

OPTIMAS OE SOLUTIONS INDIA PRIVATE LIMITED
GENERAL CONDITIONS OF CONTRACT FOR THE PURCHASE OF PRODUCTS

1. DEFINITIONS

“Buyer” means Optimas OE Solutions India Private Limited or if different the Optimas legal subsidiary specified in the PO.

“Conditions” means the standard terms and conditions set out in this document.

“Contract” means the Order and these Conditions. “Order” means any order placed or purchase order issued by Buyer.

“Products” means the products and services described or specified in the Order or supplied by Seller to Buyer. “Seller” means the person firm or company named in the Order.

2. CONDITIONS

These Conditions govern all Contracts for the purchase of Products placed by Buyer with Seller and shall prevail over all prior written or oral statements between Buyer and Seller and any inconsistent terms or conditions contained in or referred to in Seller’s quotation or acceptance of order or correspondence or elsewhere or implied by trade custom or practice or course of dealing. No addition to or variation of or exclusion or attempted exclusion of the Order or these Conditions or any of them shall be binding upon Buyer unless in writing and signed by a duly authorised representative of Buyer. No other condition shall apply to the Contract except as agreed by Buyer in writing. Products supplied before an Order shall have been placed or before acknowledgement by Seller shall be subject to these Conditions. Acceptance of an Order by Seller will occur upon the happening of any of the following: (i) receipt by Buyer from Seller of written acceptance of an Order or written notice that Seller will provide the Products; (ii) provision by Seller to Buyer of any Products; and (iii) any other conduct of Seller which recognizes the existence of a contract pertaining to the Products.

3. PRICE

3.1 The price of the Products shall be as stated on the Order or if no price is stated the price shall be the lowest price currently quoted or charged at the date of the Order by Seller for the same or commercially similar products, but not higher than the price last quoted by Seller to Buyer. Unless otherwise agreed in writing, the price shall be: (a) exclusive of any applicable goods and services tax (which shall be payable by Buyer subject to receipt of a valid and undisputed invoice), and (b) a fixed price inclusive of all charges for disposable packing, costs associated with returnable packing and/or containers, carriage, delivery, insurance and all other charges as per the delivery requirements.

3.2 Buyer may set off against the price any amounts due from Seller whether under this Contract or otherwise.

3.3 Upon notice to Seller, Buyer may deduct damages for breach of warranty or of any other provision of the Contract from amounts due to Seller on any invoice, whether or not such invoice relates to the transaction occasioning the breach.

3.4 Buyer shall be entitled to any discount for prompt payment, bulk purchase or volume of purchase customarily granted by Seller.

3.5 Where off-loading is required, the price shall include Seller providing any special equipment to ensure delivery to the place directed by Buyer.

4. PAYMENT

Unless specified in the Order, Products will be paid for within forty five (45) days of acceptance of delivery by Buyer.

5. CHANGE

Buyer may make changes to an Order. Any claim by Seller to an adjustment in the purchase price or delivery date(s) due to such change must be asserted by Seller in writing to Buyer within ten (10) days after Seller’s receipt of Buyer’s change Order; otherwise Seller waives his right to such an adjustment. After receipt of Seller’s claim for an adjustment, Buyer may cancel all or part of an Order, without liability to Seller.

6. DRAWINGS, PROGRESS, INSPECTION AND TESTS, REPORT

6.1 Seller shall be fully responsible for the accuracy and completeness of all instructions, data, drawings and information supplied to Buyer whether or not approved by Buyer unless such inaccuracies or omissions were solely due to instructions, data, drawings or information supplied by Buyer upon which it is agreed by Buyer in writing that the Seller can rely.

6.2 Buyer and/or its customers will be entitled to inspect and test the Products during manufacture process or storage and to assess progress towards meeting the delivery date. In addition, Seller shall if requested by Buyer give Buyer reasonable notice of all tests and Buyer shall be entitled to be represented at such tests.

6.3 Seller will provide all test reports, quality documents, inspection reports like material test certificates, plating test certificates, performance test certificates, etc, drawings, start up service and other engineering service required by Buyer’s customer.. Certified test reports shall be maintained by Seller against Buyer’s Order number for a period of five (5) years from date of delivery. Tests should be performed to the relevant governing specifications or variations as specified in the Order or as specified by Buyer.

7. BUYER’S PROPERTY

7.1 All patterns, dyes, gauges, moulds, tooling, plans, drawings, specifications, samples and other materials supplied by Buyer to the Seller or prepared or obtained by the Seller for and at the cost of Buyer shall be the property of Buyer and shall be labelled and identified accordingly.

7.2 The Seller shall maintain all such items in good order and condition (fair wear and tear expected).

7.3 The Seller shall at its own cost return all such items to Buyer upon demand in good order and condition.

7.4 Should the Seller fail to return the items, Buyer may (without prejudice to any other rights it may have) withhold payment of monies due to the Seller to the value of the items until return of the items.

