

The Standard Terms and Conditions of Sale of NAUE Asia Sdn. Bhd.

§ 1 Applicability

We deliver goods and render services solely in accordance with the following Standard Terms and Conditions, which shall apply to all future business relations, even if not again expressly agreed to between the parties. They shall also apply if, in a particular case, we fail to object to inconsistent terms and conditions purportedly imposed by the customer, which we hereby expressly reject. Our Terms and Conditions of Sale shall also apply if we make delivery to the customer without reservation of rights, despite knowledge that the customer's terms and conditions preclude or differ from our Terms and Conditions of Sale. Similarly, we shall be under no obligation to the extent the customer's terms and conditions are inconsistent with the provisions of law, regardless of the contents of these Standard Terms and Conditions of Sale.

§ 2 Offer; Formation of a Contract

- Our business proposals are subject to change without notice. They are merely invitations to treat and requests for the customer to make an offer.
- The customer's order is a binding offer. We can accept or reject this offer within four weeks, at our option, by sending a written order confirmation (including a fax or e-mail). If delivery is made immediately, our invoice shall be deemed to be the order confirmation.
- We reserve all ownership rights, copyrights, moral rights, patent rights, design rights, utility innovation rights and other industrial and intellectual property rights in and to any illustrations, drawings, estimates, technical calculations, expert opinions, and other documents that we make available to the customer in the course of contract development. In addition, any trade secrets and other confidential information of ours contained in such documents are only divulged to you under an express obligation of confidentiality. These documents and information are entrusted to the customer only for purposes of our offer and may not be copied (even in excerpts) or made available to third parties without our express consent.
- Our employees, commercial agents, or other sales intermediaries are not authorized to dispense with the requirement of a written order confirmation or to make promises that differ from these Terms and Conditions or to give guarantees or warranties.

§ 3 Prices and Payment

- Our prices are „ex factory“, unless otherwise provided in our order confirmation. The prices do not include statutory value added tax, service tax, stamp duty, other country-specific levies on deliveries made abroad, or our usual packaging costs. Any additional taxes, duties, fees, public levies, or the like shall be borne by the customer, unless this is precluded by mandatory provisions of law. We reserve the right to increase our prices if costs rise by more than 10% after the contract has been entered into, particularly due to wage agreements or increases in the price of materials, and there is a period of at least four months between the formation of the contract and the scheduled delivery. With call orders, we shall be entitled to pass on increases in the price of materials even when the time between the formation of the contract and the scheduled delivery is shorter than four months.
- The customer shall pay the purchase price net 30 days from the invoice date. If this does not occur, the customer shall be in default from this point in time with no further conditions. No discounts shall be deducted without a written agreement. Without prejudice to our right to claim damages for any default of the customer, we shall be entitled to demand default interest of 8% per annum on all overdue sums from the time of the occurrence of the default, and before and after judgement. We shall be entitled to claim greater damages due to the delay, if we can prove them.
- If the customer defaults on a payment, all other sums owing to us but not due shall fall due immediately, unless the customer proves it is not responsible for the default, and remedies such default within three (3) days.
- The customer shall be entitled to set-off rights in respect of any sums owing to us only if the customer's counter-claims have been finally adjudicated, are uncontested, or have been recognized by us. In no case may claims against us which have been assigned to the customer by third parties be set off against any sums owing to us by the customer. The customer shall have no right to withhold payments, unless we materially breach obligations arising out of the same contractual relationship despite written warning from the customer, and we offer no reasonable assurance or security for our breach of obligations.
- We shall be entitled at our discretion to apply payments to the customer's older debts first, despite instructions to the contrary from the customer. If costs have been incurred or interest has accrued, we shall be entitled at our discretion to apply payments to the costs first, and then to the interest, and finally to the primary obligation, even if the customer gives other instructions.
- If we become aware of facts that call the customer's ability to pay and creditworthiness into question, particularly if a cheque is not honored, the customer suspends payments or is unable to pay its debts when they fall due, proposes to enter into a compromise or arrangement with its creditors or any class of them, has receivership or administration proceedings commenced against it, has a moratorium declared in respect of any class of its debts, or if we learn that a petition for bankruptcy or to wind up the customer has been lodged against it, we shall be entitled to accelerate payment of all remaining debts owed to us, even if we have accepted cheques. In such a case, we may, to the extent permitted by law, also demand prepayment and collateral. As long as this demand is not met or there is a dispute as to whether it has been met, we shall not be obliged to continue our performance. The same shall apply to overdue payments for deliveries already made. Agreed-upon discounts shall not be granted if there is a balance due (in our favor) at the time of payment. In such cases, we shall be entitled to prohibit the customer from reselling the goods and to retrieve any goods not paid for, at the customer's expense.
- Should we become aware of any of the aforementioned events, we may in our discretion and where permitted by law set a reasonable grace period during which the customer may make payment or furnish security for the performance of its obligations, at its election, as and when we perform our part of the contract. If such reasonable grace period should expire without compliance by the customer, we shall be entitled to cancel all orders. If we cancel an order, the customer must reimburse the costs we have incurred. This shall not affect our right to seek further damages.

