



Rolls-Royce Solutions Asia Pte. Ltd. Purchasing Terms and Conditions

I. General

1. Unless agreed otherwise in writing between the Rolls-Royce Group Company concluding the agreement (named in the footer hereof) (hereinafter referred to as "We", "Us" or "Our") and the Vendor (hereinafter referred to as the "Vendor"), these Standard Terms and Conditions shall apply to this Agreement and any other contract, agreement, amendment, supplement and understandings related to this Agreement entered into between parties. These Standard Terms and Conditions shall apply exclusively, even if We accept any goods/services from the Vendor without reservation, despite being aware of terms of the Vendor which are inconsistent or which deviate from these Standard Terms and Conditions.
2. These Terms and Conditions of Purchase, as amended from time to time, shall be an integral part of all future orders placed by Us. They shall also apply to follow-up orders whether or not We make express reference to said Terms and Conditions again.
3. Our General Specifications for Deliveries, which are available for download on Our website at (<http://www.mtu-solutions.com/eu/en/contact/purchasing/supplier-downloads.html>) shall also be an integral part of these Terms and Conditions of Purchase.

II. Conclusion of Agreement

1. We are bound by written orders only.
2. The Vendor shall confirm acceptance of Our order in writing without undue delay (using the order confirmation attached to the order form if available) unless We waive this requirement. If the Vendor's order confirmation deviates from Our order, We will only be bound by the order if We have consented to the deviation in writing. The acceptance of goods/services or payment for same shall not constitute consent.
3. If the Vendor fails to accept the order within 14 days, We may revoke the order. Any agreements, amendments or supplements thereto must be executed in writing. Oral collateral agreements shall not be recognized.
4. We reserve title to and copyright in any illustrations, drawings, calculations, models, devices, samples or other items or documents We may provide to the Vendor for the purpose of preparing a quote or executing an order. The Vendor shall insure all the aforementioned items or documents against general risks (including fire, storm, etc.) at its own expense.
5. The documents or items set out in paragraph 4 of this clause may not be provided to any third parties without Our prior written consent. The documents and items are to be used solely for purposes of processing the order or performing the agreement and any follow-up orders, after which time, albeit not later than the date on which the warranty period expires, they must be returned to Us automatically. The documents and items shall be treated as confidential and may not be disclosed to third parties.

III. Provision of materials, provided documents, etc., confidentiality

1. In the event that we are required to furnish any material or parts to the Vendor, these materials or parts shall remain our sole property. In the event of further machining or processing, we shall remain the sole manufacturer.
2. The Vendor shall keep any Material We provide to it separate from other materials, label it as Our property and store it with the due care of a prudent merchant. The Vendor shall prevent any unauthorized access by third parties and notify Us without undue

delay of any changes in the quantity (e.g., theft or destruction of the item) or condition (limited usability) of the Material provided.

3. Processing or altering by the Vendor shall be performed on Our behalf. If goods to which We have reserved title are processed along with other items not owned by Us, We shall acquire a co-ownership interest in the new item equivalent to the value at cost plus GST of the goods to which We hold title as a proportion of that of the other items being processed at the time of processing. The foregoing shall apply, *mutatis mutandis*, in those cases where the goods are integrated by virtue of a combining or mixing process, unless another item not owned by Us is deemed the principal component.
4. Where the Vendor receives drawings, models, matrices, tools, templates, samples or similar items for the purpose of executing any order, such items shall remain Our sole property. Furthermore, where such items have been developed by the Vendor with substantial assistance from Us (tests, etc.), or have been manufactured by the Vendor according to Our instructions, they may only be used for the purposes of the order and, if they are Our sole property, shall be returned to Us on request, freight paid, without undue delay. No lien may be exercised in respect of such items, except in the case of undisputed claims or claims that have been confirmed by a final and binding judgment. The Vendor shall keep and carefully store all items of this nature in operating condition.
5. If the Vendor has developed and/or manufactured parts or other items (including software, etc.) for Us using Our specifications or documentation, the Vendor may not supply such parts or items to third parties or use them in any projects for, or to manufacture, supply or provide the same to third parties without Our written consent.
6. Any and all commercial/technical information which is not common knowledge and of which the Vendor becomes aware in the course of Our business relationship, particularly the information referred to in paragraphs 4 and 5 of this clause, shall constitute Our trade secrets and must therefore be treated as confidential. If trade secrets are required to be disclosed to any third party, this shall only be permitted with Our written consent, and shall be subject to the Vendor similarly imposing the obligations under this clause on the relevant third party.

