

## **General Terms and Conditions of Purchase**

### **1. Applicability of the Terms and Conditions of Purchase**

- 1.1. Unless otherwise agreed in writing, only the General Terms and Conditions of Purchase (the "Conditions") set forth below, apply to purchases by Fujikura Asia Limited ("FAL"). The term "PO" means this purchase order. The term "Supplier" means any individual, corporation or other entity who is to perform or provide the Work under this PO. The term "Work" means all items, materials, equipment, goods, labor or other services that is the subject of this PO. Insofar as the present conditions lack applicable provisions, the laws of the Singapore shall apply exclusively. The present Conditions form an integral part of every contract concluded with FAL and apply to all future contractual relationships with, as well as additional services rendered by the Supplier, and as such constitute a framework agreement for all future legal transactions between FAL and the Supplier (collectively the "Parties").
- 1.2. General Terms and Conditions of the Supplier shall not become a constituent part of the contract, even if FAL does not expressly reject them. This PO will become a binding contract upon (a) Supplier's written acceptance of this PO, (b) Supplier's shipment of any permitted unit or partial unit of the Work or performance of any Work, or (c) other conduct by Supplier recognizing the existence of a contract. No different or additional term in Supplier's acceptance, invoice or other document can become part of the contract without FAL's written consent. Any general terms and conditions whatsoever, including but not limited to, general conditions of sale, conflicting, partially or entirely, with the present conditions, shall be ineffective in their entirety.
- 1.3. If FAL accepts the goods/services without expressly rejecting the conditions as specified in clause 1.2, it shall in no case be possible to conclude that FAL would have accepted the general terms and conditions of the Supplier.
- 1.4. Supplementary agreements or amendments to these conditions shall be made in writing in order to be valid.

### **2. Purchase Order, Offer, Order, Order Confirmation**

- 2.1. Each purchase order placed by FAL requires an individual procedure. Linking a purchase order legally with other orders placed to the Supplier shall only be possible if this has been agreed in advance in a written framework agreement.

- 2.2. Offers shall be non-binding and free of charge for FAL. When submitting its offer, the Supplier shall adhere to the quantity, quality and specifications stipulated in the enquiry or invitation to tender of FAL and, in case of a deviation, it shall immediately notify FAL thereof. The Supplier shall be bound to its offer for three months or as expressed in the Supplier's offer.
- 2.3. Only orders placed in writing shall be binding upon FAL. Oral orders and orders placed via telephone or e-mail may only be executed by the Supplier if this has been expressly agreed with FAL in advance in each individual case. Orders shall be confirmed by the Supplier in writing within three working days of receipt of the order, bindingly stating the delivery period demanded by FAL in its order. If the Supplier does not confirm the order within three working days from receipt, FAL shall be entitled to cancel the order. FAL shall be entitled to demand modifications of the subject-matter of the order, even after the contract has been concluded, in as much as this is appropriate and acceptable for the Supplier.  
If an amendment to the contract of such a nature is made, appropriate account shall be taken of the effects on both parties, in particular with regard to additional or reduced costs and delivery dates.
- 2.4. Order numbers, reference numbers and the date of letters from FAL shall be stated in all correspondence.

### **3. Prices, Payment, Invoice**

- 3.1. The prices shall be determined on the basis of a comprehensible calculation. On demand, the calculation documentation shall be provided to FAL for the purpose of verifying adequacy of the prices.
- 3.2. The prices stated in the order or the offer shall be deemed maximum prices. Price reductions due to changes on the procurement market of the Supplier shall be passed on to FAL to the full extent. The Supplier shall be obliged to notify FAL of any such changes without delay.
- 3.3. Prices shall be exclusive of VAT or any other taxes that may be applicable in the Supplier's country, which shall be paid and borne by Supplier.
- 3.4. The Supplier undertakes to use exclusively environmentally sound packaging materials and keep the costs that may arise for FAL in connection with the disposal of such materials as low as possible. For any goods or materials furnished in accordance with this PO which are defined

as hazardous or dangerous under applicable law, Supplier will provide FAL with hazardous warning and safe handling information in the form of a material safety data sheet (MSDS) and appropriate labeling for such goods or materials.

3.5. No remuneration or reimbursement (of expenses) for visits by representatives of the Supplier to FAL shall be granted by FAL. All product presentations, test operations and test runs – even before the contract is signed – shall be free of charge for FAL.