§ 4 The Quality of the Object of Sale

- The quality of the object of sale may be determined by examining the product data sheets in effect at the time the contract is entered into. These data sheets may be at any time examined at our offices, or they may be called up on the Internet or sent at any time upon request. The information in the product data sheets is neither warranted nor guaranteed, and we expressly disclaim all warranties as to compliance with description. Such disclaimer does not operate in relation to any contract with a consumer (as defined under the Consumer Protection Act 1999 of Malaysia) relating to any goods governed by that Act.
- The quality and suitability of our products can be adversely affected by improper handling or installation. Therefore, the installation instructions, which the customer can be obtained from us at the customer's request, must always be followed.
- Deviations from drawings, illustrations, weights and measures, and other performance data are permitted if customary in the trade. We reserve the right to deliver up to 10% more or less than was ordered.
- The customer must give us express notice before entering into a contract, if the goods being ordered shall not be suitable for their intended use, or if they will be used under unusual conditions or conditions that present a special health, safety, or environmental risk, or if increased demands will be placed on them. Even if such notice has been given to us, we expressly disclaim all warranties as to fitness for any particular purpose. Such disclaimer does not operate in relation to any contract with a consumer (as defined under the Consumer Protection Act 1999 of Malaysia) relating to any goods governed by that Act.

§ 5 Delivery and Performance Periods

- The delivery period shall not begin until any documents needed to process the order have been furnished by the customer and the agreed-upon down payment has been received. Deliveries shall be ex factory. The deadline for delivery shall have been met when the goods are ready to ship within the delivery period and the customer has been notified of this or if the goods have left our premises.
- In the event of force majeure or other unforeseeable, unusual circumstances that are not our fault, e.g., non-delivery by a supplier, disruption of operations by fire, water or the like, failure of production equipment and machines, strike or lockout, lack of materials, energy or transportation, government intervention (even if it occurs at the supplier level), we shall be entitled to postpone the delivery or the performance for the duration of the obstruction and a reasonable start-up time to the extent the aforementioned circumstances have prevented us from fulfilling our duty to perform in a timely manner. Nevertheless, the customer shall be entitled to set a reasonable grace period of at least 14 days for us if we exceed the agreed upon delivery deadline by more than one week. If this grace period expires without delivery, the customer shall be entitled to cancel the order.
- We shall be entitled to make a reasonable number of partial deliveries before the expiration of the delivery deadline. We shall be permitted to make partial deliveries and to send invoices for functional units.
- If an agreed-upon delivery deadline is not met through our fault, but we have not acted intentionally or been grossly negligent, the customer shall be entitled to demand agreed liquidated damages or to cancel the contract after the expiration of a reasonable grace period in accordance with § 5 (2). All other claims shall be excluded. This shall also apply to the cases referred to in § 5 (2). The liquidated damages shall be 1% of the value of the goods for each complete week of delay up to a maximum of 5% of the value of the goods. The customer reserves the right to prove higher damages. Cancellation shall be excluded if the customer itself is in default in taking delivery of the goods.
- With call contracts where there is no agreement as to duration, production lot sizes, and deadlines for taking delivery, we can demand a binding commitment by the customer on these matters up to three months after confirmation of the order. If the customer does not comply with this demand within three weeks, we shall be entitled to set a two-week grace period. After expiration of this grace period, we shall be entitled to cancel the contract and/or demand damages.
- If the customer does not fulfill its duty to take delivery, we shall not be bound by any provisions of the law regarding self-help, but shall be entitled at our discretion to sell the goods on the open market after giving the customer notice, notwithstanding any other rights.