IV. Drawings and sketches

1. If We approve any drawings or sketches of the Vendor, this shall be understood as a mere courtesy on Our part which is in no way binding on Us nor does it release the Vendor from its duty to comply with and satisfy all requirements mandated by law or agreed by contract.
2. CAD and Office data shall be delivered in a form compatible with the systems We currently employ.

V. Data protection

We may store, transmit, modify and delete personal information about the Vendor and/or any of the Vendor's employees in accordance with the provisions of the Personal Data Protection Act, provided this is necessary in connection with executing the and performance of the Agreement.

VI. Transfer of risk/reservation of title

1. Deliveries must comply with the agreed terms of delivery (in accordance with the relevant Incoterms, as amended time to time).

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2. For delivery-only orders, the risk of performance and payment shall pass in accordance with the agreed terms of delivery, or alternatively upon receipt of the goods at the place of performance. For orders involving delivery for installation or assembly and for orders involving other services, the risk shall pass upon acceptance at the place of installation/performance.
3. The Vendor may reserve title to its delivered goods until the consignment has been paid for in full. However, We may continue to use, process and on-supply the goods in accordance with their intended use. We also agree to the pre-assignment of Our claims against Our customers up to the value of the Vendor's claim against Us. However, any disclosure of the assignment, including information as to the value of the Vendor's claim against Us, is subject to Our consent, and is only permitted if We are in default and payment is still outstanding even after a reasonable grace period for payment has expired.
4. If in the course of performing the agreement, the Vendor generates work products that are copyright protected, We shall have an exclusive, transferable, perpetual, worldwide license to use any such work products in their original or modified form as We see fit and without restriction as to the type of such use (specifically, to reproduce or have reproduced or to disseminate) and to grant sublicenses to third parties for any and all types of use at our sole discretion.

VII. Labeling requirements

1. The Vendor shall provide order confirmation either by email, fax or post and quote the order number and item or material number in all written correspondence.
2. A delivery note shall be attached in duplicate on the top of each consignment and must state our order number, item numbers, the date of dispatch, the type of packaging, a description of the goods, the quantity and weight of the consignment (gross and net weight) as well as the delivery address (site and unloading area). Invoices shall not constitute delivery notes. Details are stipulated in the General Specifications for Deliveries.
3. In addition to the order number and item or material number, invoices must include a goods/ service description, the quantity, the price per unit or charge out rate of each individual Vendor and number and date of the delivery note/ or when the services were rendered. Any value added tax included in the price must be shown as a separate item. Invoices may relate to no more than one order.
4. The Vendor shall bear any costs incurred as a result of failure to comply with this provision.

VIII. Payment

1. Unless otherwise agreed, payment shall be due, within 60 days of receiving the goods purchased and/or consultancy services and the invoice reaches Us in good order.
2. We may render payment in the form of Our choice, particularly including payment by check. Date of payment shall be subject to the following proviso: "Provided the Deliverables have not been rejected by the Buyer for non-conformity in accordance with the relevant clause in the Purchase Order/Contract, then the Self-billed Invoice or invoice (as applicable) will be due and payable by the Buyer based on the respective date(s) stated in the Purchase Order/Contract after, as applicable, the issue of the Self-billed Invoice or the receipt of a valid, compete and accurate invoice from the Supplier." Cash on delivery arrangements are not encouraged. We shall not be deemed in default of payment unless We have already received a written default notice.
3. We may pay in SGD or offset an amount in SGD in order to satisfy claims denominated in a currency other than SGD. The relevant exchange rate shall be the exchange rate applicable in the place of

payment at the time of payment, and the rate should be determined by Us.