3.6. Invoices not properly submitted shall not be accepted, shall not effectuate a date when payment becomes due and shall not be deemed received by FAL until the date such invoices are corrected. The statutory accounting provisions applicable from time to time shall be observed without exception. The Supplier shall be liable for any additional or consequential costs arising due to incorrect or incomplete invoicing. Clause 2.4. shall apply mutatis mutandis.

#### **4. Shipment, Packaging, Passing of Risk**

FAL shall be informed of every shipment immediately after it has been dispatched by means of a dispatch note which shall be broken down precisely into type, quantity and weight.

Dispatch notes, consignment notes, invoices and all other correspondence shall contain the FAL order number. FAL shall only be obliged to accept the quantities or numbers ordered. Over shipments or under shipments shall only be possible if agreed with FAL in advance. Insofar as certificates on tests of materials have been agreed upon, they shall form an essential part of the delivery and shall be enclosed with the delivery together with the delivery documentation.

#### **5. Delivery, Delay in Delivery, Place of Performance, Force Majeure**

5.1. FAL retains the right to return to the Supplier products delivered before the agreed date at the cost and risk of the Supplier. If goods are not returned in case of an early delivery, they shall be stored with FAL at the cost and risk of the Supplier until the delivery date. In case of such early delivery, FAL reserves the right not to effect any payment until the agreed due date. FAL will not accept partial deliveries unless specifically and expressly agreed upon by FAL in advance.

5.2. A delivery note shall be enclosed with each delivery, which shall contain the complete description and quantity delivered of each delivery item and the FAL order number in accordance with the order. Acceptance of goods will be refused without exception if goods are delivered without an appropriate delivery note.

- 5.3. The agreed delivery dates shall be binding. Receipt of the goods at the point of receipt or use specified by FAL and timely and effective acceptance shall be relevant to compliance with the delivery date or delivery period. Delivery periods shall commence on the date of the order.
- 5.4. Upon knowledge of the Supplier that an agreed date cannot be met for whatever reason, the Supplier shall immediately inform FAL thereof in writing and state the reasons and the probable duration of the delay. The Supplier shall be obliged to reimburse FAL for all direct and indirect losses caused by the delay. Acceptance of the delayed delivery by FAL shall not imply a waiver of claims for compensation, if any, on grounds of the delayed delivery.
- 5.5. If the agreed delivery date is not met, FAL shall, after a reasonable grace period granted by FAL has fruitlessly expired, be entitled to either demand damages for non-performance or to obtain substitute performance from a third party and all cost incurred shall be paid and borne by the supplier or to rescind the contract.
- 5.6. The Supplier shall be obliged to inform itself sufficiently about all customs and other import regulations of the country for which the goods ordered by FAL are intended and to comply with the same by taking appropriate measures.
- 5.7. Unless otherwise expressly agreed upon, the place of performance of delivery obligations shall be the delivery address stated in the order by FAL. If no delivery address is stated, the Supplier shall be obliged to ask for the delivery address by contacting the order address.
- 5.8. Force majeure shall release the Parties from their obligations for the duration of the disruption and to the extent of its effect. The Parties shall be obliged, within the scope of reasonable behavior, to immediately provide all necessary information and to adjust their obligations to the changed circumstances in good faith. FAL shall be fully or partially released from its obligation to accept the goods/services ordered and shall even be entitled to rescind the contract if the goods/services can – taking account of commercial aspects – no longer be used by FAL due to the delay caused by force majeure or the labor dispute.

## **6. Acceptance**

- 6.1. If the products or services have been supplied in a condition in accordance with the contract and free from defects or if any defects found have been repaired, the products or services shall be accepted by FAL. If a test operation has been provided for, acceptance shall take place

after specification parameters have been reached and maintained during the entire test period agreed.

6.2. In principle, acceptance shall be effected upon signing of the FAL acceptance report. An order constitutes an overall performance, defects in parts of it shall entitle FAL to refuse acceptance of the entire order. Unless used goods are expressly requested in the order, the Supplier represents and warrants that only brand-new products will be supplied to FAL.

6.3. The Supplier shall bear the risk of his services until complete acceptance by FAL as stipulated in clause 6.2.

## **7. Contractual Penalty**

FAL shall be entitled, regardless of any fault of the Supplier and regardless of any evidence of an actual loss, to charge the Supplier a contractual penalty of 0.5% of the total order sum for each commenced calendar day of the delay up to a maximum of 15% of the total order sum.

