



**6. Title, Delivery, Product(s) Collection & Risk of Loss** Unless agreed upon by Seller in the Sale Agreement or order acknowledgement or other written form, any sales delivery and transfer of risk of loss for shipments to Buyer is FCA Incoterms@2010 Seller's Facility/Warehouse. Regardless of the terms of delivery in the Contract/Sale Agreement and the transfer of risks of the Product(s) and of any other provision under the present Terms, ownership/title of the Product(s) shall not be transferred to the Buyer until Seller has received full payment for the price of the Product(s) in accordance to the Sale Agreement/Proforma Invoice. Until the full payment for the price, Seller reserves the right toward third parties to repossess, sell or in any other way dispose of the Product(s) for which Seller retains ownership. Should a third party attempt to seize or otherwise make use of the Product(s), the Buyer is obliged to raise the exception that the Product(s) are the property of Seller and immediately notify Seller so as to allow Seller to protect its rights by way of appropriate legal action. The

**7. Inspection** The Buyer shall have the right to inspect the goods upon their receipt. When delivery is to Buyer's site or to a project site (hereby referred to as "Site"), Buyer shall notify Seller in writing of any nonconformity of the goods with this Contract/Sale Agreement within 3 (three) days from receipt by Buyer. Failure to give such applicable notice shall constitute a waiver of Buyer's right to inspect and/or reject the goods for nonconformity and shall be equivalent to an irrevocable acceptance of the goods by Buyer. Claims for loss of or damage to goods in transit must be made to the carrier, and not to Seller.

2

not exceed 90 (ninety) days from the term indicated for delivery, the Buyer has no right to request the termination of the Contract/ Sale Agreement and to refuse the supply, unless otherwise agreed upon by both Parties.

**9. Cancellation.** Unless provided in the Contract/Sale Agreement, order may not and shall not be cancelled unless otherwise requested in writing by either party and accepted in writing the other. In the event of a cancellation by Buyer, Seller will inform Buyer of the Contract/Sale Agreement performance to which Buyer shall, within 30 (thirty) days of such cancellation, pay Seller a cancellation fee, which shall include all costs and expenses incurred by Seller prior to the receipt of the request for cancellation including, but not limited to, all commitments to its suppliers, subcontractors and others, all fully burdened labour and overhead expended by Seller, plus a reasonable profit charge. Seller shall retain all payments made by Buyer to Seller prior to the receipt of the request for cancellation. In the case of cancellation after Product(s) have been delivered or are in delivery to Buyer or Buyer's designated site as indicated in the Contract/Sale Agreement, Buyer shall reimburse Seller a minimum 20% (twenty percent) restocking fee of the cancelled order, unless otherwise specified in the Contract/Sale Agreement. Notwithstanding of anything to the contrary herein, in the event of the commencement by or against Buyer of any voluntary or involuntary proceedings in bankruptcy or insolvency, or in the event Buyer shall be adjusted bankrupt, make a general assignment for the benefit of its creditors, or if a receiver shall be appointed on account of Buyer's insolvency, or if Buyer fails to make payment(s) when due under the Contract/Sale Agreement between the Parties, or in the event Buyer does not correct or, if immediate correction is not possible, commence and diligently continue action to correct any default of Buyer to comply with any of the provisions or requirements of the present Terms within 10 (ten) calendar days after being notified in writing of such default by Seller, Seller may, by written notice to Buyer, without prejudice to any other rights or remedies which Seller may have, terminate its further performance of the Contract/Sale Agreement. In the event of such termination, Seller shall be entitled to receive payments as if Buyer has cancelled the Contract/Sale Agreement as per the preceding paragraph. Seller may nevertheless elect to complete its performance of the Contract/Sale Agreement by any means it chooses. Buyer agrees to be responsible for any additional costs incurred by Seller in so doing. Upon termination of the Contract/Sale Agreement (for any reason), the provisions, the rights, obligations and liabilities of the parties which shall have arisen or been incurred under the present Terms prior to the termination of the Contract/Sale Agreement shall survive such termination and remain valid and effective.

**10. Buyer Warranty and Accuracy of Information** Buyer warrants the accuracy of any and all information relating to the details of the requested Product(s)' operating conditions, including, but not limited to temperature, pressures, and where applicable, the nature of all hazardous materials. Seller can justifiably rely upon the accuracy of Buyer's information in its performance of the Contract/Sale Agreement. Should Buyer's information prove inaccurate, Buyer agrees to reimburse Seller for any losses, liabilities, damages and expenses that Seller may have incurred as a result of any inaccurate information provided by Buyer to Seller.