4. We shall, where necessary, be entitled to any right of set-off and any right to withhold performance. If a party becomes insolvent pursuant to the Bankruptcy Act, it is agreed that the accrued claims of the other party shall fall due upon the commencement of insolvency proceedings. If a court orders the institution of provisional insolvency proceedings, the claims shall fall due when the court order is issued.
5. We have the right to hold payment if we are not satisfied with any of the goods/ services supplied, or if any deliverables pursuant to this Agreement are found to be faulty, damaged, wrong, and incomplete or do not conform to quality or technical specifications. Payment prior to inspection, installation or use shall not constitute an acceptance thereof, nor will it remove Vendor's responsibility for latent defects.
6. For orders involving services, installation or assembly, the agreed term of payment commences on the date of performance. If invoicing follows the date of performance, the term of payment commences upon receipt of invoice.
7. Overseas Vendors shall promptly forward original bill of lading and other shipping documents for each shipment in accordance to instruction issued by Buyer. Any additional cost incurred due to lack of Vendor's documentation shall be borne by Vendor.

IX. Prices

The agreed prices are fixed prices and include all incidental costs incurred up to the agreed unloading point (with the exception of value added tax at the applicable statutory rate). Where it has been agreed that a consignment shall be dispatched at Our risk, the prices shall not include any transport insurance or insurance against damage, as We will cover these risks and hereby waive any such insurance. If the Vendor reduces its prices, the possibility of a price reduction for goods/services not yet provided shall be disclosed and price adjustment should be made immediately.

X. Freight and Packaging

In the absence of any specific terms, the Vendor shall choose the most economic form of transportation or packaging of any items that must be delivered to Us. The packaging must be appropriate in view of the nature of the consigned items, the means of transport and the route so as to ensure that the Items are able to withstand all the demands of transportation and warehousing. Details are stipulated in the General Specifications for Deliveries.

XI. Delivery/performance dates

1. Agreed dates and periods are binding. The date on which the goods arrive at the place of performance shall be controlling for determining compliance with delivery dates/periods.
2. The relevant statutory provisions shall apply if delivery/performance dates are not complied with. We may also partially rescind the agreement in respect of the goods/services not provided in due time. For the purposes of determining whether a default in performance exists, it is irrelevant whether the Seller receives its own supplies on time.
3. Whenever a date is expressly stated in the order as being covered by liquidated damages, for each week or part of a week in which that date is exceeded we may demand the liquidated damages of 1%, but no more than 5% of the value of the order for each week or part thereof by which the agreed delivery/performance date is exceeded. Liquidated damages may be claimed right up until final payment.
4. Partial delivery/performance shall be rendered if specifically agreed, but is not otherwise permitted. If partial or successive



delivery/performance is agreed, We may, to the extent reasonable, postpone the dates and volume of delivery/performance.

5. The Vendor shall notify Us in writing without undue delay of foreseeable delays in the provision of goods/ services under the Agreement and advise Us of the anticipated duration of the delay.
6. Where delays are attributable to force majeure, the Vendor shall provide evidence of the existence of force majeure. The Vendor shall, at its own expense, do everything in its power to perform the agreement on time, despite the existence of force majeure. If it is highly likely that a delay will continue for more than one month, particularly because the Vendor notifies Us that it will not be able to deliver any earlier than that, We are at liberty to rescind any part of the agreement which may be affected by the delay.
7. We may postpone the agreed dates for the delivery/ performance of goods/services by the Vendor by up to six months if the anticipated need for the goods/services is deferred as a result of strikes, disruptions to Our operations of any kind as a result of events beyond our control that may impact on operations in any way. Any such post-ponement shall not give rise to any claims on the part of the Vendor. The foregoing shall not affect the right of rescission under any rescission and termination clause.
8. To the extent reasonable in individual cases, We will accept early delivery/performance of the goods/services. However, the agreed periods for payment shall still commence on the previously agreed delivery/performance date or subsequent invoice date. The Vendor shall bear any warehousing costs We incur as a result of taking delivery early.