§ 6 Passing of Risk

- To the extent it has been agreed that we shall deliver to the customer's address, the risk shall pass to the customer as soon as the goods have been surrendered to the person transporting them or have left one of our production locations for purposes of shipment. This shall apply regardless of whether we use our own vehicles to transport the goods or outsider shippers and whether or not we bear the shipping costs. Loading the goods shall be the customer's duty. Clauses in delivery orders, invoices or other documents that state „delivered free...“ or the like shall only cause the transportation costs to be handled differently, but shall not alter the foregoing rule regarding the passing of risk.
- If shipping is delayed for reasons for which the customer is responsible, the risk shall pass to the customer on the day the goods were made available.
- At the customer's request, we will take out transportation insurance coverage on the delivery. The customer shall bear the costs incurred.

§ 7 Liability for Defects

- The customer's warranty rights as provided for below shall be dependent upon the customer properly fulfilling its obligations hereunder to inspect the goods and notify us of any defects within the times stipulated below. The customer shall notify us within eight days of delivery as to any obvious defects or typical defects detectable upon inspection to the extent such is advisable in the regular course of business. The customer shall provide us with a detailed written description of the defect notified of. With respect to defects that are not obvious or detectable upon proper inspection, the customer must notify us within eight days of discovery. If the deadline for notification passes and to the extent permitted by law, there shall be no warranty for the defect in question. We shall not waive our right to raise the defense that the notification was filed late or was incomplete by processing the complaint or inspecting the goods.
- We provide no warranty for damage and malfunctions that are attributable, in particular, to natural wear and tear, failure to follow technical instructions, unauthorized changes to the delivered, applied and/or processed goods or to

the foundation or structure on which our goods were applied and processed, changes that were made or occurred, changes in requirements to which the applied or processed goods were subject up until that time - for example, if they were exposed to substances that had an effect we were not expressly notified about in writing when the order was made - faulty installation by the customer, or improper use.

- We warrant that our products shall be free of defects for one year after delivery. If there is a defect, we shall have the choice of eliminating the defect or delivering a defect-free item. If this subsequent effort to fulfill the contract fails, the customer reserves the right to reduce the price or cancel the contract at its election. Our subsequent effort to fulfill the contract shall have failed if two attempts at subsequent fulfillment fail. The customer shall be entitled to assert additional claims, including but not limited to claims for reimbursement or damages due to direct losses or consequential damages caused by the defect only within the bounds of § 8, and expressly disclaims all rights to claim for any special or indirect loss or damage or pure economic loss.
- Where the customer is required to give us a reasonable grace period to render performance in order to assert its rights, such period shall be deemed to be „reasonable“ only when it is no shorter than 14 days. We shall be entitled to refuse to make subsequent efforts to fulfill the contract if the cost of so doing would be disproportionately high. Costs shall be „disproportionately high“ if the total expenditures needed to fulfill the contract would be greater than 30% of the market value of the goods sold. This shall not affect the customer's other rights.
- We shall bear the necessary expenses of remedying the defect, including but not limited to shipping, transport, and labor costs and the costs of materials, to the extent they are not increased by the item having been brought to a place other than the place of performance. Replaced parts shall be our property.
- If the defect cannot be identified, the customer shall bear the costs of the inspection.
- Only the customer may file warranty claims against us. Such claims may not be assigned.
- When there are insubstantial defects, the customer shall have no right to cancel and shall be obliged to accept delivery.
- If the deadline for subsequent performance passes without result, we shall have the right to demand that the customer assert any additional warranty rights it might otherwise have against us within one month. If the customer does not do so, its warranty rights shall be deemed to have been disclaimed by the customer. This shall apply only if specific reference to this legal consequence is made in the demand notice setting the deadline for compliance. For the avoidance of doubt, the customer expressly agrees that this clause does not operate as a restraint of proceedings for the purposes of section 28 of the Contracts Act 1950 of Malaysia, but as a disclaimer of contractual rights.