The contractual penalty shall be based on the order value of the lot/part that was delivered late, provided that the timely delivered lot/part may be used separately in a commercially reasonable way and is of practical use, which shall be proven by the Supplier.

FAL shall, in particular, be entitled to deduct the accrued contractual penalty from the invoice amount without separate agreement or prior notification of the Supplier. FAL reserves the right to claim the contractual penalty in lieu of performance or to claim damages in addition to the contractual penalty. In case of a delay in delivery, affecting the order in whole or in part FAL shall be entitled to rescind the contract, or parts of it, after having granted a reasonable grace period. In case expressly fixed dates are not observed, the Parties agree on a contractual penalty of 15% of the total order sum, regardless of any fault of the Supplier and regardless of any evidence of an actual loss. FAL reserves the right to assert additional claims for damages. Such contractual penalties shall not be subject to a judicial right of reduction.

## **8. Warranty, Guarantee, Damages, Product Liability**

8.1. The Supplier shall be liable, in accordance with the statutory provisions, for deficiency of title and in quality. The Supplier warrants the careful and proper performance of the contract, including, but not limited to, compliance with the specifications and other provisions on performance laid down by FAL in accordance with the latest state of the scientific and technical knowledge, as well as quality and usefulness of the delivery with regard to material,

workmanship and design and of the documents which form part of the delivery (drawings, plans, etc.). The warranty period is 12 months and from the day after the FAL acceptance report as stated in the documents (Ex. Specified in RFP, RFQ and/or Sourcing packages) made by the parties was signed or complete delivery of the goods to FAL. The warranty period can be extended by written agreement between the parties. Should a product or a batch of products be replaced or repaired, the warranty term for such product or batch of products shall start to run again from the delivery date of the replaced and/or repaired product or batch of products. A warranty period for delivery items in which it was not possible to operate due to defects covered by warranty shall be extended by the period of business interruption. The Supplier shall be obliged to remedy all defects occurring during the contractually agreed period at its own risk and expense, corrective actions (such as, for instance, repairs, changes and/or replacements) in order to promptly make products in accordance with the technical specifications as well as to eliminate all discovered defects and/or errors. FAL shall at all times be entitled to take corrective measures or to have such measures taken by a third party at the expense of the other party to the contract without setting an additional period time. Such procedure shall not affect FAL's rights in connection with deficiency of delivered products.

8.2. The Supplier fully and truly guarantees, on its own behalf and on behalf of its subcontractors and its own suppliers, that all delivered products are in conformity with the order or call-forward notice, complete and free from defects and, in particular, comply with the properties of deliveries and/or services that are usually expected and may have been promised, are mentioned in public statements and are in conformity with samples and specimens and the technical specifications required by FAL for the entire warranty period as specified in clause 8. In addition the delivered products have to comply with the state of technical knowledge as well as any and all relevant international and respective national quality, environmental, safety and product standards, as amended from time to time; the delivered products shall also comply with all customary generally applicable technical standards and all legislation and governmental regulations applicable to the place of destination. Other rights of FAL, in particular claims on grounds of warranty or damages, shall remain unaffected.

8.3. FAL shall be entitled in any case to cancel the contract in whole or in part even in case of defects that can be repaired, after having granted a grace period of 14 days for remedying the defects and fruitless expiration of the same. Costs and expenses to be borne by the Supplier in connection with repair of defects shall also include costs for packaging, freight and delivery, labor costs for assembly and disassembly, travelling expenses and repair of defects at FAL's.

8.4. Notwithstanding the aforesaid, the Supplier shall pay damages in the amount of the actual loss incurred by FAL, including lost profit. In case a third party, such as a customer of FAL, claims damages vis-à-vis FAL on grounds of defective or delayed delivery, the Supplier shall be obliged to indemnify and hold FAL harmless in this respect for the total loss, provided that such defective delivery of the Supplier caused the loss even in case of a combination of several causes of damage. FAL shall be indemnified and held harmless from and against the total loss, which shall include all costs incurred by FAL in or out of court to ascertain the loss, defend the loss and claim damages.

