

Renold (Malaysia) Sdn Bhd (“RENOLD”) (Registered no. 087132-K)

TERMS AND CONDITIONS OF SALE OF GOODS AND SERVICES

1 General

- 1.1 Unless otherwise expressly agreed in writing by Renold, in relation to the goods (or every installment or part of them) (“Goods”) or services (“Services”) the subject of a contract between Renold and the buyer (“Contract”), every sale of Goods by Renold to the buyer and/or refurbishment of Goods (whether manufactured or supplied by Renold or not), servicing of Goods, giving advice as to which type of Goods are required for a particular function, installation of Goods, site surveys, commissioning and training of the buyer's employees, agents and subcontractors or any other service rendered to the buyer by Renold will be subject to the conditions stated herein (“Conditions”) to the exclusion of any other terms including any terms or conditions which the buyer purports to apply under any purchase order, confirmation of order, specification, letter or other document.
- 1.2 No officer, employee or agent of Renold has authority to contract on any conditions other than these Conditions nor to amend vary or waive these Conditions or to make any binding representation or warranty in respect of the Goods and/or Services otherwise than in writing with the express authority of Renold.
- 1.3 Renold's quotations do not constitute an offer. Orders placed with Renold will not be binding on Renold or deemed accepted by it unless and until Renold accepts the order in writing or there is implied acceptance on the part of Renold by its fulfillment of the order.
- 1.4 Unless earlier withdrawn or unless the quotations otherwise state, quotations are open for acceptance for the period of 30 days from the date of the quotation.

2 Description of Goods and/or Services

Except as otherwise stated in these Conditions, all drawings, designs, descriptive matters, samples, specifications, catalogues, brochures, photographs, technical literature and advertising matter are published or issued for the sole purpose of giving an approximate idea of the Goods or Services described in them and no information contained in any of them or in any other document whatever will form part of the contractual description of the Goods and/or Services nor will they form part of the Contract and Renold will not be liable for any inaccuracies or omissions in them. Renold reserves the right to make without notice such reasonable modifications in specifications, descriptions, designs, materials or finishes as it deems necessary or desirable. The buyer will not be entitled to object to or reject the Goods and/or Services or any of them by reason of such reasonable modifications.

3 Use of the Goods

- 3.1 Subject as provided in these Conditions, if under any applicable law or other government regulation of Malaysia or any other country to which Goods are delivered, a competent authority declares that the Goods are unsafe or a risk to health in any respect, the buyer will notify Renold immediately and Renold will, at the buyer's expense, make such modification to the Goods or supply such additional or replacement parts for the Goods as such authority considers necessary to ensure that the Goods comply with any necessary requirements.
- 3.2 The buyer will ensure that the Goods will be safe and without risk to health when properly used and in particular (without prejudice to the foregoing) the buyer will ensure that the Goods are used in accordance with any instructions which Renold may supply. Renold will not in any circumstances whatsoever be liable for any claims, demands, damages, penalties, costs or expenses of any nature whatsoever, which the buyer may incur on account of the buyer's non-compliance with such instructions and the buyer will indemnify Renold against all such claims, demands, damages, penalties, costs or expenses of any nature whatsoever which may have been suffered by any third parties as a result of buyer's non-compliance with such instructions.

4 Price

- 4.1 Subject to Condition 4.3, the price for each consignment of Goods will be the price quoted to the buyer by Renold, or in the absence of any such quotation, Renold's list price published or notified on the date on which the consignment is dispatched to the buyer and the price for Services will be Renold's price stated on the date on which the Services are carried out.
- 4.2 Unless otherwise agreed in writing by Renold, all prices quoted are exclusive of insurance, carriage and delivery charges.
- 4.3 Renold will be entitled to:
 - 4.3.1 charge a premium for Goods which Renold, acting reasonably, deems are delivered within a short space of time; and/or 4.3.2 adjust the price to reflect increases or decreases in Renold's costs including in the cost of raw materials used in the production of the Goods, variations in wages, exchange rate fluctuations and other costs incurred since the date of Renold's quotation or the buyer's order.

