

GENERAL TERMS & CONDITIONS

The sale specified on the face hereof shall be subject to the following terms and conditions:

1. **Privity**
The contract for sale shall be concluded on a principal to principal basis between Buyer and Seller and Buyer is responsible for performing this contract subject to the below terms and conditions even if third party establishes a Letter of Credit or holds as import license.
2. **Currency**
The currency manifesting the price shall be the basis currency of payment. Unless otherwise specified, \$ means the Singapore Dollar, US\$ means the U.S. Dollar, £ means the Pound Sterling and ¥ means the Japanese Yen.
3. **Import and Export License**
Buyer is responsible for obtaining an import license and other government approval required in Buyer's country, and failure in procuring such requirement for whatever reason does not constitute force majeure, unless otherwise stipulated. Should an export license for the contract be refused by the Singapore Government, the contract shall become null and Seller shall immediately advise Buyer thereof.
4. **Inspection**
Seller shall, before shipment, make inspection of the merchandise especially with respect to specification, quality and condition of the merchandise. Unless otherwise arranged, the inspection by Seller shall be final in all respects regarding the merchandise.
5. **Shipment**
 - a. Unless otherwise expressly agreed, Seller may effect shipment in a lot or in installment, by any vessel of any flag at any port on the condition that transshipment is allowed.
 - b. If Buyer fails to arrange a vessel in spite of F.O.B. terms, Seller is entitled to arrange a vessel and effect shipment for Buyer's account and risk.
 - c. The Date of the Bill of Lading shall be deemed to be the conclusive evidence of the date of shipment. Fifteen (15) day's grace shall be allowed for shipment earlier or later than the time fixed by the parties. In case the merchandise for one order is shipped in more than one lot, each lot shall be deemed to be a separate sale contract.
 - d. Buyer shall bear all risk of the merchandise from such time as they shall have effectively passed the ship's rail at the port of shipment.
6. **Particulars**
Particulars regarding the merchandise ordered, such as specifications, assortments, and instructions for make-up, packing, ticketing, marking and/or other arrangements should be given to Seller along with the order. If Buyer wishes to give such particulars later than the time of placing the order, Buyer should request Seller to that effect at the time of conclusion of the contract in order to obtain Seller's consent. In case such particulars fail to arrive in time for preparation or shipment of the merchandise or Seller disagrees to such particulars, Seller's discretion is allowed.
7. **Payment**
Unless otherwise specified, confirmed and irrevocable Letter of Credit conforming to the terms of the contract and available for the Seller's draft at sight shall be established and advised by Buyer through first class prime bank satisfactory to Seller with fifteen (15) days of the conclusion of the contract. The Letter of Credit shall not be restricted and shall be in effect for at least fifteen (15) days after the last day of the month of shipment, for negotiation of the draft covering such shipment. If Buyer fails to provide such Letter of Credit as prescribed above, Seller may cancel the contract and resell or hold the merchandise for Buyer's account and risk. Buyer is responsible for any loss and damage to Seller caused by such cancellation.
8. **Insurance**
Insurance in C.I.F. terms shall be covered by Seller. Unless otherwise agreed, such insurance shall be at one hundred and ten (110) percent (%) of the invoice amount covering All risks and War & S.R.C.C. Risks. If Buyer so requests, Seller shall additionally insure for more than 110% of the invoice amount and against other special risk(s) at Buyer's costs.
9. **Increased Costs**
 - a. **Exchange Risk:** In case, prior to the receipt by Seller of any amount, including an amount due to increased cost as elsewhere defined, payable in a currency other than Singapore Dollar (hereinafter called the "Original Amount"), the value of the Singapore Dollar relative to such currency increases for any reason whatsoever, so that the amount of Singapore Dollar receivable upon conversion of the Original Amount on the date of receipt at the T.T. Buying rate quoted by The Bank of Tokyo-Mitsubishi Ltd., Singapore, at the closing of such date, falls short of the amount of that would have been received upon conversion of the Original Amount at the T.T. Buying rate quoted by The Bank of Tokyo-Mitsubishi, Ltd., Singapore, at the closing of the date indicated on the face of this contract at the "Contract Date" (hereinafter called the "Contract Date"), Buyer shall pay to Seller, in addition to the Original Amount, an amount of such currency equivalent to such shortfall. Such additional payment shall be made, at Seller's option, by increase of Letter of Credit or telegraphic transfer upon Seller's invoice.
 - b. If Seller's costs of performance of the contract are increased after the date hereof by reason of any change of freight rates, taxes or other governmental charge or insurance rates including war risk and other special risk, Buyer shall compensate Seller for such increased costs or losses of income.
