

General Terms and Conditions of Purchase

These General Terms and Conditions of Purchase shall apply to all purchases of products and services made by Megapower Manufacturing (M) Sdn Bhd and/or Megapower Legrand (M) Sdn Bhd, a company/companies incorporated and existing under the laws of Malaysia (hereafter the "Purchaser") to a supplier (hereafter the "Supplier"). These terms and conditions shall be binding, and unless expressly otherwise agreed in writing, shall prevail in the event of a discrepancy with any and all of the Supplier's conditions of quotation, acceptance, purchase and/or supply delivery notes, bills of lading or any other written or oral agreement between the Purchaser and the Supplier.

1. Definitions

- 1.1 "Products" means the materials, products or services to be purchased or to be supplied as specified in the Purchase Order.
- 1.2 "Purchase Order" means the purchase order (in the Purchaser's prevailing standard form), signed by an authorised representative of the Purchaser, and any attachments and exhibits, specifications, drawings, notes, instructions and other information, whether physically attached or incorporated by reference together with these terms and conditions and shall constitute the entire agreement between the parties.
- 1.3 "Supplier" shall mean any person or company having a contract for the supply of products or services to Purchaser.

2. Application of Terms and Conditions

- 2.1 These terms and conditions apply to all orders of the Purchaser in respect of purchasing of products from Supplier or rendering of services by Supplier.
- 2.2 The Supplier's quotation is incorporated and made a part of the Purchase Order only to the extent of specifying the nature and description of the goods and services ordered and then only to the extent that such items are consistent with the other terms of the Purchase Order.
- 2.3 These terms and conditions may not be varied or cancelled unless agreed in writing by the Purchaser.
- 2.4 In the event of any conflict or inconsistency between the terms and conditions of purchase herein and the terms and conditions contained in the Supplier's general conditions of sales, the Purchaser's terms and conditions herein shall prevail.

3. Confirmation and Order Acceptance

- 3.1 The Purchase Order placed by the Purchaser shall only be considered accepted and final if the Supplier has confirmed acceptance of the Purchase Order in writing within 7 days of the Purchase Order date. If the acknowledgement of Purchase Order is not returned and performance has started, the Supplier will be deemed to have accepted the terms of Purchaser's order.
- 3.2 The Purchase Order may be modified or cancelled by the Purchaser at any time prior to its receipt of the written acceptance by the Supplier.
- 3.3 The special terms and conditions agreed to by the parties will be enclosed in the Purchase Order or specific agreement as stipulated; the acknowledgement of receipt shall not specify different terms and conditions that have not been agreed to with the parties.

4. Subcontracting

- 4.1 Prior to any performance, the Supplier is under obligation to submit its subcontractor to the Purchaser for approval. The Purchaser may void any attempted assignment or delegation undertaken without the Purchaser's prior written consent. If the Purchaser approves to the use of such subcontractor, the Supplier will:
 - (a) guarantee and will remain liable for the performance of all subcontracted obligations; and
 - (b) indemnify the Purchaser for all damages and costs of any kind incurred by the Purchaser or any third party and caused by the acts and omissions of the Supplier's subcontractors.
- 4.2 If the Supplier fails to timely pay a subcontractor for work performed, the Purchaser will have the right, but not the obligation, to pay the subcontractor and offset any amount due to the Supplier by any amount paid to the subcontractor. The Supplier will defend, indemnify and hold the Purchaser harmless for all damages and costs of any kind, without limitation, incurred by the Purchaser and caused by the Supplier's failure to pay a subcontractor.
- 4.3 To the extent allowed by applicable law, no person who is not a party to Purchase Order shall be entitled to enforce or take the benefit of any of its terms whether as a result of applicable legislation, custom or otherwise.

5. Shipping

- 5.1 The Supplier will preserve, pack, package, handle and ship the Products in such a manner that it does not undergo any deterioration during transport and storage. The Supplier draws up all necessary documents and obtains all required authorisations. Shipping takes place in accordance with the Incoterms prevailing on the shipping date.

