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| MENCAST GROUP'S STANDARD TERMS AND CONDITIONS OF SALES |
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DEFINITIONS

- “Company”** means **Mencast Holdings Ltd., Mencast Marine Pte. Ltd., Mencast Engineering Pte. Ltd. and/or Recon Propeller & Engineering Pte Ltd** and include references to their respective successors in title;
- “Contract”** means any sales contract entered into between the Company and the Customer for the manufacture and sale and purchase of Goods and/or the supply of Services;
- “Customer”** means the person(s) or company(ies) whose order for the Supplies is accepted by the Company and include references to their respective successors in title;
- “Goods”** means any goods manufactured, supplied or to be supplied by the Company to the Customer;
- “Services”** means any services provided or to be provided by the Company to the Customer;
- “Supplies”** means any Goods and/or Services, as appropriate.

Reference to any legislation or regulation includes any re-enactment, amendment or substitution of such legislation in force from time to time.

CONDITIONS

The terms and conditions (the **“Terms”**) contained herein shall apply to all quotations and offers made by and purchase orders accepted by the Company. These Terms apply to all sales made by the Company except to the extent the Terms conflict with a Contract. These Terms apply in lieu of any course of dealing between the parties or usage of trade in the industry. These Terms may in some instances conflict with some of the terms and conditions affixed to the purchase order or other procurement document issued by the Customer. In such case, these Terms shall govern, and acceptance of the Customer’s order is conditioned upon the Customer’s acceptance of the Terms, irrespective of whether the Customer accepts these Terms by a written acknowledgement, by implication, or acceptance and payment of Supplies ordered hereunder. The Company’s failure to object to provisions contained in any communication from the Customer shall not be deemed as a waiver of these Terms. Any changes in these Terms must specifically be agreed to in writing signed by an authorised employee of the Company before becoming binding on either party.



QUOTATIONS

Unless otherwise indicated on the quote, written quotations by the Company shall be subject to change by the Company at any time without notice to the Customer. All prices are quoted exclusive of any present or future applicable taxes, including but not limited to the Goods and Services Tax (the "GST"), to the manufacture, sale or provision of the Supplies. While every endeavour has been made to ensure the accuracy of the prices quoted, no responsibility is accepted for prices quoted due to clerical errors or errors of omissions.

DRAWINGS AND TECHNICAL SPECIFICATIONS

All descriptive and technical specifications, drawings, catalogues, illustrations and particulars of weight and dimensions submitted with a quotation are approximate only and none of these shall form part of the contract between the Company and the Customer.

Detailed descriptive and technical specifications, drawings, catalogues, illustrations and particulars of weight and dimensions may be supplied, where requested for and where necessary, when the purchase order has been accepted. Notwithstanding this, all specifications, drawings and particulars of weights, dimensions, capacity or other details (including any statements as to compliance with legislation or regulations) are intended to give a general idea of the Goods but will not form part of the contract between the Company and the Customer. If the description of any Goods differs from the Company's description, the latter shall be deemed as correct. The Company shall take all reasonable steps to ensure the accuracy of details relating to Goods but accept no liability in contract or tort or under statute or otherwise for any error or omission in such detail (including any statements as to compliance with legislation or regulation) whether caused by the Company's negligence or otherwise.

ACCEPTANCE OF PURCHASE ORDERS

Notwithstanding any contrary language in the Customer's purchase order, each purchase order shall be subject to acceptance by an authorised employee of the Company and each transaction shall be governed exclusively by these Terms. The Company may accept an order by issuing an acknowledgement of order (by fax, phone or email) or providing the Supplies. Such acceptance is expressly limited to these Terms, and any additional or different terms proposed by the Customer are automatically rejected unless expressly assented to in writing by the Company. No contract shall exist between the Company and the Customer except as hereinabove provided.

TRADING

The Company reserves the right to decline to trade with any company or person.



TAXES

Any and all sales, use or other permissible taxes, including but not limited to the GST, assessed upon sale or provision of the Supplies shall be added to the purchase price of the Supplies.

ADDITIONAL EXPENSE

Should the Company incur additional expenses which is not provided for in the quotation and for which the Company is not responsible for, in the course of the provision of the Supplies, such additional expenses and the costs shall be added to the price quoted and be paid for by the Customer accordingly.

DEPOSIT/DOWN-PAYMENT/PART-PAYMENT

Any deposits, down-payments or part-payments made for the Supplies are non-refundable unless specifically stated otherwise.