XI. Inspection/Acceptance

Defective goods or goods not in accordance with Our specification shall be held for Vendor's verification and at Vendor's risk and if Vendor so directs, shall be returned at Vendor's expense. In case whereby the supplier is based overseas, Vendor may arrange for independent inspection (third-party) at their own expense to verify the rejected goods. Replacement for rejected goods shall be made within the shortest time at Vendor's expenses. We also reserve the right to ask for change of original shipment mode at Vendor's expense to meet contractual delivery schedule.

XII. Warranty

1. The Vendor shall provide the goods and services free of defects in quality and defects in title. In particular, the most suitable and sound materials must be used, any statutory/regulatory requirements as of the date of delivery/performance must be met, the goods/services must be of the agreed condition or quality or, in the absence of any such agreement, the condition or quality customary in the industry, and they must be state-of-the-art as of the date of contract performance, even if the latest technological developments have not yet been incorporated in the technical norms and standards applicable to the Vendor's goods/services at the place of performance. Unless otherwise agreed upon, the warranty term is 24 months after performance.
2. The Vendor shall, at its own expense and prior to performance, conduct an acceptance test and unit testing, and in so doing shall observe any specific quality requirements specified in the order. The quality control and incoming goods inspection conducted by Us shall not release the Vendor from its contractual obligations. We shall conduct an incoming goods inspection to check for any externally visible damage and externally visible discrepancies with regard to the description and quantity of the goods. We will report any such defects without undue delay. We will also report other defects as soon as they are discovered in the ordinary course of business. To this extent the Vendor shall waive the defence of delayed notification of defects.

3. We have recourse to the full range of statutory claims based on defects. Irrespective of this, We may ask the Vendor to render subsequent performance, and in this regard may elect to have the defect repaired or a replacement delivered/manufactured. The Vendor shall render subsequent performance without undue delay if We so request. If it later emerges that no defect existed, the Vendor may claim reimbursement of the expenses incurred in connection with subsequent performance.
4. The Vendor is liable for any defects in title, including the infringement of third party proprietary rights, irrespective of whether We knew of such defects, and the Vendor shall indemnify Us against any potential third party claims. The foregoing shall not apply if Our drawings, samples or other specifications infringe proprietary rights. If the Vendor does not immediately act upon the request to remedy a defect, we may remedy or have remedied such defect at the Vendor's expense subject to additional claims; the same applies in urgent cases where we can provide for a remedy faster than the Vendor. Unless otherwise provided for above, the warranty is subject to the pertaining legal regulations. The warranty for repaired or replaced parts is 12 months from the warranty performance, but in no case shall it expire before the end of the warranty agreed for the original performance. The Vendor shall, in case of warranty, be liable for the resulting examination costs, all costs for dismantling and assembly, labor and materials, transport and any other cost of sending defective parts and returning replacement parts to and from the place of performance or subject to a specific agreement any place of operation. The Vendor is only liable for further damages in a case of warranty if he holds insurance to cover such damages or if he is responsible for the damages or if a quality or durability guarantee is not met.
5. Our acceptance or approval of any samples or specimens presented may not be construed as a waiver of any warranty claims on Our part.
6. Unless otherwise agreed, claims based on defects shall lapse when the statutory limitations period expires. If a delivered item is used in products We supply to Our customers, the statutory limitations period shall commence when Our customer puts Our product into operation, which shall however be no later than 12 months after the risk for the delivered item has passed to Us. The limitations period shall commence anew for exchanged or replaced parts.

XIII. Quality Management

Quality assurance standard MTQ 5003 applies to deliveries of contractual goods. Quality assurance standard MTQ 5012 also applies to deliveries of contractual goods with electronic parts and components. The Standard Production and Assembly Specifications MMN 332 also apply. The standards are available at <http://www.mtu-solutions.com/eu/en/contact/purchasing/supplier-downloads.html>.

