

## CONTRACT INFORMATION AND MODIFICATION

These terms and conditions apply to every thing listed in this Purchase and constitute our offer to you, which we may revoke at any time before you accept it. You should accept this Offer by sending us a written acknowledgement. If you provide any items listed in the Purchase order without having sent us an acknowledgement, You will be deemed to have agreed to these conditions. If your acknowledgement contains any different terms or conditions they will not be part of or Supplement this Contract or explain any term therein. It is clearly understood that, by us placing a purchase order with you, the seller is deemed :

- You have accepted our condition
- You have waived those conditions of supply / purchase, if any conflicting with that of ours

After the contract is formed, except for any related Purchase or agreement providing services for which the Purchase Order form is an attachment, these terms and conditions are the complete and exclusive statement of the terms and conditions of the contract between us. They may be modified only in writing with the modification signed by one of our specifically authorized representative and by you. No prior proposals, statements, course of dealing, or usage of the trade will be part of this contract.

As used herein, the term 'products' shall include goods, supplies, materials, packaging, services, work and data expressly or implicitly ordered herein.

## COMMERCIAL TERMS

**Price** : Price covers the net weight of material. No charges of any kind (e.g. charges for box or cartage) will be allowed. The payment terms is Hical NSE will pay to seller as agreed during the Contract

**Warranty** : In addition to all other warranties, expressed or implied by law, Seller warrants that all products delivered hereunder shall be merchantable, free from defects in workmanship and materials shall strictly conform to applicable specifications, and will be fit and sufficient for the purposes intended and if of Seller's design, will be free from design defects.

Seller further warrants that all products shall be in conformity with applicable laws and shall comply in all respects to the report and or certificate referred to by the Buyer. All warranties, including service warranties and guarantees, shall run to Buyer, its customer's and subsequent owners of the products or end products of which they are a part. In the event of a breach hereof, Buyer may require that the products be repaired or replaced by Seller or Buyer may return all or some of the products to Seller for refund or buyer may retain the product, the price of this purchase order shall be equitably reduced. In the event of the return by Buyer to Seller of such products, Buyer shall charge to Seller all shipping costs both ways plus a reasonable charge for its services in effecting such return, together with any incidental expenses incurred by Buyer in connection therewith.

Responsibility for defective products shall be borne by Seller. In the event of a breach of warranty, expressed or implied, Seller agrees to indemnify Buyer and its customers for and hold each of them harmless from any liability, loss, cost and expense (including reasonable legal fees) directly or indirectly arising from any claim or action against Buyer or its customers relating to such breach. Except for latent defects, fraud and gross mistakes amounting to fraud, the term of this warranty shall be 12 months after delivery and acceptance by buyer.

**Transportation** : You will ship items by designated carriers only as mentioned in our purchase order and in the event of non designated carriers prior approval from the buyer shall be taken before dispatch.

We will not pay premium transportation charges unless authorized by us in writing. Shipping Information should be furnished to the Buyer within 12 hrs. of the shipment. All products shall be prepared for shipment and packed to prevent damage, or deterioration, and lowest transportation rates secured.

**Risk of Loss / Insurance** : We assume risk of loss as mutually agreed upon delivery terms during execution of this Purchase Order and according to INCOTERMS 2010.

**Delivery** : Time is the essence of this Purchase Order. You will meet the delivery schedule without making excess material or production commitments. We may return at your expense items delivered early or late to us.

**Title** : We take title to items when they reach the destination point stated on the face of this Purchase Order.

## GENERAL TERMS AND CONDITIONS- PURCHASE ORDER

**Changes** : You will notify us promptly if any such change affects price or delivery so that we can negotiate an equitable adjustment

**Set-Off** : We may set off any amount, you or any affiliated company owes us against any amount we owe you under this Purchase Order.

**Termination** : We may terminate any part of this Purchase Order for our convenience at any time. We may also terminate any part of this Purchase Order without liability if you default in performing this Purchase Order. We terminate because of your default, you will be liable for any costs and damages incurred by us, which are attributed to your default. A default occurs if (1) you fail to perform within the time period specified in this Purchase Order or (2) you so fail to make progress as to endanger performance of this Purchase Order, and in either of these two circumstances you do not cure the failure within 10 days or any period longer which we have authorized in writing after you receive our written notice of default.

### Government safety and Environmental Regulations

All purchased materials used in part manufactured shall satisfy current governmental and safety constraints on restricted, toxic and hazardous materials ; as well as environmental, electrical and electromagnetic considerations applicable to the country of manufacture and sale. The seller shall ensure that all the applicable laws and regulations the seller's country shall be complied with.

**Cancellation** : In the event that Seller may breach this contract, agreement or understanding between buyer and seller, then and in such event buyer may, at its selection, terminate this purchase order and such other contracts/agreements and understandings without any liability or obligation to seller. Also in the event of any change in the business plan, buyer holds the right to cancel or differ the delivery schedule.

**Country of Origin** : Invoice shall contain the country of origin of items (e.g., the country in which the item was actually manufactured). You warrant that for items imported by you, the country of origin on your invoice is correct and the items are marked conspicuously, legibly, indelibly and permanently.