## **9. Quality assurance**

9.1 Unless otherwise agreed in writing, the Supplier shall comply with all relevant and applicable quality standards as amended from time to time. For the purpose of quality assurance, the Supplier undertakes to systematically plan, determine, conduct and supervise measures ensuring a maximum degree of quality.

9.2 Supplier shall allow FAL or a person instructed by FAL at any time, even without prior notice, to inform itself about the Supplier's quality management system in the plants and on the premises of the Supplier and to satisfy itself about compliance with and effectiveness of the said measures. These obligations/rights shall also extend to subcontractors and suppliers of the Supplier, if any, who shall be obliged by the Supplier accordingly.

9.3 Upon request and in due time before first delivery of the goods ordered, the Supplier shall submit to FAL the results of examinations conducted by a court-appointed expert about the contractually agreed quality of the goods, in particular regarding properties listed in the order, as well as unconditional fitness for the designated purpose. If FAL so requests, the Supplier shall have such examinations conducted by court-appointed experts at regular intervals, also during the term of the respective purchase order. The examination reports shall be submitted to FAL without delay and independent of a request by FAL. All costs related to such examinations shall be borne by the Supplier.

No inspection, approval, test, delay or failure to inspect or test, or failure to discover any defect or other nonconformance, will relieve Supplier of any obligations under these Terms and Conditions or impair or waive any right or remedy of FAL with respect to Supplier's performance hereunder. If, in FAL's judgment, the Work does not conform with the requirements of a PO, FAL will have the right to reject the Work and, in addition to any other

rights and remedies it may have, FAL may, in its sole discretion: (1) return any or all nonconforming Work to Supplier for reimbursement, credit, replacement, or repair as FAL may direct; (2) correct, rework, and/or repair the Work with all costs associated therewith to be charged to and paid by Supplier; or (3) hold any or all nonconforming Work, at Supplier's risk and expense, for disposal or correction according to Supplier's instructions. Any Work rejected by FAL and returned to Supplier will be returned, at Supplier's risk and expense, with the cost of packaging, handling, inspection, examination, transportation and any other costs incidental thereto to be charged to and paid by Supplier. Such Work will not thereafter be tendered to FAL for acceptance unless the previous rejection and requirement of correction are disclosed to FAL in writing. All such nonconforming Work that are so remedied will have the same warranty as stated in a PO.

## **10. Proprietary Rights**

The Supplier guarantees that all deliveries are free from proprietary rights of third parties, in particular, that delivery and contractual use of the delivered products do not infringe patents, licenses or other proprietary rights of third parties. The Supplier shall, at its own cost, indemnify and hold FAL harmless from and against any infringement claims (including legal costs) raised against FAL by third parties. FAL shall be entitled to obtain permission from authorized persons to use the delivery items and services concerned at the expense of the Supplier.

## **11. Ownership Structure**

11.1 FAL shall acquire unrestricted title to the subject-matter of delivery/delivery item upon delivery including acceptance. Subsequent changes and adaptations/improvements of the delivery items do not affect the transfer of title. The same shall apply to the documents supplied with the delivery by the Supplier. In addition, FAL shall acquire an unrestricted right to use the software supplied. Through delivery the Supplier declares and warrants that it is fully authorized to dispose of the goods and, in particular, that the goods are not subject to an extended retention of title of a third party, unless the Supplier names this third party not later than at the time the offer was made to FAL.

11.2 Means of production handed over to the Supplier by FAL for the purpose of execution of the order, or financed by FAL, such as parts, raw materials, drawings, sketches, tools, aids as well as supplied documents, samples, models, data, etc., shall remain or become the property of FAL and shall not be made accessible by third parties nor used for other purposes or



advertising purposes. They shall be marked as property of FAL and stored and administered separately. The Supplier shall compensate FAL for any depreciation in value or loss. If processing, modification or installation leads to inseparable mixing of FAL's products with products of the Supplier or a third party, FAL shall acquire sole ownership of the new item. The Supplier shall store such new items for FAL free of charge.

11.3 Ownership of and copyright in FAL documents which it has handed over to the Supplier shall remain with FAL. The documents, including all copies in whatever form, shall immediately be handed over to FAL upon request. FAL documents shall only be used for the purposes stipulated in the contract. In case the Supplier infringes the provisions herein or in any other contract with FAL, the Supplier shall be liable for the entire loss without any limitation, including moral prejudice.