XIV. Product Recall

1. Where an authority or government agency with the power to order a recall of the delivered goods has notified Us or the Vendor in writing that, or We or the Vendor may have reason to assume that, the delivered goods:
 - a) pose a potential safety risk or could create or cause dangerous situations, including the risk of serious injury or death;
 - b) have a fault, defect or are otherwise of impaired quality;
 - c) do not comply with statutory or other applicable requirements and standards; and



- d) to the extent deemed advisable or necessary on these grounds, the delivered goods concerned must be recalled and/or repaired;

We and the Vendor will immediately apprise one another of the situation and of the underlying facts and circumstances.

2. Except in cases where a recall is unavoidable because it has been ordered by the competent authority or government agency, We are entitled to decide whether a recall of the delivered goods concerned ("Recall") is appropriate.
3. If a Recall is necessary pursuant to prevailing laws, regulations and/or other legal provisions, or where We decide that a Recall is appropriate, the Vendor will promptly develop a plan or plans for implementing corrective measures ("Plans for Corrective Measures"), which will include, among other things, all measures that are necessary and required pursuant to the prevailing laws, regulations, legal provisions and/or other requirements and standards applicable in the specific case. The Vendor will present the Plans for Corrective Measures to Us for Our review and approval prior to their implementation.
4. We and the Vendor will work together and jointly ensure that the Plans for Corrective Measures are reasonable and acceptable to both parties before their implementation.
5. We may at any time Ourselves undertake any corrective measures and, if applicable, send information to the competent authorities and government agencies involved. In such cases, the Vendor shall cooperate with Us accordingly and offer its full support.
6. Where it is established that the Recall was caused by a fault, defect or other quality impairment or failure to comply with (in particular) quality standards or legal/regulatory or other applicable requirements and provisions for which the Vendor must accept responsibility, the Vendor will, at its own expense, and depending on Our election, either carry out all of the repairs and adjustments necessary as part of the Recall, or reasonably compensate Us for all costs incurred as a result of or in connection with Us carrying out the repairs and adjustments Ourselves. The foregoing does not apply if the Vendor can clear itself of responsibility.
7. In any case, the Vendor shall reasonably compensate Us for all costs and expenses We incur in connection with the Recall. These costs and expenses shall particularly include all costs and expenses for or due to examinations of the delivered goods concerned, repairing or, where repair is not possible, replacing delivered products, packaging and shipping of recalled delivered products, identifying and notifying affected customers and, to the extent necessary, notifying the public and the media.
8. Each party will consult the other before notifications relating to potential safety concerns associated with the relevant products are released to the public, the media or authorities and government agencies. However, there shall be no obligation to consult if prior consultation would prevent timely notification of such safety concerns under the relevant statutory provisions.

XV. Third Party Rights

The Vendor shall indemnify Us against any and all claims arising from the infringement of intellectual property rights, copyright or other rights asserted by third parties as a result of the use of the delivered goods/services or parts thereof.

XVI. Modifications

1. We may, to the extent reasonable for the Vendor, request modifications to the design and execution of the goods/services. The consequences of any modifications, particularly any additional or reduced costs and the impact on delivery/performance dates, shall be the subject of a reasonable, mutually agreed arrangement.

2. The Vendor may modify its goods/services from a previous order of the same type or from a specification in the current order, provided the changes are for the purpose of improvement and We have given Our written consent. If a change affects the logistical requirements of an end user, the Vendor shall, in cases where the modification is consented to, take such requirements into account as well. The Vendor is responsible for ensuring that any modified goods/services are also fit and proper for the intended use stipulated by Us.

XVII. Title

The Seller may retain title to his goods until complete payment of each delivery of goods. We may however use the goods supplied for our purposes and we may process and pass on such goods.