**11. Warranty** Seller warrants that the Product(s) sold to Buyer (with the exception of membranes, seals, gaskets, elastomer materials, coatings and other "wear parts" or consumables all of which are not warranted except as otherwise provided in the quotation or sales form) will be built in accordance with the specifications referred to in the quotation or sales form. Unless otherwise specifically stated in the Contract/Sale Agreement, all Product(s) are warranted against defects or malfunctions for a period of 12 (twelve) months from the invoice date. The replacement of any components and/or Product(s) under warranty does not extend the warranty duration. In the case of defects found within the Product(s), Buyer is required to report to Seller in writing, within 8 (eight) days of the defects being discovered. The report of the discovered defect must clearly indicate the Product(s)' identification details: model, delivery date, serial number,

invoice number. Seller shall reserve the right to examine or have examined the Product(s) that the Buyer declared to be non-compliant or defective. Seller shall have no obligations to Buyer with respect to any Product(s) or part(s) of Product(s) that fall into the following instances: (i) the Product(s) have been improperly used (applications not provided in the operation manual provided by Seller, incorrect installation, incorrect commissioning and/or adjustment(s); (ii) modifications or repairs to the Product(s) carried out by the Buyer and/or third party entities/personnel and not expressly authorized by Seller; (iii) negligence or lack of the preventive and ordinary maintenance as specified in the operation and maintenance manual; (iv) replacement of component(s) with non-original component(s); (v) the Products have been stored in unsuitable environments / not compliant with Seller's instructions; (vi) natural wear and tear, galvanic currents, chemical corrosion, power supply anomalies/abnormalities, electrical connections not specified in the operation and maintenance manual, mechanical activation anomalies; (vii) incorrect selection of the product and/or system components by the Buyer and/or incorrect settings by the Buyer/ Contractor(s)/Third Party entities/personnel and/or defects related to secondary devices (i.e. activation, adjustment and control systems); (viii) damages caused during transportation; (ix) damages due to force majeure. The warranty intervention, which is subject to a prior assessment and/or evaluation by Seller on the warranty applicability, shall include, at the choice of Seller, the repair or replacement of the defective components, unless otherwise agreed in writing between the Parties. The Product(s) that during the warranty period show malfunction defects or construction defects must be sent, together with the document proving the purchase, upon written authorization by Seller, "DDP" "delivery duty paid" ("Incoterms@2010") by the Buyer to Seller's facility or to the authorized Service Centre which, in case of positive verification of the warranty conditions, shall carry out the reparation or the replacement. All costs relating to the dismantling of the Products from the place in which they were installed, to the transportation and to the subsequent reassembly are always under the Buyer own costs. Once the reparation(s) are completed, Seller shall send a notice to the Buyer informing the Product(s) are ready to be collected (henceforth, referred to as "**Reparation Notice**"). The Buyer is obliged to collect the Product(s) within 30 (thirty) days from the aforementioned notice and acknowledges that, in the event of missed collection in due time, Seller shall have the right to deposit the uncollected Product(s) by the Buyer at the Buyer's risks and expenses. The Buyer also acknowledges that, after 45 (forty-five) days from the Reparation Notice, without the Buyer having collected it, Seller shall have the right to apply a penalty of 50USD (fifty United States Dollars) per week up to a maximum amount equal to half the purchase price of the Product(s), without prejudice to further damages. In any case, the Buyer expressly agrees to collect the Product(s) no later than 180 (one hundred and eighty) days from the Reparation Notice, expressly authorizing Seller to dispose of the Product(s) not collected within the aforementioned term. The same discipline shall also apply to Product(s) not collected by the Buyer following the assessment (positive or negative) by Seller regarding the applicability of the warranty. If it is agreed that the repairs under warranty are carried out on the place, Seller undertakes to replace, free of charge, the spare parts subject to the warranty terms. Moreover, if it is required, Seller shall provide specialized workforce for repairs with the prior Contract/Sale Agreement that these services shall be charged according to the standard rates as indicated by Seller. At the Buyer's own costs are also all the means necessary for the handling of materials and the success of the repair and for the necessary labourer's assistance which promptly shall be made available to Seller's personnel. The Buyer is also responsible for the costs of transportation, board and lodging/accommodation of Seller's staff made available for repairs outside the Seller's office(s) or facility. In any case, the replaced part(s) and/or component(s) remain the property of the Seller. The reported Product(s)' defects by Buyer to Seller does not authorize the Buyer: (i) to suspend the due payments; (ii) to consider terminated or to request termination of the Contract/Sale Agreement. The warranty provided by Seller is limited to the repair or replacement of the defective Product(s) only. Any liability for any direct and/or indirect damages arising from the sale and use of the Product(s) such as, but not limited to: line stops, interruption and/or loss of production, lost or limited revenues, costs, etc. is excluded. In any case, Seller's liability as regard to



the Contract/Sale Agreement with the Buyer or any other relationship is limited to the price paid by the Buyer for the Product(s). Seller shall not be responsible for any accident to persons or things for or during the use or due to or depending on the Product(s). Seller shall not be responsible in case of infringement to patents, trademarks, models or other industrial or intellectual properties' rights, if the Product(s) are made at the request of the Buyer and/ or the distributor or are based on drawings, indications or models provided by them. Without prejudice to mandatory applicable legal provisions, Article 8 is the only warranty that Seller provides in relation to the Product(s). The warranty is expressly provided in replacement of any other warranty or statement, whether explicit or implicit, including any warranty regarding the adequacy of the Product(s). In any case of Product(s) not manufactured by the original brand manufacturer/Seller, there is no warranty from the Seller.