5.2 The Supplier sends Purchaser a delivery note specifying order references which must be enclosed with the Products supplied. Costs for demurrage of carriages and trucks, for storage, handling or other reasons resulting from a delay in sending the delivery slip, insufficient details in consignment documents, or any other cause attributable to the Supplier's carrier, shall be taken charge of by the Supplier. Shipping risks are borne by the Supplier.

6. Delivery

6.1 The Supplier must deliver the Products to the delivery locations and within the time specified in the order or as directed by the Purchaser. The stipulated delivery date is the Products arrival date in Purchaser's warehouse and not the shipping or availability date thereof. Time of delivery is of the essence.

6.2 For each delivery of the Products, the Supplier shall provide a delivery or packing note with details of the contents, not limiting to Purchase Order number, product description, product code number, quantity delivered, number of pallets and quantity per pallet in its unit of measurement, delivery address and shipping date.

6.3 Without prejudice to the Supplier's obligation to deliver the goods on time, Supplier shall give the Purchaser notice in writing immediately if any delay is foreseen. Failure to deliver on the date specified or subsequently agreed shall entitle the Purchaser (without prejudice to any other rights it may have):

- (a) to cancel order without any penalty to the Purchaser; or
- (b) refuse to accept any subsequent delivery of the goods which the Supplier attempts to make; or
- (c) recover from the Supplier any expenditure reasonably incurred by the Purchaser in obtaining the goods in substitution from another Supplier; or
- (d) claim damages for any additional costs incurred by the Purchaser which are in any way attributable to the Supplier's failure to deliver the goods on the due date.

7. Prices and Payment

7.1 All prices shall be as stated in the contract between the Purchaser and Supplier. The prices are fixed and include delivery and all other charges, including without limitation, costs of transport, insurance, packing, tax, duty, levy and other costs to the place of delivery. The prices shall not be adjusted save as provided for in these terms and conditions. The Supplier will, at the Purchaser's request, break-out from the price all such taxes and other charges, in its invoices.

7.2 Deposits and payments paid to the Supplier by the Purchaser shall only be treated as the Purchaser's payment for the Purchase Order subsequent to the Supplier's performance of all its contractual obligations. The Supplier shall return the deposits and payments paid by the Purchaser if the Supplier fails to fulfil the contractual obligations as specified in the Purchase Order.

7.3 The Supplier shall send to the Purchaser a detailed invoice stating the Purchase Order number, product code number, quantity, and invoiced price. All invoices must be received at the business office of the Purchaser by the last day of the month, to be included in that month's accounts.

7.4 Payment of invoice will be made according to the agreed payment terms by both parties, providing that the Products or services are received on or before the date of invoice. Payment by the Purchaser shall not imply an acceptance by the Purchaser that the supply of product or service is in accordance with the Purchase Order .

7.5 The Purchaser shall be entitled to set off against the price any other sums owed to the Purchaser by the Supplier.

8. Inspection

8.1 The Supplier warrants that it has inspected and tested the Products prior to delivery and shall, if requested, supply the Purchaser with certificates of origin and/or testing.

8.2 The Purchaser may inspect the Products at its discretion before or after delivery and the Supplier shall facilitate such inspection on request by Purchaser. Such inspection or testing including the witnessing thereof shall not relieve the Supplier from any of its responsibilities and liabilities under the Purchase Order.

8.3 All Products received are subject to final inspection and acceptance or rejection by the Purchaser. Signed delivery notes shall not be treated as acceptance by the Purchaser of Products delivered.

8.4 If the Products delivered by Supplier do not conform with the Purchase Order whether by reason of not being of the quality or in the quantity or measurement stipulated or being unfit for the purpose for which they are required, the Purchaser shall have the right to reject such Products within a reasonable time of their delivery and inspection and to purchase elsewhere and to claim for any additional expense incurred without any prejudice to any other right which the Purchaser may have against the Supplier. The making of any prior payments by Purchaser shall not prejudice Purchaser's right of rejection. The rejected Products shall be returned to the Supplier at its own risk and expense. Upon rejection of the Products, the Supplier shall promptly replace or correct, at the Purchaser's option, any unsatisfactory Products at the Supplier's expense, including all shipping costs. The Purchaser's failure to inspect or reject the Products, or payment for the Products, shall not relieve the Supplier of any of its obligations hereunder or constitute a waiver of any of the Purchaser's rights hereunder.