XVIII. Stocks/product availability

1. Subject to paragraph 2 below of this clause, the Vendor guarantees to keep its goods/services in stock/ have them available for their normal lifespan, and for at least 10 years from the date of performance. Even in cases where such an obligation has expired in respect of goods/services provided to Us, the Contractor shall give Us timely notice of any intended discontinuation of goods/services so as to ensure that parts can still be delivered for Us to hold in stock.
2. For Vendors that supply goods with short shelf life, such Vendors should ensure that all supplied products carry a valid shelf life of at least 12 months from the date of delivery to Us, unless otherwise agreed. We have the right to reject the goods for non-compliance.

XIX. Declaration of Origin

1. To the extent that a declaration of origin is necessary in order to obtain tariff preferences or for any other reason, the Vendor shall provide such declaration in a timely manner in the correct and complete form and using the prescribed wording, with the exact goods description matching that of Our own, and including the item number, if available. These documents may include Certificate of Origins, Operating Manuals, Equipment Specification, Material Safety Data Sheet and Product Data Sheet, etc.
2. The contractor must indicate the country of origin next to each item number or material number appearing on the invoice.
3. The contractor is reminded that recourse may be had against it for any damages that arise due to false indication of the country of origin.

XX. Product Liability and Insurance

1. Where the Vendor is liable for loss or damage caused by its goods/services, it shall, on first demand, indemnify Us against damages claims brought by third parties, provided the cause of the loss or damage is within its sphere of organization and control and the Vendor itself is liable as against third parties.
2. In this context, the Vendor shall also reimburse any expenses arising out of or in connection with any recall conducted by Us. If, as a result of an error caused by the Vendor, third parties sue Us on product liability grounds or We are required under the regulations governing the relationship between Us and Our customers to recall products or label them with warnings, the Vendor shall indemnify Us against all third party claims, bear all of the resulting costs, and otherwise use its best efforts to assist Us in defending against the claim, in particular by producing all expedient information and documents. To the extent possible and reasonable, We will inform the Vendor and give it an opportunity to comment on the terms and scope of any recalls to be conducted.
3. The Seller shall observe its products for their entire normal lifespan and notify Us in writing without undue delay of any product hazards of which it becomes aware.



4. The Seller shall maintain product liability and other appropriate insurance. Any further damages claims on Our part shall remain unaffected.
5. If the contract covers the performance of labour, the Vendor must cover all their workers undertaking jobs with adequate insurance. Vendor agrees to indemnify and protect Buyer against all liability, claim, or demands for injuries or damages to any person or property arising out of the performance by Vendor, its employees, agents or representatives. It is also the responsibility of the Vendor to ensure all their workers have all the necessary work permits/passes as required under the Singapore Law.
6. All the insurance policies specified in this clause must be structured such that
 - a) in each case the coverage is not subject to additional conditions and exists even in the event both parties are liable;
 - b) no deductible is agreed;
 - c) We and Our affiliates as well as their governing bodies, managing directors, other agents and employees are named as additional beneficiaries or payees in the event of loss; and
 - d) a waiver of recourse in favor of the aforementioned parties is stipulated in the event of any loss or damage covered by the insurance policies set out in this clause.
7. Where an insurance policy provides for the payment of a deductible or where claims are asserted against Us for payment of a deductible, the Vendor shall in any case be liable for satisfaction thereof or We may request that the Vendor compensate or indemnify us accordingly.
8. Upon request, the Vendor shall submit to Us the insurance certificate(s) as proof of the terms stipulated in paragraphs 6 and 7 of this clause.
9. We are under no obligation to verify that the insurance policies and corresponding insurance coverage meet the aforementioned requirements, which shall at all times remain the Vendor's responsibility.
10. If We accept an insurance certificate despite the fact that the aforementioned requirements have not been met, this shall not constitute any implicit waiver of compliance with the Vendor's obligations to obtain and maintain insurance coverage as set out above.