10. **Alteration**
Any alteration or modification in part or whole of the merchandise requested by Buyer is effected only if agreed by Seller in writing, provided that Seller may change the price and/or other conditions of the contract. Seller reserves the right to make any change in specification of the merchandise which does not seriously effect installation, performance or price.
11. **Industrial Property Right**
Seller is not responsible for any alleged infringement with regard to patent, utility model, trademark, design or copyright in any country. Nothing herein contained shall be construed to be a transfer of any patent. Utility model, trademark, design, copyright or any other industrial property right covering the merchandise, and all such rights are expressly reserved to Seller. In case any dispute or claim arises in connection with the above rights. Seller may cancel this contract at its discretion and to hold himself free from any liability arise therefrom.
12. **Claim**
Buyer's claim, if any, shall not be entertained before the relative payment is completely made or the export draft is duly honored. Buyer agrees to notify Seller of any claim for defects in appearance of the merchandise or any part thereof by written notice within thirty (30) days after the arrival of the merchandise at the destination specified in the Bill of lading. Further full particulars of such claim shall be made in writing and forwarded by registered air-mail to UW within fifteen (15) days after the above mentioned notification, accompanied by a leading sworn authorized surveyors report proving such defect. If Buyer fails to notify Seller of such claim or forward full details within the respective period specified above, Buyer shall be deemed to have waived its right to assert any claim. The allegedly defective merchandise must be retained intact for inspection by authorized surveyors or, if Seller so requests, by Seller's own representative, and must not be used or resold until such inspection has been completed.
13. **Force Majeure**
In the event of prohibition of exportation, refusal to issue export license, Acts of God, war, blockade embargoes, insurrection, mobilization, governmental direction, riots, civil commotion, warlike condition, strikes, lockout, slowdowns, sabotage, prolonged failure or shortage of electric current, plague or other epidemics, quarantine, fire flood, wind flood, typhoons, hurricanes, tidal waves, landslides, lightning explosion, or any other causes beyond the control of Seller. Seller is not liable for any delay in shipment or delivery, non-delivery, or destruction or deterioration, of all or any part of the merchandise, or for any other default in performance of the contract arising therefrom, and Buyer is bound to accept the delayed shipment or delivery, or to accept the cancellation of all or any part of the contract as the case may be.
14. **Cancellation**
In the event of Buyer's bankruptcy, insolvency, dissolution, consolidation, receivership proceedings affecting the operation of its business or discontinuation of business for any reason and/or reorganization by the third party and nonfulfillment and/or any other default of this or other contract with Seller. Seller has an absolute right to cancel the contract without any notice to Buyer and without prejudice to any right to Seller existing under this or any other contract at the time of such cancellation, or Seller may resell the merchandise or hold the merchandise for Buyer's account and risk, or Seller may postpone the shipment of the merchandise or stop the merchandise in transit, provided, however, that Seller's election of any of the latter remedies shall not preclude Seller's later right to cancel this or any other contract with Buyer as provided above. In any such event of default, Buyer shall reimburse Seller for any loss or additional costs incurred as a result thereof.
15. **Responsibility**
Seller shall not be responsible for loss or damage sustained by Buyer arising of resulting from any cause without the act, fault, or neglect of Seller, his agents or his servants. Seller shall not be liable for loss or damage arising or resulting from the non or mal-performance of the Seller's obligation stipulated in this contract, unless caused by want of ordinary care and diligence on the part of Seller to perform such obligations.
16. **Waiver**
The failure of Seller at any time to require full performance by Buyer shall not affect the right of Seller to enforce the same. The waiver by Seller of any breach of any provision hereof shall not be construed as a waiver of any succeeding breach of any provision or waiver of the provision itself.
17. **Arbitration**
All disputes, controversies, or differences which may arise between the parties hereto, out of or in relation to or in connection with the contract, shall be finally settled by arbitration in Japan in accordance with the Commercial Arbitration Rules of The Japan Commercial Arbitration Association. The award rendered by the arbitrator shall be final and binding upon both parties.
18. **Trade Terms & Governing Law**
The trade terms shall be governed and interpreted under and by the provisions of the latest International Commercial Terms (Incoterms). This contract shall be governed as to all matters, including validity, construction and performance, by the laws of Japan.