7.5 The Seller shall not use such items nor shall it permit any other person to use such items for or in connection with any purpose other than pursuant to this Contract unless authorised in writing by Buyer.

8. DELIVERY and ACCEPTANCE

8.1 Products shall be delivered to or as required by Buyer carriage paid clearly addressed to Buyer or as required stating the location, order number and job account number in accordance with the confirmation stated in the Order. This detail should be included on all advice notes and invoices rendered. Time of delivery is of the essence. During transit and until delivery Products shall at the time be at Seller’s risk. Should Seller wish to deliver the Products earlier than stated delivery date, prior consent in writing must be obtained from Buyer.

8.2 If a delivery date specified in an Order cannot be met, Seller will advise Buyer within 3 business days of receipt of such Order and, at Buyer’s option (i) a new delivery date will be agreed upon; or (ii) Buyer may cancel all or any part of an Order without any penalty or liability If Seller fails to deliver at the time specified or otherwise breaches this Contract, Buyer, in addition to any other remedies it may have under this Contract or at law, may cancel all or part of an Order with respect to Products not delivered, and without liability for costs relating to the cancelled portion of an Order. In no event shall Buyer be liable for lost profits.

8.3 The property in the Products shall pass to Buyer on delivery without prejudice to any right or rejection and/or cancellation, which may accrue to Buyer.

8.4 Buyer shall not be deemed to have accepted the Products until Buyer has had an opportunity to inspect them and Buyer shall be entitled to reject any Products that are not in accordance with the Order, or Contract, or any specified quality, quantity in Order.

8.5 There shall be no variation in the quantity or any material defect in the Product supplied by Seller. The minimum acceptance level of

Product for any variation or any defect shall be maximum up to 1 PPM (ie part per million) or proportionate to PPM.

8.6. The Products which are not acceptable or rejected after considering the maximum limit specified above will be returned back to Seller and a debit note for all such Products rejected or returned shall be raised to the Seller.

8.7 The Seller shall abide by the Supplier charge back policy of the Buyer.

9. PACKING

9.1 Products shall be properly and securely packed. Unless otherwise agreed by Buyer in writing, Seller will provide all cases and packing material free of charge.

9.2 Due to health & safety requirements, Buyer's fastener operations will not accept any individual package over 15kg (33lb) (40lb allowed in USA) in weight.

9.3 Without prejudice to Buyer's right of rejection and/or cancellation, damage to Products not properly or securely packed will be charged to Seller.

10. WARRANTY

10.1 Seller shall perform all services in a professional and workmanlike manner in accordance with best industry standards.

10.2 Seller warrants that the Products shall: (a) Conform as to quantity, quality and description with the Order; (b) Conform to any specification drawing or sample specified in the Order; (c) Be of new manufacture and free from any defects in material and workmanship; (d) Not be counterfeit; (e) Be capable of any standard of performance specified in the Order; (f) Be free and clear of all liens and encumbrances; (g) Be free from hydrogen embrittlement and/or hydrogen degradation whether submitted to electro-plating or phosphating or otherwise; and (h) Comply with all other warranties implied by law.

10.3 Such warranties shall run to Buyer and its customers and shall continue in full force and effect and Seller shall not be relieved of such warranties by Buyer's inspection of or payment for the Products. Seller will obtain and assign to Buyer or Buyer's customer the warranties provided by the manufacturers or suppliers of material or equipment incorporated into the Products, and will perform its responsibilities so that such warranties remain in full force and effect.

10.4 Seller agrees at Buyer's option to refund, repair or replace, without charge, the Product or any part that is defective and to further bear the full cost of the removal and return of the defective Product and redelivery and reinstallation of the replacement Product. Warranty does not cover parts or Products that have been subject to misuse, negligence or accident by the end user. Seller further agrees to repair units that are not covered by the above warranty for actual cost of repairs not to exceed fifty percent (50%) of current suggested list price. The end user will pay all shipping and delivery charges both ways for such repairs. Such warranties shall run to Buyer and its customers and shall continue in full force and effect for a period of five (5) years following delivery to Buyer's end user ("Warranty Period").

11. COMPLIANCE WITH LAW

11.1 Seller shall, comply with all applicable laws, rules, orders regulations, regulatory requirements and codes of practice in connection with its obligations under this Contract. In particular, without limitation, Seller shall comply with all applicable laws, rules, orders, regulations, regulatory requirements and codes of practice (as amended from time to time) relating to: (a) taxation, exchange controls, anti-trust, anti-money laundering, trade sanctions, financial sanctions and criminal matters which are applicable to Seller, its group, or to their respective parent companies, or to their respective affiliates, (b) imports, exports, customs and environmental laws including without limitation, Regulation (EC) No 1907/2006 ("REACH"); EU Directive 2011/65/EC ("RoHS 2 Directive"); EU Directive 94/62/EC of 20 December 1994 on Packaging and Packaging Waste, as amended ("Packaging Regulations"). California Proposition 65 if the Product contains chemical. In relation to REACH, if Seller is resident outside EU, it shall appoint an EU agent, an Only Representative, to fulfil all its obligations under