## **12. Data Protection**

The Supplier shall be obliged to maintain secrecy about the data of which it obtains knowledge and/or about the results and partial results achieved by it, regardless of the way knowledge of such data was obtained. The Supplier shall be obliged to protect such data from access by third parties and shall instruct its employees to maintain confidentiality accordingly.

## **13. Antisocial Force**

At that time of execution of these Conditions, FAL and the Supplier represent and warrant to each other that it, its parent company, and any of its subsidiaries, affiliates, directors, officers and employees are not crime syndicates, members of crime syndicate, crime syndicate-related companies or associations, corporate racketeer or any other antisocial forces (collectively, an "Antisocial Force") and that it, its parent company, and any of its subsidiaries, affiliates, directors, officers and employees are not and will not be involved in any actions or activities using, or jointly associated with, any Antisocial Force.

Supplier represents and warrants that it will comply with all foreign, federal, state and local laws, executive orders, ordinances, rules and regulations, which prohibits any offer, payment, promise to pay, or authorization of the payment of money or anything of value to any person, while knowing that all or a portion of such money or thing of value will be offered, given or promised, directly or indirectly, to a foreign official to influence the foreign official in his or her official capacity, induce the foreign official to do or omit to do an act in violation of his or her lawful duty, or to secure any

improper advantage in order to assist in obtaining or retaining business for or with, or directing business to, any person.

#### **14. Survival Provision**

Notwithstanding termination of Agreement, Articles in the “Conditions” and any Attachment to the “Conditions” shall remain in full force and effect for the period stipulated in such Articles or where not stipulated, for a period of five (5) years from the date of termination.

#### **15. Entire Agreement and Modification**

The Conditions sets forth the entire understanding and agreement between the Parties as to subject matter of these Conditions and merges and supersedes all previous communications, negotiations, warranties, representations and agreements, either oral or written, with respect to the subject matter hereof, and no addition to or modification of these Conditions shall be binding on either Party hereto unless reduced to writing and agreed upon by each of the Parties hereto. In the event of any inconsistency between a PO and the FAL’s Website, the terms of a PO shall prevail, unless the requirements specified on the FAL’s Website expressly provide otherwise.

#### **16. Attorney Fees**

In the event that litigation between the parties with regards to these conditions is brought before court, the prevailing party is entitled to recover costs of the litigation and its attorney’s fees and costs from the non-prevailing party.

#### **17. Waiver**

No delay, negligence or forbearance by a Party in enforcing against the other Party any term or condition of these Conditions shall be, or be deemed to be, a waiver, nor shall it in any way prejudice any right of that Party under these Conditions.

#### **18. Miscellaneous Provisions**

##### **18.1 Applicable Specifications:**

All applicable Specifications, as amended from time to time, are provided to Supplier by FAL.

#### 18.2 Construction and Specification Documents:

The Supplier shall not use, reproduce or make accessible to third parties documents made available by FAL for manufacturing the ordered products for purposes outside the contract. Upon request, the Supplier shall submit to FAL plans, design documents, technical calculations, etc. referring to the ordered product for approval and shall, after such documents have been approved, submit a copy to FAL in as much as FAL needs such documents for proper use or repair work. Upon request, the Supplier shall supply FAL with records of the most essential spare parts. Approval of such plans, design drawings, technical calculations, etc. shall in no way affect the warranty obligations of the Supplier. Molds, tools, artwork masters, etc. invoiced to FAL shall become FAL's property upon payment. They shall be stored and insured by the Supplier with no costs for FAL and shall be handed over to FAL upon request. Any and all construction documentation in connection with manufacturing of goods for special purposes of FAL shall become the exclusive property of FAL upon delivery and shall not be used by the Supplier for any other than FAL's purposes.

#### 18.3. Confidentiality:

The Supplier shall treat conclusion of a contract with FAL as confidential and shall only make reference to business connections/relations with FAL in advertising material and lists of references after receiving written consent from FAL. The Parties undertake to treat all commercial or technical details which are not public knowledge and of which they become aware in course of the business relationship as a business secret. The Supplier shall impose the same obligation on its suppliers. The Supplier shall be liable for every loss, including moral prejudice, which FAL suffers as a consequence of non-compliance with these provisions by the Supplier and shall pay a minimum contractual penalty of 100 % of the total annual order value.