PAYMENT

Unless otherwise agreed in writing, payment must be made within thirty (30) days of the date of the Company's invoice, without any deduction, set off or withholding whatsoever. In the event that any deduction, set off or withholding whatsoever is required by law, the Customer shall gross up the amount payable to the same extent as if no such deduction, set off or withholding is made. Time for payment shall be of essence. If the Customer fails to make payment by the due date, the Company shall be entitled to, without prejudice to any of its right(s) or remedy(ies) available:

- cancel the order or suspend further deliveries;
- appropriate any payment made by the Customer for the Supplies under such invoice (or the Supplies under any other contract/invoice with the same Customer) as the Company may think fit;
- charge interest on the amount unpaid on the invoice at the rate of 5% per annum, or any other rate which the Company may decide at its absolute discretion from time to time, until payment is made in full (interest payable shall be calculated on a monthly basis and a part of a month shall be treated as a full month for the purpose of calculating interest); and
- charge administrative fees for any rejected cheque payment issued by the Customer.

CREDIT FACILITY APPLICATION

The Customer must complete the credit application form of the Company on request. Any credit facility granted to the Customer shall at all times be discretionary and may be reduced, suspended or withdrawn by the Company at any time without prior notice.



STANDARD DELIVERY

The Company will use its reasonable efforts to provide the Supplies to the Customers within reasonable time, or, if a delivery date is indicated in the quotation or purchase order, on or before such date. The Company may make delivery in installments, and each installment shall be deemed to be a separate sale for which the Company may invoice, and the Customer shall pay separately. Any scheduled delivery date is only an estimate and not a guarantee. Failure to meet a scheduled delivery date shall not prevent the Company from making further deliveries, whether or not such further deliveries are made by installments or not. The Company reserves the right to charge for delivery.

RETURNS

Unless specifically agreed in writing by the Company, Goods that have been delivered are non-returnable. In the event that the Company's consent has been obtained for the return of the Goods, the Customer will bear the costs of returning the Goods.

The Company expressly reserves the right (without limiting its discretion under this Condition) to refuse the cancellation of any order for or return for credit of Goods supplied by the Company which are specially sourced. Consumable goods are non-returnable.

INSPECTION AND LIABILITY FOR DEFECTS

The Customer must inspect the Goods as soon as is reasonably practicable after delivery, or in the case of Services, as soon as is reasonably practicable after the performance.

In the event that the Customer is not satisfied with the performance of the Services provided by the Company, the Customer shall, within one (1) month from the date of performance of such Services, or such shorter time as may be specified in the quotation, provide written notice to the Company. The Company shall make the final determination as to whether the performance of the Services provided is in accordance with what has been contracted for between the parties. If it is not, the Company's liability shall be limited to rectifying such performance such that it is in accordance with what has been contracted for between the parties.

In the event of any failure in the Goods due to defective design, materials or workmanship, the Company's liability shall be limited to the cost of repair of the Goods supplied by us or the replacement of such Goods, provided that written notification is given by the Customer to the Company within three (3) months of the date of delivery or deemed delivery, or such shorter time as may be specified in the quotation.

LIMITATION OF LIABILITY

Notwithstanding the above clause on "Inspection and Liability for Defects", the Company's liability on the provision of Services or sale of Goods shall be limited to 100% of the contract value.



EXCLUSION OF LIABILITY

The Company shall not be liable for any damage, loss, cost, claim or expense resulting from the failure to give advice or information or the giving of incorrect advice or information in relation to the Supplies whether or not due to the negligence of the Company, its employees, agents or subcontractors.

The Company does not exclude or restrict its liability for any matter for which it would be illegal for the Company to exclude or attempt to exclude its liability. Nothing in these Terms excludes or limits the liability of the Company for death or personal injury caused by the Company's negligence or fraudulent representation.

Each of the Company's employees, agents or subcontractors may rely on and enforce the exclusions of and restrictions on these Terms in that person's own name and for that person's own benefit.

EXCLUSION OF LIABILITY FOR CONSEQUENTIAL DAMAGE

Subject to the above, the Company shall not be liable for any loss or damage whatsoever arising from or in conjunction with the provision of Supplies, whether the same is a result of loss of production, loss of profit, consequential damage or indirect loss, and whether the same is reasonably foreseeable or not.

RISK AND OWNERSHIP OF GOODS

The risk of damage to or loss of Goods will pass to the Customer when the Goods are unloaded at the Customer's premises.

Ownership of the Goods shall not pass to the Customer until the Company has received in full (in cash or cleared funds) all sums due in respect of the Goods or under any other Contract.