5 Payment

- 5.1 Unless otherwise agreed by Renold in writing, the price for the Goods and/or Services and any other charges payable will be due in the case of Goods when the buyer orders them and in the case of Services when such Services are supplied.
- 5.2 Where Goods and/or Services are supplied to the buyer on credit, the buyer shall pay for the Goods and/or Services no later than the 20th day of the month following the month of invoice.
- 5.3 The buyer will not be entitled to any deductions, discounts or rebates for prompt or early payment.
- 5.4 Time for payment is of the essence of the Contract.
- 5.5 Interest will be charged by Renold at 1.5% per month on all sums overdue for payment whether before or after any judgment.
- 5.6 The buyer will pay the price of the Goods and/or Services (including any increased price payable under these Conditions) and all charges due hereunder without any deduction whether by way of discount, abatement, set-off, counterclaim or otherwise.
- 5.7 If the buyer fails to make any payment when it is due, Renold may without prejudice to any other remedy it may have:
 - 5.7.1 suspend work on, and withhold delivery of Goods and/or performance of Services under any Contract at that time until payment in full is made; and
 - 5.7.2 if payment remains outstanding for more than 7 days, cancel any such Contract by written notice to the buyer, in which case it may either deliver any Goods purchased or manufactured pursuant to the Contract in the state in which they then are, whether finished or not, and the buyer will pay for them at a fair proportion of the purchase price (as indicated by Renold), having regard to the work done on them and the materials they contain, or sell them for its own account and pass good title to them to a new buyer.

6 Delivery of Goods and/or performance of Services

- 6.1 Unless otherwise agreed by Renold in writing, delivery of the Goods will take place at Renold's premises.
- 6.2 Where, by agreement, delivery of the Goods and/or performance of the Services is to take place at the buyer's premises and is to be effected by a carrier or by Renold, the buyer will be responsible for the delivery charges and Renold will not be liable in respect of any damage in transit howsoever caused (including negligence) unless notice in writing is given to the carrier and to Renold within 7 working days (or in the case of non-delivery, within 7 working days of the date when the Goods would be in the ordinary course of events have been received), whichever is the earlier.
- 6.3 For any damage in transit for which Renold is held liable or for non-deliveries, Renold's liability will only be to replace the Goods within a reasonable time subject to the Goods being returned to Renold immediately.
- 6.4 Unless otherwise expressly agreed, times or dates quoted by Renold for dispatch of Goods and/or completion of Services are given in good faith but are intended as an approximate estimate only and time of delivery is not of the essence of the Contract. Every endeavour will be made to adhere to such times or dates but Renold does not give any other undertaking in that regard and Renold will not be liable to the buyer for any loss or damage (whether direct, indirect or consequential) sustained by the buyer as a result of Renold's failure to comply with such delivery dates.
- 6.5 If for any reason the buyer fails to accept delivery of the Goods, the buyer will remain liable to pay the price for the Goods together with interest thereon at the times and at the rate specified in Condition 5.5 and (without prejudice to any other right conferred upon it in that event by these Conditions or by law) Renold will be entitled at its option to: (i) store the Goods and the buyer will be liable to Renold for the reasonable cost of such storage and will be responsible for all loss or damage to the Goods howsoever arising (including loss or damage caused by the negligence of Renold); or (ii) cancel the Contract.
- 6.6 Where the buyer requests extra or special packing, Renold will be entitled to charge the full cost of the same to the buyer. Any such packing will be at the buyer's own risk and no warranty is given as to the suitability or fitness or otherwise of such packing for its purpose.
- 6.7 The buyer will at its own cost, unless otherwise agreed in writing, supply all machinery, equipment and labour, lay on all services and make all other preparations as are necessary for the off-loading, commissioning and/or testing, installation and proper working delivery of the Goods and/or supply of the Services at the buyer's premises.
- 6.8 Goods supplied in accordance with the Contract cannot be returned without Renold's prior written authorisation. Duly authorised returns will be sent to such address as Renold directs at the buyer's expense and the buyer will be liable for any other costs incurred in relation to such return.