REACH including its registration obligations, so that Buyer shall not be an importer of the Products, (c) Anti-Bribery and anti corruption including but not limited to the the Prevention of Corruption Act 1988, India Penal Code 1890, Benami Transactions (Prohibitions) Act 1988, US Foreign Corrupt Practices Act 1977 and the UK Bribery Act 2010 and will not engage in any activity, practice or conduct which would constitute an offence under those Acts. In addition Seller shall comply with Buyer's Anti Bribery Policy available on Buyer's website. Where Buyer suspects that Seller is in breach of this condition 11, Seller will permit Buyer or its professional advisors immediate access to Seller's books and records in order for Buyer or its professional advisors to audit and take copies of Seller's books and records to check compliance with this condition.

11.2 Seller warrants that each Product shall be manufactured, packaged, tagged and labeled in material compliance with, and all Product literature shall be complete, accurate and materially comply with, all applicable laws, rules, orders, regulations, regulatory requirements and codes of practice. Within two (2) days after receipt of Buyer's purchase order, Seller shall provide Buyer with a written list of all hazardous or toxic substances (as those terms are defined by any applicable laws) contained in any Products identified in the purchase order. At the time of delivery, Seller shall identify in an MSDS or other written statement all hazardous or toxic substances (as those terms are defined in any applicable laws) contained in any Product, to the extent required by applicable laws. With the exception of such hazardous or toxic substances so identified, Seller warrants that at the time of delivery by Seller to Buyer each Product shall contain no hazardous or toxic substances. 11.3 Seller will furnish to Buyer any information required to enable Buyer to comply with applicable laws, rules, orders and regulations related to this Contract.

12. INDEMNITY

Notwithstanding anything herein to the contrary, Seller shall protect, defend, hold harmless and indemnify Buyer and Buyer's agents from and against any and all claims, actions, liabilities, losses, costs, damages, and expenses arising in connection with the Contract, including but not limited to: (a) any death or injury to any person, damage to any property, or any other damage, loss, cost or expense, by whomsoever suffered, resulting or claimed to result in whole or in part from the supply or use of the Products or from any actual or alleged defect in such Products, whether latent or patent, including actual or alleged improper construction or design of such Products or the failure of such Products to comply with specifications or with any express or implied warranty; (b) Seller's breach or negligent performance or non performance of the Contract; (c) Seller's tortious (including negligent) act, omission or default; (d) any actual or alleged violation by any Product, or their manufacture, possession, use or sale, of any laws, statute or ordinance or any governmental administrative order, rule or regulation; (e) any claim made for actual or alleged infringement of a third party's intellectual property rights.

13. INSURANCE

Seller shall obtain and maintain in force, with a reputable insurance company, Products Liability Insurance and such other policy of insurance as Buyer reasonably requires, in such amounts and containing such other provisions which shall be satisfactory to Buyer. Certificates of Insurance shall be provided to Buyer upon request.

14. CANCELLATION

Buyer may without cause and without any cost for the Buyer, cancel all or any part of an Order with respect to Products not delivered.

15. CONFIDENTIALITY

Seller agrees to keep this Contract and all information provided by Buyer in connection with the Order confidential.

16. WAIVER

Buyer's failure to enforce any right or remedy shall not be a waiver of such right or remedy or of Buyer's right thereafter to enforce every provision of this Contract. Buyer's waiver of any breach shall not be a waiver of any other breach

17. ASSIGNMENT OR SUBLETTING

Seller shall not assign or sublet all or any of its rights or obligations under this Contract without Buyer's written consent.

18. GOVERNING LAW

The construction, validity and performance of this Contract and all non-contractual obligations (if any) arising from or connected with this Contract shall be governed by the laws of India, without regard to its conflicts of laws principles. The United Nations Convention on Contracts for the International Sale of Goods does not apply to this Agreement.

19. JURISDICTION

If any legal proceedings are brought by a third party against Buyer in any court relating to Products which are the subject-matter of the Contract, then subject to the procedural rules of such court, Buyer may at its option join Seller in such proceedings for the purpose of resolving any dispute, claim, controversy or difference arising out of or in connection with the Contract, including any question regarding its existence, validity, interpretation or termination and any non-contractual claim, and Seller irrevocably agrees to submit to the exclusive jurisdiction of such court over any such dispute. Subject to the foregoing, any dispute, claim, controversy or difference arising out of or in connection with the Contract, including any question regarding its existence, validity, interpretation or termination or any dispute regarding any non-contractual obligations arising out of or in connection with it, shall be referred to and finally resolved by arbitration as per the Indian Arbitration and Conciliation Act (as amended from time to time). The number of arbitrators shall be one. The seat, venue, or legal place of arbitration, shall be at Pune, India. The language to be used in the arbitration shall be English.