**12. Seller's Limitation of Liability.** Under no circumstances shall Seller's liability under this Contract/Sale Agreement exceed the amount paid by Buyer under the Contract/Sale Agreement. Seller shall have no liability for loss of profit, loss of anticipated savings or revenue, loss of income, loss of business, loss of production, loss of opportunity, loss of reputation, indirect, consequential, incidental, punitive or exemplary damages. The foregoing limitations of liability shall be effective without regard to Seller's acts or omissions or negligence or strict liability in performance or non-performance on the provisions of the present Terms.

**13. Confidentiality, Technical Documentation, & Drawings** All drawings of Product(s) including, but not limited to drawings of its installation(s), curves, and diagrams, are the property of Seller. The Buyer shall keep confidential all information of technical nature (e.g. drawings, technical prospectus, documentation and correspondence in general) and the information expressly categorized as confidential that it receives from Seller and in any case learned in connection with the Contract/Sale Agreement's performance. Seller's designs, illustrations, drawings, specifications, technical data, catalogues, "know-how", economic or other business or manufacturing information (hereafter collectively referred to as "Proprietary information") disclosed to Buyer shall be deemed proprietary and confidential to Seller. Buyer agrees not to disclose, use, or reproduce any Proprietary Information without first having obtained Seller's express written consent. The Buyer is obliged to maintain such confidentiality for a period of 10 (ten) years from the delivery date of the of the last Product(s) sold to the Buyer. Buyer's agreement to refrain from disclosing, using or reproducing Proprietary Information shall survive completion of the work and Contract/Sale Agreement under this Sale Agreement. Buyer acknowledges that its improper disclosure of Proprietary Information to any third party will result in Seller's suffering irreparable harm. Seller may seek injunctive or equitable relief to prevent Buyer's unauthorized disclosure. The drawings and bulletin illustrations submitted with Seller's quotation show general type, arrangement and approximate dimensions of the goods to be furnished for Buyer's information only and Seller makes no representation or warranty regarding their accuracy. Unless expressly stated to the contrary within the quotation or sales form, all drawings, illustrations, specifications or diagrams form no part of this Agreement. Seller reserves all right to, at any moment, including after the execution of the Sale Agreement/order, to alter and/or make modifications to the details in design or arrangement of its Product(s) which, in its judgment, constitute an improvement in construction, application or operation. Any industrial or intellectual property rights regarding the materials or Product(s) being sold (including drawings, manuals, brochures, etc. that are delivered with and/or in relation to the Product(s) belong exclusively to Seller and to the relevant owners approved by Seller.

**14. Arbitration, Applicable Law, Jurisdiction** The Buyer and Seller agree that the present Terms and Sale Agreement, their interpretation, fulfilment, performance, breach, and validity or compliance with them shall be governed by the National law of the Seller's registered office country. Any controversy or claim arising out of or related to this Sale Agreement or the breach thereof shall be resolved if possible by negotiations between

Buyer and Seller. If such negotiations do not resolve the controversy or claim, then the claim or controversy shall be settled by arbitration administered by (i) Badan Arbitrase Nasional Indonesia ("BANI"), located in city matching that of Seller's registered address, in accordance with the Arbitration Rules of BANI for the time being in force, if Seller's office is located in Singapore, Malaysia, Philippine, Indonesia, Thailand, Vietnam, Myanmar, Brunei, Laos or Cambodia. The language of the arbitration shall be Bahasa Indonesia. Judgement upon an arbitration award is subject to the sole jurisdiction of the court of Surabaya or (Pengadilan Tinggi Surabaya) having jurisdiction or application for a judicial acceptance of the arbitration award or an order of enforcement as the case may be. Costs of arbitration shall be borne equally by Buyer and Seller. Notwithstanding the foregoing, any disputes that may arise in relation to the present Terms or any agreement executed in connection with the Terms, and referred to their interpretation, execution, breach, and validity and effectiveness, shall be subject to the sole jurisdiction of the Court of Surabaya (Pengadilan Tinggi Surabaya). It is the right of Seller to choose the method of conflict resolution for both Parties (negotiation, arbitration, or jurisdiction in court)

**15. Export Regulation and Control.** Seller's Product(s), including any software, documentation and any related technical data included with, or contained in, or utilized by such Product(s) or deliverables, may be subject to applicable export laws and regulations, and Buyer shall comply with all such applicable laws and regulations. It is Buyer's responsibility to ensure that the delivery of the aforementioned Product(s) are acceptable and compliant to the export laws and regulations of the destined country or city. In Particular, Buyer shall not, and shall not permit any third parties to, directly or indirect, export, re-export or release any Product(s) to any jurisdiction or country to which, or any party to whom, the export, re-export or release of any Product(s) is prohibited by applicable law, regulation or rule. Buyer shall be responsible for any breach of this article 15.

**16. Waiver and Severability** Seller's failure to insist, in any one or more instances, upon Buyer's performance of this Agreement, or to exercise any rights conferred, shall not constitute a waiver or relinquishment of any such right or right to insist upon Buyer's performance in any other regard. The partial or complete invalidity of any one or more provisions of this Sale Agreement and/or the present Terms shall not affect the validity or continuing force and effect of any other provision.