7 Title and Risk

- 7.1 Property in the Goods will not pass to the buyer until the price of the Goods and every other sum due from the buyer to Renold under any Contract has been received by Renold in cash or cleared funds.
- 7.2 The provisions of Condition 7.1 will apply notwithstanding that the Goods have been affixed to or incorporated in real or other property.
- 7.3 Until the property in delivered Goods passes to the buyer in accordance with Condition 7.1, the buyer:
 - 7.3.1 will keep the Goods in a fiduciary capacity as bailee and will store them in such a way that they are identifiable as the property of Renold and are separate from all other Goods in the possession of the buyer;
 - 7.3.2 will not destroy, deface or obscure any identifying mark or packaging on or relating to the Goods; and
 - 7.3.3 will maintain the Goods in satisfactory condition and keep them insured on Renold's behalf for their full price against all risks to the reasonable satisfaction of Renold. On request, the buyer will promptly provide a copy of the policy of insurance to Renold.
- 7.4 Notwithstanding Condition 7.1, the buyer will be entitled to use or sell the Goods in the normal course of the buyer's business but only on the following conditions:
 - 7.4.1 if the Goods at the time of sale by the buyer remain identifiable and unincorporated and unmixed with other goods, then the buyer will sell the Goods on behalf of Renold as owner and the proceeds of sale will be held in trust for Renold in a separate identified account;
 - 7.4.2 if the Goods are, prior to sale by the buyer, made up or incorporated in or mixed with other goods, then, if they remain separately identifiable, Renold will retain title thereto; and
 - 7.4.3 if the Goods are, prior to sale by the buyer, made up or incorporated in or mixed with other goods, then if they do not remain separately identifiable, Renold will become the owner of the goods in or with which the Goods are incorporated or mixed and will be entitled to sell such goods incorporating the Goods and will retain from the proceeds of sale a sum equal to the amount outstanding to it in respect of the price of the Goods and will pay the balance of the sale proceeds to the buyer.
- 7.5 At any time before the property in the Goods passes to the buyer in accordance with these Conditions, Renold may, by notice in writing to the buyer, determine the buyer's right to use or sell the Goods without prejudice to any of its other rights and the buyer will thereupon at its own cost return the Goods to Renold and will cease to be in possession of the Goods with the consent of Renold. At any time after the giving of such a notice, Renold may enter upon any premises where the Goods are or are reasonably believed to be and may remove the Goods.
- 7.6 Notwithstanding the foregoing:
 - 7.6.1 the Goods are at the risk of the buyer from the time of delivery of the Goods to the buyer or any carrier acting on the buyer's behalf; and
 - 7.6.2 the buyer will not be entitled to return the Goods or any of them unless Renold has given a notice pursuant to Condition 7.5 relating whether exclusively or not to the Goods.
- 7.7 Nothing in this Condition 7 in any way limits or modifies the buyer's obligation to pay for the Goods in accordance with these Conditions.

8 Damages or Defects

- 8.1 Subject to Condition 21.3, Renold warrants that subject to the normal limits of industrial quality, the Goods will at the time of dispatch and, unless otherwise agreed by Renold in writing, for 12 months after that date, be reasonably fit for the purpose for which the buyer has given written details (if any) to Renold prior to the Contract and be of satisfactory quality and, subject to Condition 2, correspond with the description to which they are sold. If any Goods do not conform to the warranty under this Condition
 - 8.1.1 Renold's only obligation will be, at its option, to repair or replace the Goods but the buyer (and not Renold) will be responsible for the cost and expense of re-delivering the same and the cost of removing defective goods (including all travelling and other expenses) and supplying any materials or substances previously supplied by or on behalf of the buyer and the Goods will remain at the risk of the buyer at all times. In the case of parts sent to the buyer with which the buyer repairs the Goods, once the buyer has tampered with the Goods, the warranty under this Condition 8.1 is invalidated.
 - 8.2 In the case of Services, Renold warrants that the Services will be carried out with reasonable skill and care.
 - 8.3 The foregoing warranties under Conditions 8.1 and 8.2 are conditional upon:
 - 8.3.1 the buyer giving written notice to Renold of the alleged defect in the Goods and/or Services, such notice to be received by Renold within 7 days of the time when the buyer discovers or ought to have discovered the defect and in any event within 12 months of delivery of the Goods and/or provision of the Services;
 - 8.3.2 the buyer affording Renold a reasonable opportunity to inspect the Goods, or if so requested by Renold, returning the allegedly defective Goods to Renold's works, carriage paid, for inspection to take place there;
 - 8.3.3 the buyer making no further use of the Goods after the time at which the buyer discovers or ought to have discovered the defect;
 - 8.3.4 the defective Goods having been installed, used, stored and maintained in accordance with any instructions issued by Renold or in accordance with general trade practice and there being no negligence or misuse on the part of the buyer, its servants or agents nor the Goods having been altered or repaired by any person other than Renold or those authorised by Renold;
 - 8.3.5 Renold being satisfied that the defect in the Goods and/or Services was due to its defective workmanship or use of defective materials and, without prejudice to the foregoing, Renold will be under no liability for defects due to wear and tear, neglect or use of the Goods for any purposes other than those for which they are designed; and
 - 8.3.6 the defective Goods not having been sold, let, hired or otherwise disposed of by the buyer to a second or subsequent user or purchaser.
- 8.4 Subject to Conditions 8.5 and 8.6, the total liability of Renold for any loss of the buyer in respect of any one event or series of connected events will be the value of the Goods and/or Services under the Contract.
- 8.5 Save as otherwise provided in this Condition 8 and to the extent permitted by law:
 - 8.5.1 all other conditions and warranties, express or implied, are hereby expressly excluded;