§ 8 Claims for Damages

- Unless otherwise provided in these Terms and Conditions, we shall be liable for damages for the violation of contractual, extra-contractual (including tortious), and other legal duties and for the reimbursement of any costs and expenditures, only if and to the extent we have acted intentionally or with gross negligence. This shall also apply to breaches of duty by our representatives and agents. We shall be liable for simple negligence only if fundamental contractual obligations have been violated. If we are liable, we shall make good the customer's proven losses to the extent the losses resulting from the breach of duty were foreseeable by us in terms of occurrence and amount of loss when we entered into the contract, and the loss could not have been averted by the customer, but to the extent permitted by law, our liability shall be subject to the following limitations.
- We shall be liable only for damage to the delivery item itself. In particular, we shall not be liable to the customer for lost profit or other damages to their assets in general. To the extent permitted by law, liability for bodily injury, loss of life, or impairment of health shall be excluded from all limits on liability.
- The foregoing limit on liability, with the referenced restriction, shall, to the extent permitted by law, also apply to claims relating to culpable actions, representations or omissions when entering into the contract, breaches of ancillary duties, and, in particular, to product liability under any applicable law.
- The customer can demand damages in lieu of performance only if we have breached our material obligations under the contract.
- The customer must prove that the item sold was defective at the time the risk passed to the customer.
- We give no guarantees and make no warranties of quality. Such provision does not apply in relation to any contract with a consumer (as defined under the Consumer Protection Act 1999 of Malaysia) relating to any goods governed by that Act.
- Our liability shall also be determined in accordance with the foregoing rules if the subject matter of the contract is an item merely identified by type. To the extent permitted by law, there shall be no liability without fault.

§ 9 Reservation of Title

- All our goods and services are supplied under reservation of title. Title shall not pass to the customer until all our claims arising from the business relationship with the customer and its affiliated companies, or associated with the object of sale, have been satisfied. This covers all claims, regardless of their legal basis, including future or contingent claims under contracts entered into simultaneously or subsequently within the framework of the business relationship. This shall also apply if payments are made on specially designated claims. Where there is a revolving account, the reservation of title shall be deemed to be collateral for our claim for payment of the balance.
- The customer shall be obliged to handle all goods with care. In particular, it shall be obliged to adequately insure all goods against fire, water, and theft at replacement value at its own expense.
- The customer may not pledge or create other security over a delivery item in which we have reserved title or transfer it as security. The customer shall notify us immediately of any attachment, seizure, or other disposition or attempted disposition by third parties. In such event, the customer shall provide us with the necessary assistance in safeguarding our rights. The costs of any necessary interventions shall be borne by the customer. In addition, where payment has been suspended, the customer shall give us notice of what goods are on hand.
- If the customer is in default on any payment, we shall be entitled to demand return of the goods immediately, i.e., notwithstanding the preservation of the contract and without canceling the contract. The customer shall return the goods forthwith. If we assert our reservation of title, this shall be deemed to be a cancellation of the contract only if we expressly declare so in writing.
- Any processing or reshaping of the goods subject to reservation of title by the customer shall be done on our behalf. If the goods subject to reservation of title are treated or processed or blended, the reservation of title shall continue in the processed or blended goods. If the goods subject to reservation of title are processed or inseparably combined with other items that do not belong to us, we shall acquire ownership in the new item in the ratio of the invoiced value of the goods subject to reservation of title to the invoiced value of the other goods used, at the time such processing or combining took place. The co-ownership rights that emerge shall be deemed to be reservations of ownership within the meaning of these Terms and Conditions. If our goods are joined or inseparably combined with other movable items into an integrated unit and if that unit is considered to be the main item, the customer shall transfer co-ownership rights to us pro rata to the extent the main item belongs to it. The customer hereby assigns us its ownership rights in the processed, joined, or combined goods in the foregoing cases. In place of actual transfer, the customer shall hold the processed, joined, or combined item in safe custody for us. In other respects, the same shall apply to goods created through processing of, use of, or combination with goods subject to reservation of title.
- The customer shall be entitled to process and sell the goods subject to reservation of title in the regular course of business, unless it is in default to us, or one of the events relating to the customer referred to in § 3 Clause 6 has occurred. The customer hereby assigns to us any and all claims it may have against buyers or third parties arising from the resale of goods, together with all rights appurtenant thereto. We hereby accept this assignment. If - after processing or combining - goods subject to reservation of title are sold together with goods not belonging to the customer, the customer hereby assigns to us any claims arising from the resale of the goods at the value of the goods subject to reservation of title with all ancillary rights and with priority over the rest. We hereby accept this assignment. The customer shall be authorized to collect on the claim even after the assignment. This shall not affect our ability to collect on the claim ourselves. The customer shall at our request forthwith give written notice to the relevant debtor of the assignment of the relevant claim, or we may in our discretion give such notice ourselves. However, we agree not to collect on the claim as long as the customer duly complies with its obligation to make payment and other such obligations, is not in default on any payment, and, no event relating to the customer referred to in § 3 Clause 6 has occurred, and there is no credible doubt as to the customer's ability to pay and creditworthiness. The customer shall not be entitled to otherwise assign the claim.
- We can demand that the customer give us notice of the claims that have been assigned to us and who the debtors are and provide us with all information and documentation needed to collect on the claims and inform the debtors of the assignment. Any bills of exchange given by the third party purchaser shall be transferred to us.
- If the value of the collateral to which we are entitled exceeds the total claim against the customer by more than 20 %, we shall be obliged, at the customer's request, to release the collateral of our choice. If we take goods back by mutual agreement, they shall be credited only at their market value.