XXI. Occupational health and safety and environmental protection

1. The Vendor shall provide all of its goods and services in accordance with all applicable occupational health and safety and environmental protection regulations laid down by statute, government agencies or trade associations, and in accordance with the Rolls-Royce HSE Control Standard "HSE CS 06 – Control of Contractors" as applicable at the time the goods or services are provided and having reasonable regard to environmental concerns. The Vendor shall notify Us in writing without undue delay if it has any occupational health and safety or environmental concerns in relation to the manner of execution requested by Us. For details on Safety Regulations for Contractors, please approach WHS Officer.
2. When making deliveries and/or performing its contractual obligations to Us, the Vendor undertakes as a material contractual obligation to comply with all rules and regulations and to take all action necessary regulated by National Environment Agency, CNB Controlled Equipment Material and Substances Agency and any other applicable regulations as applicable on the date of delivery.
3. If the Vendor breaches the aforementioned obligations, We may claim damages and rescind the agreement. The Vendor shall otherwise, on first demand, indemnify Us against all third party claims arising as a result of the Vendor's breach of the aforementioned obligations. The claim for damages/indemnification

shall also cover all of Our expenses such as, in particular, legal defense and administrative costs and all costs associated with any necessary replacement products. If the Vendor's registered office is outside the European Union and the Vendor is unable to notify, register or maintain the authorization for its delivery item or is unable to do so on reasonable terms, We may rescind the agreement without being liable for damages.

XXII. Compliance with Applicable Laws

1. In discharging its contractual performance obligations as stipulated hereunder, the Vendor shall at all times observe and act in compliance with:
 - a. all applicable laws; and
 - b. all industry standards, including upholding a standard of due care which may reasonably be expected of an experienced Vendor in that industry under comparable circumstances.
2. Where reference is made in these terms and conditions to (a) the term "**hazardous materials**", this shall mean all those substances or materials declared or identified as such, all substances or materials which are hazardous to health or toxic, pesticides or hazardous goods as well as any other substances or any other materials which may be classified as a potential health or environmental hazard under applicable law or (b) the term "**countries of use or transport**", this shall mean all those territories and countries in which, according to the information We have provided to the Contractor or to the Contractor's knowledge, the delivered goods are to be used or deployed or through which said goods are expected or known to be transported.
3. We have a right to inspect all the Contractor's documents and may reasonably inspect the Contractor's facilities, which in particular serve to ensure the Contractor's compliance with applicable laws and other provisions and industry standards in accordance with these terms and conditions. The Contractor shall provide Us its full support in this regard.
4. At Our request, the Contractor shall also duly and properly furnish Us with all certificates and proof or any other documents to the extent required by law.

XXIII. Endorsements/Advertisings

The Vendor shall not, without first obtaining Our written consent, in any manner advertise or publish the fact or details that the Vendor has entered into a contract with Us.

XXIV. Rescission, termination

1. Without prejudice to any other claims, We have recourse to the full range of statutory rights of rescission and termination.
2. In particular, We may rescind the agreement in whole or in part if:
 - a) We have substantially less demand as a result of force majeure, industrial disputes, interruptions to operations for which We are not responsible, riots and unrest, regulatory action or unavoidable events; or
 - b) the goods to be delivered are intended for on-supply to a third party and the agreement with such third party fails to be performed for reasons for which We are not responsible, in particular if insolvency or similar proceedings are instituted against the third party, or the third party otherwise suffers financial collapse or discontinues operations.
3. We are further entitled to terminate the agreement effective immediately if:
 - a) the Vendor is responsible for the breach of a material contractual obligation;
 - b) the Vendor discontinues its operations or threatens to do so; or



- c) an application to institute insolvency proceedings is filed against the Vendor, or We receive a written credit report indicating that the Vendor is not creditworthy.
4. We may, on two weeks' notice, terminate continuing obligations at any time even where none of the aforementioned grounds exist.

XXV. Subcontractors

The Vendor must obtain Our prior written consent before engaging or changing subcontractors or using third parties or temporary staff, unless such staff performs incidental functions. The Vendor shall otherwise impose the same obligations on any subcontractors as those it has assumed in its relationship with Us. The Vendor shall otherwise be liable for the negligence of its subcontractors/suppliers as it would be for its own negligence.