- 8.5.2 Renold will be under no liability for any loss or damage howsoever caused (including negligence) which arises in respect of the buyer's liabilities to any third party; and
- 8.5.3 Renold will be under no liability for any indirect or consequential loss or damage howsoever caused (including negligence) and, without prejudice to the foregoing, Renold will not be liable for any costs, claims, damages or expenses arising out of any tortious acts or omissions or any breach of the Contract or statutory duty/penalty calculated by reference to profits or loss of profits (anticipated or otherwise), loss of business or goodwill, income production or loss of income production, accruals or third party claims.
- 8.6 Nothing contained in these Conditions will be construed as an attempt to exclude or limit the liability of Renold in negligence: (i) for the death of or injury to any person; (ii) for fraud or fraudulent misrepresentation; or (iii) for any matter which it would be illegal for Renold to exclude or attempt to exclude its liability.
- 8.7 Where the Contract is with a buyer acting as a consumer, such buyer's statutory rights will not be adversely affected by the provisions of these Conditions.
- 8.8 Where Goods are not manufactured or processed by Renold, Renold gives no warranty with respect to the same, including without limitation, in relation to patent, registered design, copyright and other industrial property rights in or in connection with the Goods and/or Services.
- 8.9 Renold accepts no responsibility for any drawing, design or specification not prepared by Renold and Renold gives no warranty, guarantee, representation or opinion on the practicability of construction or of the efficacy, safety or otherwise of materials to be supplied or work to be executed by Renold in accordance therewith and the buyer will be responsible for the cost of any additional work caused by defects in any such drawings, designs or specifications.

9 Renold's Lien

- 9.1 In addition to any other right or lien to which Renold may by law or under the other terms of these Conditions be entitled, Renold will be entitled to a general lien on all the goods and property of the buyer in Renold's possession, whether paid for or not, and will have a right of sale of such goods and property at Renold's sole discretion for any unpaid money due under the terms of any Contract between Renold or any Associated Company of Renold and the buyer or any Associated Company of the buyer.
- 9.2 For the purposes of this Condition 9, a company is to be treated as another's "Associated Company" if one of the two has Control of the other (whether directly or indirectly) or both are under the Control of the same person (whether individual, body corporate, partnership, joint venture or any other entity or organization) or persons (whether directly or indirectly) and for the purposes of this definition, a person will be taken to have "Control" of a company if he exercises, or is able to exercise or is entitled to acquire, direct or indirect control over the company's affairs, and in particular, but without prejudice to the generality of the preceding words, if he possesses or is entitled to acquire the greater part of the share capital or paid up share capital of the company or of the voting power in the company.
- 9.3 Renold will have the right to put any Goods or property over which it has a lien into a saleable state by any means whatsoever and (without prior notice to the buyer) to sell such Goods whether by private treaty or otherwise on such terms as Renold may agree at Renold's sole discretion. Out of the proceeds of sale, Renold will be entitled to retain a sum equivalent to all unpaid monies due as set out at Condition 9.1 together with the cost of putting the Goods into a saleable state and the expenses of such sale and any balance will be paid to the buyer.

