate.
- (d) Where the event continues for more than thirty (30) days, the Buyer may cancel or suspend the affected portion of the PO without further obligation. During the event the Buyer may procure substitute goods from another source without liability to the Supplier.

37. Reports and Meetings

The Supplier shall provide the Buyer with delivery, quality, corrective action and performance reports in the format and at the frequency the Buyer reasonably requires, and shall attend meetings, supplier reviews and audits as reasonably required by the Buyer.

38. Independent Contractor

The parties are and shall remain independent contractors. The PO is not intended to create any partnership, joint venture, agency, or employment relationship between them.

39. Assignment and Subcontracting

The Supplier shall not assign, transfer, charge or subcontract all or any part of the PO or any interest in it without the Buyer's prior written consent, which shall not be unreasonably withheld. The Buyer may assign the PO to any affiliate or successor in business on notice to the Supplier.

40. Notices

Any notice shall be in writing, directed to the address and person identified in the PO, and shall refer to the PO by number. Notice may be given by e-mail to an address stated in the PO and is deemed received on the next working day. Either party may change its address for notices by notice to the other.

41. Waiver

A waiver by the Buyer of any right, remedy or breach is effective only if given in writing and signed by an authorised representative of the Buyer and does not constitute a waiver of any other right, remedy or breach, nor a continuing waiver. The Buyer's failure to enforce any provision, to give any notice, or to require performance at any time does not affect the validity of the PO or the Buyer's right to enforce it subsequently.

42. Severability

If any provision of the PO is held invalid, illegal or unenforceable, that provision shall be severed and the remaining provisions continue in full force. The parties shall replace the severed provision with a valid provision that most closely reflects its original intent.

43. Survival

Clauses 17, 20, 23, 24, 25, 27, 28, 30, 33, 34, 41, 42, 45 and 47, and any other provision that by its nature is intended to survive, remain in effect after completion, expiry or termination of the PO.

44. Entire Agreement

The PO, together with the documents listed in clause 3, constitutes the entire agreement between the parties in respect of the Work and supersedes all prior oral or written agreements, commitments, understandings and communications relating to it. The PO may be amended only by written amendment signed by authorised representatives of both parties. The documents listed in clause 3 and any prime contract terms applied under clause 19(d) are incorporated into the PO and are not superseded by this clause.

45. Governing Law and Dispute Resolution

(a) The PO is governed by the laws of Malaysia. The parties expressly exclude the United Nations Convention on Contracts for the International Sale of Goods.

(b) The parties shall first attempt to resolve any dispute by good-faith negotiation between senior representatives within thirty (30) days of written notice of the dispute.

(c) Where the amount in dispute does not exceed RM250,000, the dispute is subject to the exclusive jurisdiction of the Courts of Malaysia.

(d) Where the amount in dispute exceeds that sum, the dispute shall be referred to and finally resolved by arbitration administered by the **Asian International Arbitration Centre (AIAC)** under the AIAC Arbitration Rules in force at the date of the notice of arbitration. The seat of arbitration is Kuala Lumpur, Malaysia, the tribunal shall consist of one arbitrator, and the language of the arbitration is English.



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(e) Nothing in this clause prevents either party from seeking interim or injunctive relief from a court of competent jurisdiction.

46. Counterparts and Electronic Execution

The PO may be executed in any number of counterparts, each of which is an original and all of which together constitute one document. Signatures transmitted electronically or by facsimile, and electronic or digital signatures applied in accordance with the Electronic Commerce Act 2006 and the Digital Signature Act 1997, are as effective as original signatures.

47. Language and Interpretation

The parties confirm that the PO and all related documents are to be in English, which is the governing language. Any translation is provided for convenience only. The PO shall be interpreted with such changes to number and gender as the context requires.



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