You will Indemnify us for all costs & damages we incur which arise out of a breach of any of the terms & conditions in this Purchase Order stated above and any loss or damage suffered by Hical NSE

**Quality** : All Products furnished pursuant to this Purchase Order must comply with the specification submitted by Buyer to seller, if no specification is given, conform to a standard or quality understood by the trade. All products shall be subjected to a final inspection and acceptance at destination within 12 months of receipts not withstanding any prior payments and acceptance. Final inspection shall not relieve of sellers of its obligation under its warranties. Buyer shall have the option of returning rejected products to seller at sellers risk and expense. Buyer shall charge the seller transportation both ways plus charges for Buyer's service in effecting such return, all charges buyer incur in connection therewith.

### OTHER TERMS

**Our Property** : Everything we provide or pay for under this Purchase Order is our property. Examples of our property may include tools, dies, test equipment, material, inventions and trade secrets developed in performing work under this Purchase Order, and technical and business information. You will mark our property "Property of Hical NSE Electronics Pvt. Ltd." keep it in good condition, use it only to perform the order, hold it at your risk and apart from your property, insure it at your expense for replacement cost with loss payable to us, and ensure that any information we disclose to you or you develop for us is kept confidential to the extent it is not otherwise publicly available. At our request, you will prepare our property for return shipment and deliver to us promptly within no more than 7 days at your expense in the same condition as originally received by you.

**Your Information** : Any information of yours or of another, which you disclose to us, will not be considered confidential or proprietary. We acquire the information as part of the consideration for the order and free from all restrictions and Hical NSE shall not be liable for infringement of either the seller's or any third party's proprietary rights.

**Audit Rights** : At our request, you will allow us to inspect without charge and to copy at our expense any documents you have relating to performance of the contract

**Cost Reduction** : Seller warrants that the price for the products sold to Buyer under this Purchase Order are not less favorable than those currently extended to

any other customer for the same or substantially similar products in equal or lesser quantities. In the event that the price or prices shown in this Purchase Order are less favorable or in the event that Seller reduces its price to any other customer for such products during the term of this Purchase Order, Seller agrees to reduce the prices herein accordingly.

**Non disclosure agreement** : Drawings, Specifications, data, designs, inventions and other technical information supplied by Buyer shall remain Buyer's property and shall be held in confidence by Seller. Such information shall not be produced, used or disclosed to others by Seller without Buyer's prior written consent and shall be returned to Buyer upon completion of this Purchase Order or upon demand.

All data generated or developed in the course of or under this Purchase Order shall be the sole property of the Buyer and Seller shall not duplicate or disclose such data for any purposes other than the performance of the work required hereunder without the prior written consent of Buyer. The purchase price of this Purchase Order is in part consideration for any design work performed by Seller in connection with this Purchase Order and incorporated in the products to be delivered hereunder and shall not supply such products to others without Buyer's written permission.

The seller shall keep all the confidential information in strict confidence and shall not, without the prior consent of Hical NSE, or as required by the law, or as mentioned below, disclose any information to any other person or use it for any purpose other than for the purpose of completion of the purchase order.

Nothing in this Purchase Order is intended to grant any rights under any trade mark, logo, patent or copyright or intellectual property right to the seller or create any rights in or to Hical NSE's confidential information, except the limited right to review such confidential information in connection with the purpose(s) stated in the Purchase Order.

The seller will not copy, reproduce, publish or distribute any confidential information without prior written consent of Hical NSE except for the purpose of giving the same to those persons who are permitted to receive the information.

Title seller shall promptly redeliver to the other party all written confidential information and all material containing or reflecting any confidential information and will not retain any copies, extracts, reproductions in whole or in part of such written or other material / Information.

**Work on Our Premises** : If you work on our premises, you will be careful to avoid injuring people or damaging property in case of loss or damage caused to the person or property of Hical NSE or any third party you will indemnify us and for any claim which may result in any way from any act or omission of you, your agents, employees or subcontractors on such premises.

**Publicity**: You will not issue any press release, use of any of our products or our name in promotional activity, or otherwise publicly announce or comment on this order without our prior written consent.

**General Matters** : Any assignment of the order or a right to payment will be void without our written consent. Any waiver of a breach of contract must be in writing and signed by the insured party. The law of the State (Bangalore Jurisdiction) will govern any dispute between us.

**Patent and Trade Marks** : To the extent that the products are not manufactured pursuant to a design originated by Buyer, Seller agrees to indemnify Buyer and its customers for and hold each of them harmless from any liability, loss, cost and expense (including reasonable legal fees) directly or indirectly arising from any claim or action against Buyer for infringement or otherwise of any patent, copyright, trademark, trade secret, label, name design or stamp used by Seller on the product supplied by Seller under this Purchase Order.

We reserve the right to place in the Seller's plant, at our expense, an Inspector or Inspectors who shall be permitted to inspect during manufacture and before shipment any Goods on this order.

**Disputes** : Buyer may, by written notice to Seller, terminate all or any part of this Purchase Order in the event that Seller fails to make delivery within the time specified herein or fails to make progress so as to endanger the timely performance of Seller hereunder or if Seller fails to perform any of the other provisions of this Purchase Order.

Seller warrants that in the performance of this Purchase Order, it will comply with all applicable laws and ordinances.

Buyer may deduct all or any part of the liabilities, losses, costs or expenses incurred by Buyer arising from a breach of this Purchase Order by Seller under this or any other purchase order.