10 Termination or Cancellation

- 10.1 In the event of:
 - 10.1.1 any distress, execution or other legal process being levied upon any of the buyer's assets;
 - 10.1.2 the buyer entering into any arrangement or composition with its creditors, committing any act of bankruptcy or (being a corporation) an order being made or an effective resolution being passed for its winding up except for the purposes of amalgamation or reconstruction as a solvent company or a receiver and manager, liquidator or administrator or the Official Receiver being appointed in respect of the whole or any part of its undertaking or assets;
 - 10.1.3 a creditor taking possession of any of the property or assets of the buyer;
 - 10.1.4 the buyer ceasing or threatening to cease to carry on business;
 - 10.1.5 non-payment by the buyer of any monies due from it to Renold;
 - 10.1.6 any breach of these Conditions by the buyer; or
- 10.1.7 Renold reasonably believing that any of the events mentioned above is about to occur in relation to the buyer, Renold will be entitled to suspend all or any work on or future deliveries and installments of the Goods and/or the provision of Services under any Contract and on written notice to cancel the undelivered portion of any Contract between the buyer and Renold and sell the Goods elsewhere and/or deem that the whole of the price under any Contract is payable immediately.
- 10.2 In the event of any such cancellation by Renold in accordance with Condition
 - 10.1 or any cancellation and/or repudiation of any Contract by the buyer, Renold will be entitled to recover as damages from the buyer all loss and damage of whatever kind which Renold sustains in connection with such cancellation.
 - 10.3 The exercise of the rights conferred by this Condition 10 will be without prejudice to any other right enjoyed by Renold pursuant to these Conditions or by law including in particular the right to recover the Goods or the proceeds thereof from the buyer pursuant to these Conditions.

11 Delivery by Installments

- 11.1 Where more than one item of Goods is included in any order Renold will be entitled to make delivery by installments. In such case, the Contract shall be construed as a separate Contract in respect of each installment. In such cases, the dispatch date on Renold's acceptance of order will be deemed to be the estimated delivery date of the first installment and the remaining installments will be delivered within a reasonable time of the first installment.
- 11.2 Failure to accept delivery of and/or pay for any installment will entitle Renold at its option to treat the Contract as repudiated or alternatively to store the Goods at the buyer's risk and the buyer will be liable to Renold for the reasonable cost of doing so.

12 Force Majeure

- 12.1 If events beyond Renold's reasonable control, including strikes, lock-outs, shutdowns and other industrial disputes (in each case whether or not relating to Renold's workforce), shortages of labor or supplies, interruption or lack of transportation, Internet disruption, embargo, import or export prohibitions, governmental actions, orders, legislation, regulations, rationing, riots, civil disturbances or disobedience, epidemic (including, for the avoidance of doubt, pandemic influenza attack), quarantine, acts of terrorism or war, fire, flood, hurricane, earthquake, storm, lightning, explosion, acts of God or of a public enemy, prevent or hinder Renold from delivering the Goods and/or performing the Services in accordance with the Contract, the date or dates for delivery and/or performance will be extended by the period of delay caused by such events and the price will be increased to cover any increased costs caused by such delay.
- 12.2 If the period of delay extends beyond a reasonable period, Renold will in its absolute discretion be entitled to withhold, suspend or cancel in whole or in part the Contract and/or the delivery of any of the Goods and/or the performance of any of the Services and the buyer will be liable to pay for the Goods already delivered and not paid for and/or for the Services provided and not paid for, such amount as may be determined by Renold to be a rateable proportion of the total Contract price and the cost of manufacturing or adapting to the buyer's design or specification any Goods already manufactured or adapted for which there is no other market readily available to Renold at the Contract price.
- 12.3 If Renold delivers to the buyer less than the contractual quantity of Goods or delivers any Goods late, the buyer will accept and pay for the Goods so delivered.

13 Intellectual Property

- 13.1 The buyer will not use the Goods or any specifications, designs or drawings or any other information supplied by Renold for the purpose of designing or manufacturing identical Goods without Renold's prior written consent. All patent, registered design, copyright and other industrial property rights in or in connection with the Goods which Renold may have remain the property of Renold.
- 13.2 The buyer indemnifies Renold against all charges damages, penalties, costs and/or expenses to which Renold may become liable as a result of Services provided or Goods supplied in accordance with the buyer's instructions which involves the infringement of any letters patent, trade marks, copyright or registered design or other rights of any third party.