8.5 The parties acknowledge and understand that the Purchaser may inspect any lot of the Products consisting of numerous units of the same Products by inspecting only a reasonable sampling of such units and that the Purchaser may revoke acceptance of any other units of such lot which the the Purchaser at a later time discovers to be defective.

9. Change

9.1 The Purchaser reserves the right at any time to make changes in the Purchase Order or any part thereof.

9.2 No change to or modification of the items, specifications, terms, conditions and prices appearing in the Purchase Order shall be binding upon the Purchaser unless expressly agreed in writing by the Purchaser. The Supplier shall promptly notify the Purchaser in the event that any Products subject of the Purchase Order are affected by changes in in the manufacturing process, formulation, raw materials, production location, drawings, specifications or design, but the Supplier shall not without prior written consent of the Purchaser incorporate any such changes in the order.

10. Passing of Title and Risk

Title and risk in the Products shall remain with the Supplier until they are delivered at the point specified in the Purchase Order and a delivery order is signed. The passing of title and risk to the Products shall not affect the Purchaser's right to reject the Products.

11. Warranty

11.1 The Supplier warrants that the Products:

- (a) are of merchantable quality and free from defects in design, workmanship, materials,
- (b) comply with the specifications in the Purchase Order,
- (c) shall comply with all statutory requirements and regulations (including any relevant standards) relating to the supply of the Products,
- (d) carry any applicable manufacturer's warranty which passes on to the Purchaser and to the Purchaser's customers without any liability to the Purchaser. The Supplier must assign to the Purchaser at the request of the Purchaser the benefit of any warranty that the Supplier has received from any supplier (whether under contract or by implication or operation of law).
- (e) The Products it supplies and the services it renders shall not infringe any third party's intellectual property rights or any other proprietary rights.

11.2 The Supplier warrants that any services it provides will be performed with a reasonable degree of care and skill and in accordance with generally accepted standards for the industry concerned.

12. Plans, Drawing, Tooling

The plans, drawings, documents, models, etc., of whatever type, created on the Purchaser's account and/or which the Purchaser has entrusted to the Supplier shall be the absolute property of the Purchaser, shall not be used by Supplier without the Purchaser's prior written agreement. They shall be returned to the Purchaser at first request. Unless otherwise specified, tooling and the related documentation entrusted to the Supplier continues to be the Purchaser's property alone and shall be returned to the Purchaser at first request. The Supplier undertakes to ensure proper preservation and maintenance of tooling entrusted to it.

13. Hygiene and Safety – Environment

By simply accepting the order, the Supplier guarantees that the Products are in compliance and equipped with all regulatory or usual safety mechanisms. Whenever the Purchase Order involves any services to be provided within the Purchaser's establishments or those of Purchaser's customers, the Supplier shall be responsible to take all measures required to comply in a timely fashion with all applicable legal and regulatory provisions relating to hygiene and safety, and environment. In particular, it will specify precautions for using the Products. If such Products creates pollution, or if it contains components which are subjected to specific regulations, the Supplier shall inform the Purchaser of measures to be implemented and appropriate method of destruction or disposal thereof (or of related waste) subsequently to use in accordance with regulations applicable on the delivery date. The Supplier's compliance with this clause constitutes an essential and decisive condition to the Purchaser's order.

14. Supplier's Corporate Social and Environmental Responsibility

14.1 The Purchaser is a member of the group of companies whose holding company is Legrand S.A. ("Legrand"). The basic requirements placed on Legrand's Suppliers of products and services concerning their responsibilities towards sustainable development policy, particularly as regards environmental protection, compliance with applicable social legislation, employee occupational health and safety, business ethics and, especially the fight against corruption and compliance with competition rules, are set forth in the Charter of Fundamental Principles accessible on the Legrand Group website – <http://www.legrand.com/EN/>.