§ 10 Applicable Law; Jurisdiction; Place of Performance; Suspension of the Running of the Applicable Limitation Periods

- This contractual relationship shall be subject to the laws of Malaysia. Application of the UN Convention on the International Sale of Goods shall be excluded.
- The place of performance for all obligations under this contract shall be our registered office.
- The customer submits to the exclusive jurisdiction of the Courts of Malaysia in relation to all contractual and non-contractual matters arising out of or in relation to this contract, even for summary actions based on cheques and bills of exchange and notwithstanding that the customer has no general place of residence or business in Malaysia or if a customer moves his place of residence or customary place of abode abroad. This clause is for our benefit only, and we shall be entitled in our discretion to bring proceedings against the customer at his domicile or in any appropriate jurisdiction.
- Notwithstanding any broader legal provisions, any suspension of the running of applicable limitation periods shall end if the substantive negotiations on which the suspension is based are discontinued for four weeks. Any restart of the applicable limitation periods on the customer's claims shall require our express, written confirmation.

§ 11 Industrial Property Rights

- If we are required to make delivery based on drawings, models, or samples, or using parts provided by the customer, the customer shall warrant and represent that the protected rights of third parties in the country of destination are not infringed thereby. We shall inform the customer of all rights of which we are aware. The customer shall hold us harmless from the claims of third parties and indemnify any resulting loss. If a third party prohibits manufacture or delivery based on its protected rights, we shall be entitled - without examining the legal situation - to suspend work until the customer and the third party have clarified the legal situation. If continuation of [work on] the order is not reasonable due to the delay, we shall be entitled to cancel the order.
- Drawings and samples that have not resulted in an order shall be returned upon request. Otherwise, we shall be entitled to destroy them three months after an offer has been made. This obligation shall apply to the customer mutatis mutandis.
- We shall be entitled to the copyright rights and, if applicable, industrial property rights, particularly to all use rights and rights of exploitation, in models, molds and devices, drafts, drawings, and delivery items created by us or by third parties on our behalf.

§ 12 Severability

If a provision of these Terms and Conditions is or becomes invalid or void, this shall not affect the validity of other provisions or agreements. The faulty provision shall be replaced by a valid provision that comes closest to the faulty provision in economic purpose.