XXVI. Compliance

1. The Vendor shall observe all applicable legislation in the relevant jurisdiction(s) and shall not, either passively or actively, directly or indirectly commit an act or omission which could, in particular, result in criminal prosecution for the granting of an advantage, bribery, fraud, breach of fiduciary duty, competition law violations or insolvency offences. If the Vendor breaches this obligation, We may, to the extent reasonable, rescind or terminate all agreements with the Vendor without notice and break off the business relationship and claim damages.
2. Please refer to the principles and expectations as to integrity and reliability contained in the Rolls-Royce Power Systems Supplier Guideline (or available at <http://www.mtu-solutions.com/eu/en/contact/purchasing/supplier-downloads.html>).
3. The Vendor will endeavor to convey these principles in an appropriate manner to its employees and direct suppliers and to encourage compliance with such principles to the best of its ability.
4. We reserve the right to conduct, subject to prior notice and consideration of trade secrets, compliance audits of the Vendor or, if applicable, of its sub-contractors. The Vendor will keep appropriate documentation for this purpose.
5. If the Vendor is at fault for any substantial or recurrent breach of these obligations, We may, to the extent reasonable, rescind or terminate all agreements with the Vendor without notice and break off the business relationship and claim damages. We may also rescind or terminate, without notice, and claim damages if and to the extent that, despite setting a reasonable period for action, compliance audits have not been permitted, a compliance audit was not conducted satisfactorily, or the Vendor has failed to take measures imposed by Us to remedy breaches of duty.

XXVII. Offset

The Vendor will hereby be informed that individual orders are placed subject to our offset entitlements worldwide. Therefore, the procurements and activities done based on individual orders will be reported as offset in each order country by Us or Our customer. The Vendor undertakes to assist Us at the best possible rate in connection with the recognition process and to fulfill the requirements of offset of the respective country and its current offset policy. Our offset management will inform the Vendor about the country and the for the country valid offset policy.

XXVIII. Severability

If any provision of these Standard Terms and Conditions is or becomes invalid, in whole or in part, this shall not affect the validity of the remaining terms. If an invalid clause or part thereof cannot be substituted by reference to any existing law, We and the Vendor shall substitute the invalid term or the invalid part thereof with a term

that most closely reflects both parties' interests as manifested in these Standard Terms and Conditions.

XXIX. Assignment of claims

The assignment of claims by the Vendor under the agreement is subject to Our written approval.

XXX. Foreign Trade Law

The Vendor will advise Us upon conclusion of the Agreement if export of the Vendor's goods or services is precluded or subject to approval under the applicable export regulations of Republic of Singapore. The Vendor shall compensate for any loss or damage sustained by Us as a result of any breach of this notification requirement.

XXXI. Place of performance, jurisdiction, governing law

This contract is to be construed according to the law of the Republic of Singapore and in accordance to government regulations whereby Vendor agrees to comply with all applicable laws, rules, regulations or ordinances. We shall not be liable to Vendor for any legal fees, court costs, or other legal expenses arising from the interpretation or enforcement of the contract, or from any other matter generated by or relating to the contract.

XXXII. Singapore Withholding Tax

We shall be obligated to withhold an amount of tax from the payment at the relevant withholding tax rate and in accordance with the laws of Singapore. We shall remit the invoiced amount net of relevant withholding tax to the Vendor. The withholding tax so deducted shall be paid to the relevant tax authority and appropriate relevant supporting evidence will be provided to the Vendor.

XXXIII. Resource Changes

Vendor has to inform and receive Our prior approval before work commencement if there are changes in Vendor resources (e.g. change of production site, change of processes, additional processes, change of machines or skill labor, etc.) which may have impact on quality of our product or service to our customers.

We reserve the right to cancel the order if we are not convinced that the quality of service and/or goods will not be compromised.