When the delivery or collection of goods is made by the Company or carrier beyond the entrance to the Customer's premise, the Customer shall accept all responsibility for and indemnify the Company against all damage to property or injury to persons occurring from whatsoever cause on such premises unless caused by the negligence of the Company or its servants or the carrier or his servants. It shall be the responsibility of the Customer to provide adequate labour for the loading and unloading of all goods at his premises.

Until ownership passes to the Customer, the Customer must hold the Goods on a fiduciary basis as the Company's bailee. If payment is not received in full by the due date, or the Customer passes a resolution for winding up or a court shall make an order to that effect, or a receiver is appointed over any assets or the undertaking of the Customer or an execution distressed is levied against the Customer, the Company shall be entitled, without prior notice, to retake possession of the Goods and for that purpose, to enter upon any premises occupied or owned by the Customer.



STORAGE

If by reason of instructions or lack of instructions from the Customer, despatch of the Goods in accordance with the contract is delayed for 21 days after the Customer has been notified that the goods are ready for despatch, the risk of loss or damage to the goods shall pass to the Customer who shall take delivery thereof or arrange for their storage.

In the event of a request from the Customer to the Company for temporary storage of the goods, the Company reserves the right to charge the Customer for any storage charges upon written notification to the Customer. During this period of storage, the risk of loss or damage to the goods shall belong to the Customer.

TERMINATION FOR BREACH BY CUSTOMER

If the Customer shall commit any breach of any condition specified herein or any term or condition specified in the Contract, the Company shall have the right to terminate the Contract at once by notice in writing notwithstanding any previous waiver of this right. The Company may also cancel the Contract if the Customer becomes bankrupt or makes any composition for the benefit of creditors or goes into liquidation either voluntarily or compulsorily by notice in writing. Any termination or cancellation shall be without prejudice to any rights of either party arising prior to the date thereof.

The Customer shall bear all legal costs of the Company on a full indemnity basis in the event that the Company commences or is involved in legal proceedings against the Customer arising from or in relation to a breach of these Terms by the Customer.

The Customer will be liable for all outstanding amounts owing right up to the time of termination.

LIEN

The Company shall have a general lien in respect of all sums due from the Customer upon all Goods to be supplied to the Customer or upon which work has been done on the Customer's behalf and upon fourteen days written notice towards the satisfaction of any sums due to the Company.

INTELLECTUAL PROPERTY RIGHTS

The Goods offered for sale is subject to any patent, trademark, copyright, design right or any other right or any other rights of any person. The Company shall have no liability whatsoever in the event of any claim of infringement of any rights howsoever arising.



COUNTRY OF ORIGIN

Unless otherwise confirmed by the Customer in writing, nothing in the Terms is to be taken as a representation of the source of origin, manufacturer or production of the Goods or any part thereof. Any fees incurred by the Company to provide certificates of origin (where available) will be charged to the Customers.

FORCE MAJEURE

The Company shall not be liable to the Customer in any manner or be deemed to be in breach of these Terms because of any delay in performing or any failure to perform any of the Company's obligations under these Terms if the delay or failure was due to any cause beyond the Company's reasonable control (which shall include, but not be limited to, government actions, war, fire, explosion, floods, import or export regulations or embargoes, labour disputes or inability to obtain or a delay in obtaining supplies of Goods or labour). The Company may, in such cases, have the option to delay the performance of, or cancel the whole or any part of a Contract.

LEGAL CONSTRUCTION

All Contracts shall be governed by the laws of Singapore. The Courts of Singapore shall have jurisdiction to settle any disputes which may arise out of or in conjunction with this contract. The parties agree to submit to the said jurisdiction of Singapore.

The jurisdiction agreement contained in this Clause is made for the benefit of the Company only and the Company shall retain the right to bring proceedings in any other Court or competent jurisdiction.

GENERAL

Any provision of these Terms which is held by any competent authority to be invalid, void, voidable, unenforceable or unreasonable (in whole or in part) shall to the extent of such invalidity, voidness, voidability, unenforceability or unreasonableness be deemed severable and the other provisions of these Terms and the remainder of such provision shall not be affected.

Failure by the Company to enforce or partially enforce any provision of the Terms will not be constrained as a waiver of any rights under these Terms.

The Contract (Rights of Third Parties) Act (Cap 53B) shall not apply to the contract between the Customer and the Company in relation to the provision of Supplies whether or not a benefit is or purported to be conferred to anyone else directly or indirectly.