#### 18.4. Severability Clause:

If any of the provisions of these General Terms and Conditions of Purchase is or becomes ineffective, invalid and/or unenforceable, the effectiveness, validity or enforceability of the remaining provisions of these General Terms and Conditions of Purchase shall not be affected.

#### 18.5. Termination of Contract:

- 18.5.1. FAL may rescind a contract entered into with the Supplier, in whole or in part, at any time. In such a case, the Supplier shall only be entitled to receive the remuneration attributable to services already rendered, including materials used or acquired. Claims of the Supplier going

18.5.2. FAL may terminate contracts with immediate effect for important reasons, such as, including, but not limited to, severe or repeated infringement of material contractual obligations by the Supplier, opening of insolvency proceedings over the Supplier's assets, dismissal of an application for opening of insolvency proceedings due to lack of cost-covering assets, implementation of reorganization proceedings or passing on of contractual duties to third parties without prior written approval by FAL.

18.6. Prohibition to assign:

The Supplier shall not be entitled to assign its rights and obligations to third parties or to assign its claims vis-à-vis FAL to third parties without the prior written consent of FAL.

18.7. No Setoff:

Unless otherwise agreed upon between the parties hereto, any payment to be made under this "Conditions" shall not be offset by any other payment to be made between the parties hereto by any reason whatsoever.

18.10. Delivery Dates

Delivery dates shall be deemed fixed dates. In case of delay no grace period or rescission shall be necessary to set off legal consequences in relation to the delay.

18.11. Intentionally Left Blank

18.12. Prohibition of child labor:

The Supplier warrants that the delivered goods were exclusively manufactured without child labor. The Supplier furthermore guarantees that all of its suppliers manufacture their goods and provide their services without making use of child labor.

18.13. Prohibition of procurement of conflict metals

Raw metals used in the electronics industry are, at times, sourced from regions of the world known as "conflict regions". Such are especially regions where mines are controlled by non-government military groups or unlawful military factions where the illegal mine(s) profits have contributed to human rights abuses, severe environmental damage, and theft from citizens. The Supplier is obliged to take appropriate due diligence and continuous monitoring of the supply chain as are reasonably necessary to avoid procurement or use of conflict metals.

#### 18.14 Delivery of waste material to recipient of waste

According to international legislation waste material may only be delivered to recipient or treatment operator who is entitled to collect or treat that kind of waste material. The contracting party guarantees to be covered by a valid authorization during acting as waste material collector or treatment operator for FAL and to recycle and/or dispose of waste material environmentally compatible.

#### 18.15 Manufacturing Change

No change in the Specification, manufacturing process or materials of the Items shall be undertaken by Supplier without the prior written consent of Buyer.

#### 18.16 After Sales information

18.16.1 During period of mass production of parts, the price of after-sales parts will be calculated the basis of the prices of the production parts. The price includes all elements which have an impact on the cost of a part.

18.16.2 The supplier undertakes to maintain delivery during all term specified in the FAL's General Conditions of Purchase.

18.16.3 The end of part life is decided and organized with FAL.

18.16.4 The deadline stated in the Purchase terms shall not constitute a date or permission to stop supply: the minimum period ended, the supplier must send a request to FAL justifying delivery termination and if the level of sales justifies it, FAL will organize an order form from a last batch of parts.

#### 18.17 Origin Compliance Program - "Certificate of Origin"

The supplier shall timely and accurately fulfill all requests by FAL and its affiliates or by their designated agents, for country or origin certification for all Parts supplied to FAL or its affiliates whether or not preferential origin or tariff treatment applies. This includes, for example, but without limitation, national or international certifications and data for various and applicable Free Trade Agreements.

The certifications are valid for a year and will be managed by calendar. A global request will be made in the fall of each year for the following year. Specific requests may be made during the year to take into account new parts. The supplier is responsible for the accuracy of the origin supplied and engages his responsibility in case of an audit by customs administrations.

**18.18 Corporate Social Responsibility compliance**

The supplier, whatever level (Group or site) has to involve in Corporate Social Responsibility (hereinafter referred to as “CSR”). It must

- Read and understand the “Fujikura Group CSR Guidelines for Suppliers” at [http://www.fujikura.co.jp/eng/csr/web\\_report/fair\\_practices/csr\\_guide\\_line.pdf](http://www.fujikura.co.jp/eng/csr/web_report/fair_practices/csr_guide_line.pdf) and <http://www.fujikura.co.jp/eng/csr/>
- (If possible) Give us Sustainable Development ranking through a third-party assessment.