14.2 The Supplier undertakes to comply with the Purchaser's and Legrand's Charter of Fundamental Principles.

15. Confidentiality

The Supplier undertakes to consider all information including, but not limited to, the products inventions, ideas, trade secrets, know-how, research and development, software, programs, hardware configuration information, price lists, data, manuals, handbooks, business strategies and plans, marketing, sales records, drawings, specifications, designs, materials, parts lists, customer lists, consumer information, suppliers, contract terms, test criteria, , financial information, intellectual property, and all other information or data of any kind or character relating to the business of the Purchaser, including but not limited to, any invention, writing, idea, discovery, or improvement made or conceived by the Suppliers directly or indirectly as a result of performing work for the Purchaser, whether or not reduced to writing, communicated by the Purchaser during the consultation and/or order performance as strictly confidential (“Confidential Information”) and not to disclose the Confidential Information to any third party whatsoever, whether with or without consideration or in any form whatsoever, without the Purchaser prior written authorisation. The Supplier also undertakes to only use the Confidential Information for the requirements of such consultation and/or order performance, and to solely transmit the Confidential Information to its employee who require such information to perform their assignment.

16. Termination**16.1 For Default:**

In the event of any breach of any of the terms and conditions of the Purchase Order including failure to deliver the Products by the due date, then the Purchaser without prejudice to any other rights may terminate the Purchase Order and may return the Products previously supplied under the Purchase Order for full credit refund by the Supplier. In the event of termination due to non-delivery or non-acceptance of the Products in pursuant to the Supplier's breach of the terms and conditions hereof, the Supplier shall undertake to reimburse all monies paid by Purchaser prior to the date of termination including all direct costs and expenses incurred by Purchaser arising from or in connection with the termination.

16.2 For Liquidation or Reconstruction:

The Purchaser may terminate the Purchase Order with immediate effect:

- (a) if the Supplier goes into liquidation, becomes bankrupt or has a winding up order made against it; or
- (b) in the event of the ownership or control of the Supplier being materially altered.

16.3 For Convenience:

The Purchase Order may be terminated at any time by the Purchaser giving notice in writing. On receipt of such notice, the Supplier will cease production or delivery of the Purchase Order. The Purchaser shall pay a fair and reasonable price for all the Products delivered or in a deliverable state at the date when such notice is given together with such other charges occasioned directly by the termination as Purchaser shall consider reasonable.

17. Indemnification

17.1 The Supplier agrees to indemnify and hold the Purchaser harmless from and against any and all liabilities, costs, losses or expenses, including attorneys' fees, incurred or suffered by the Purchaser as a result of or in connection with Supplier's breach of any of its obligations hereunder.

17.2 The Supplier agrees to indemnify and hold the Purchaser harmless from and in respect of any damages, losses or expenses which the Purchaser may suffer or incur (including attorneys' fees) arising out of, relating to or concerning any claim, action or allegation that any of the Products (or the use of same in an intended manner) infringes any patent or intellectual property rights claimed by any third party.

18. Force Majeure

Neither party shall be responsible or liable for any loss or damage caused by delay in the performance or non-performance of any of its obligations resulting from causes beyond its reasonable control including acts of God, war, civil disturbance, fire, flood, acts of the elements, shipping and transport delays, unavailability of equipment or materials, breakdown, sabotage, lock-outs, strikes or labour disputes, requisitioning by government or public authorities or governmental restrictions. If any such event occurs the affected party may, to the extent necessary vary or suspend any order, these terms and conditions in each case at its discretion and without incurring any liability to the other party for any such loss or damage.

19. Governing law

These terms and conditions shall be governed in accordance with the laws of Malaysia. The Malaysia courts shall have exclusive jurisdiction to resolve any and all disputes between the parties arising out of or in connection with the existence, validity, performance and/or termination of this agreement and/or the contract which the parties are unable to amicably resolve. The English version of this agreement shall prevail notwithstanding the translation of the whole or part of this agreement into another language.