14 Delay Occasioned by the buyer

The buyer will promptly furnish all designs, equipment, personnel information and instructions necessary for Renold to be able to undertake the work in performance of the Contract and the buyer will compensate Renold for all loss and expense incurred by Renold by reason of any error, defect or omission therein or by reason of any other act or in them on the part of the buyer.

15 Indemnity

The buyer indemnifies Renold against all costs, claims, demands, proceedings, charges and expenses for which Renold may become liable in respect of the Goods and/or Services except to the extent that liability is specifically assumed by Renold under these Conditions.

16 Waiver

Any failure by Renold to exercise any rights under these Conditions will not constitute a waiver or prevent the subsequent exercise of such rights.

17 Severability

If any provision of these Conditions is held by any competent authority to be invalid or unenforceable in whole or in part the validity of the other provisions of these Conditions will not be affected by them.

18 Notice

- 18.1 Any notice required to be given or served under these Conditions will be addressed in the case of a notice to be given to or served on the buyer at the address of the buyer shown on the Contract or invoice (or, if none, its registered office for the time being in the case of a company or in any other case its last known address) and in the case of Renold, at its registered office for the time being.
- 18.2 Any notice required to be given or sent under these Conditions may be given or served either:
 - 18.2.1 by letter, by leaving the same or sending the same by courier and a notice so given or served will be deemed to have been given or served on the day it was so left or on the day following that on which it was handed to the courier in the case of Renold or in the case of the buyer if the address of the buyer is within Malaysia, and within 7 days of the date of posting otherwise; or
 - 18.2.2 by fax, and a notice so given or served will be deemed to have been given or served within 24 hours of transmission.

19 Testing and Installation

- 19.1 Where the buyer requires Renold to carry out tests on the Goods, Renold may charge the buyer at a reasonable rate for work done and materials used in testing together with the cost of travelling to premises other than Renold's own premises and any other associated expenses.
- 19.2 Where Renold carries out work at the buyer's request at any place other than its own premises, without prejudice to any other remedy Renold may have, the buyer will indemnify Renold against any losses it may suffer (including any damages, costs and expenses it may have to pay) as a result of damage to Renold's property or claims against Renold by its employees or by any third party where the losses arise from the nature, condition or state of repair of the place or any materials or equipment in that place or from any negligence of the buyer, its servants or agents or any third party.

20 Buyer's Materials

- 20.1 In relation to any orders for which the buyer supplies Renold with its own blanks, patterns or other materials (“Materials”), these Conditions will apply as if a reference to the price of the Services were substituted for the reference to the price of the Goods.
- 20.2 Where any Materials prove to be unsuitable for the treatment that Renold is required to give them, the buyer will pay Renold for all work done and indemnify Renold against any loss or damage it may have suffered through their unsuitability.

21 Refurbishment

- 21.1 If the buyer wishes Renold to refurbish Goods, the buyer will (at the buyer's cost) return the Goods to Renold.
- 21.2 Following receipt of the Goods pursuant to Condition 21.1, Renold will provide a quotation for the refurbishment of the Goods. If Renold provides an estimate without having seen the Goods then Renold will not be bound by this estimate and will provide a quotation once it has seen the Goods.
- 21.3 In the case of parts added to Goods during refurbishment, Renold warrants that, subject to the normal limits of industrial quality, the parts will at the time of delivery and unless otherwise agreed by Renold in writing, for 12 months after that date, be of satisfactory quality.
- 21.4 The buyer agrees to indemnify and keep Renold indemnified from and against all costs, expenses, liabilities, injuries, losses, damages, claims, demands or legal costs (on a full indemnity basis) and judgments which Renold incurs or suffers as a consequence of a fault in Goods supplied by the buyer to Renold for refurbishment.

22 Third Party Rights

These Conditions are only enforceable by Renold and the buyer and any attempt by any other person to enforce or rely upon these Conditions are excluded and will be unenforceable.

23 Sub-contracting

- 23.1 Renold may assign the Contract or sub-contract the whole or any part thereof to any person, firm or company.
- 23.2 The buyer may not assign the Contract or any part of it without the prior written consent of Renold.

24 Governing Law

These Conditions and their construction will be governed by the laws of Malaysia and any dispute arising out of or in relation to these Conditions shall be subject to the exclusive jurisdiction of the courts in Malaysia.