**18.19 Export and Trade Compliance**

Supplier acknowledges and agrees to comply at all times with all export laws and regulations and Fujikura Limited (Japan) Export Trade Compliance provisions hereby incorporated by reference and available at <http://www.fujikura.co.jp/eng/csr/governance/compliance.html>

**19. Supplier’s Liability and Indemnification**

Supplier will indemnify, defend, reimburse, save and hold FAL harmless from and against all liabilities, claims and demands, and damages on account of personal injuries, including death, or property loss or damage to FAL or to others (including Supplier and employees and invitees of Supplier and of FAL) arising out of or in any manner connected with the performance of such Work or any defect in the Work, or caused by the negligent or willful act or omission to act of Supplier, or a supplier of Supplier, or employees, representatives, independent contractors or invitees of either of them, and Supplier will, at its own expense, defend any and all actions based on such negligent or willful acts or omissions to act, and will pay all charges of attorneys and all costs and other expenses arising out of these obligations of indemnification. Supplier further agrees to indemnify, defend, reimburse, save and hold harmless FAL from and against all claims, liabilities, losses, damages, demands, judgments, settlements, deficiencies, and expenses (including reasonable attorneys’ fees and court costs) arising out of any allegation that the Work or FAL’s purchase, use or sale of the Work, infringes the patents, copyrights or other intellectual property right of any third party.

**20. Limitation of Liability**

FAL shall not in any event be liable for any special, indirect, punitive or consequential damages of any kind of nature, including without limitation, environmental claims or loss of revenues, business or profits, regardless of the form of action, whether in contract, tort, strict product liability, or otherwise, even if FAL has been advised of the possibility of such damages.

**21. Insurance**

If Supplier, either as principal or by agent or employee, enters upon the property of FAL in order to do any Work, Supplier agrees to maintain the following types of insurance coverage: (a) Worker's Compensation Insurance or qualification as a self-insurer to satisfy the laws of the country and/or state in which the Work will be performed; (b) Employers' Liability Insurance for Bodily Injury per accident with limits of not less than \$100,000 and Bodily Injury by Disease with limits of not less than \$100,000 per policy; (c) Commercial General Liability Insurance for personal injury and property damage, including contractual liability insurance, with combined limits of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate; and (d) Automobile Liability Insurance for personal injury and property damage with combined limits of not less than \$1,000,000 per occurrence. Supplier's Workers' Compensation insurer or Supplier, if self-insured, agrees to waive all rights of subrogation against FAL except for claims caused by FAL's sole negligence. Also, Supplier will name FAL as an additional insured by endorsement to the policies on its Commercial General Liability and Automobile Liability policies. Supplier's insurance will be primary without right of contribution of any other insurance carried by or on behalf of FAL. Upon FAL's request, Supplier will provide FAL with written certification, reasonably acceptable to FAL, of Supplier's compliance with the requirements listed in this Clause 21. The requirements in this Clause 21 are separate and distinct from any other obligations of Supplier under a PO. All insurance obtained by Suppliers pursuant to this Clause 21 shall be issued in compliance with the laws applicable to the specific jurisdiction where the Work will be performed, including, as applicable, being issued by insurance companies authorized to provide insurance in the specific jurisdiction.

**22. No Lien**

Supplier guarantees that no lien, encumbrance or security interest will be filed by anyone against FAL, FAL's property or the Work for materials or labor or both furnished under this PO and will indemnify, defend, reimburse and hold FAL harmless from any such liens, encumbrances or security interests and will pay all attorneys' fees and all other costs and expenses arising from such liens, encumbrances or security interests.

**23. Arbitration**

Any and all disputes concerning questions of fact or law arising from or in connection with the interpretation , performance , nonperformance or termination of this Agreement shall be settled by mutual consultation between the parties in good faith as promptly as possible. But if both Parties fail to make an amiable settlement , such disputes shall be settled by arbitration in

Singapore and in accordance with the Arbitration Rules of the Singapore International Arbitration Centre ("SIAC Rules") . The award of the arbitrators shall be final and binding upon the Parties.

#### **24. Applicable Law**

This contract is governed by the laws of Singapore.

#### **25. Headings**

All headings used in these Conditions are inserted for convenience only and are not intended to affect the meaning or interpretation of these Conditions or any clause or provision herein.