



---

**WONDER ENGINEERING TECHNOLOGIES LTD (WONDER) TERMS AND CONDITIONS OF  
SALE FOR GOODS, ENGINEERING AND ON-SITE SERVICES**  
- Effective July 1, 2011

**1. GENERAL**

This document together with any additional writings signed by Seller and Buyer represents the complete and exclusive "Agreement" between the parties for sales of goods, engineering services and on-site services (the "Work"). There are no other agreements, representations, or warranties other than those expressly provided for in this Agreement.

These terms may not be modified except in a writing signed by Seller's duly authorized representative. The parties agree that any additional and/or different terms conditions contained in any Purchase Order and/or any other written and/or electronic document sent to Seller at any time are hereby expressly objected to and rejected, except as otherwise agreed to in a writing signed by Seller and Buyer.

**2. PAYMENT TERMS, TAX EXCLUSION, INTEREST ON LATE PAYMENTS, SELLER'S ADDITIONAL RIGHTS/NO SET OFFS**

**A. Payment Terms**

Payment terms for sales of goods and engineering services shall be as stated in Seller's proposal or quotation. Payments for on-site services shall be invoiced weekly or as soon as practical.

All payments due under this Agreement shall be in the currency quoted.

**B. Tax Exclusion**

No sales, use or other taxes and duties imposed on any sales and/or services are included in Seller's price and taxes will be billed separately. Seller will accept a valid exemption certificate from Buyer. If the exemption certificate is not recognized by the governmental taxing authority, Buyer shall promptly reimburse Seller for any taxes paid.

**C. Interest on Late Payments**

Invoices are due for payment upon presentation. Amounts not paid within thirty (30) calendar days will be assessed a late

fee of 2% per month or the maximum allowable by applicable law.

**D. Seller's Additional Rights**

Buyer shall pay Seller for any additional costs Seller incurs due to Buyer's late payment. Buyer's late payment shall also entitle Seller to suspend Seller's performance and/or change the delivery and completion dates and/or terminate this Agreement. If Seller terminates this Agreement, then Buyer agrees to compensate Seller as though Buyer cancelled this Agreement pursuant to Section 7.

**E. No Setoffs**

Buyer shall not be entitled to any retention, setoffs or other self-help remedies.

**3. COMPLETION, TITLE AND RISK OF LOSS**

Completion dates are approximate, and are based upon prompt receipt of the equipment and/or ready access to the equipment if it is to be worked on at Buyer's premises, and upon receipt of all necessary information. Title and full risk of loss (including transportation delays and losses) shall pass to Buyer upon delivery of goods FCA from the facility utilized by Seller, in accordance with Incoterms 2010.

**4. EXCUSABLE DELAYS**

Seller will make reasonable commercial efforts to observe the dates indicated for delivery or other performance. Seller shall be excused and shall not be liable for delays in delivery or in performance or failure to manufacture or deliver due to any cause not within Seller's reasonable control, which causes include but are not limited to, strikes; slow-downs; lockouts; riots; civil unrest; war (declared or undeclared); terrorism; fire and acts of God. Seller's schedule for performance shall be deemed suspended during any such excusable delay and for a reasonable period of time thereafter and Buyer shall accept performance hereunder. No penalty of any kind nor shall any



liquidated damages be effective against nor be paid by Seller for any performance delays.

#### **5. BUYER'S RESPONSIBILITIES**

**A.** At all times, in the event that the equipment to be worked on is at Buyer's site, Seller's employees shall be given reasonable free and unobstructed access to the site and the equipment. Buyer shall provide, free of charge, safe transport to/from remote, offshore or any restricted access locations to Seller's employees, as well as meals and lodging accommodations at the Buyer's site, when such are not readily available, equal to those given its own employees. Buyer shall preserve and adequately maintain parts and tools necessary to enable completion of the Seller's work. Buyer shall furnish safe and proper working conditions and safe storage for Seller's property related to Seller's services during the term of Buyer's need thereof. When delays in the work are caused by Buyer, the time and expense caused by the delay will be charged to Buyer.

**B.** Except as otherwise specifically agreed to in writing by Seller, Buyer shall furnish all necessary labor, equipment, tools not furnished by Seller; parts, materials, and other materials and supplies required to perform on-site services. Except as otherwise specifically agreed to in writing, the responsibility of Seller's employees shall be limited to performing the Work.

**C.** Buyer shall supply to Seller the required Material Data Sheets (MSDS) or their equivalent in the applicable local jurisdiction for each hazardous material substance which Seller's employees may contact in the course of their work assignment.

#### **6. WARRANTY**

**A.** Seller may provide warranty for goods sold, if applicable, warranty period shall be determined in seller's proposal or quotation. After notice from Buyer and substantiation by Seller of any claim as being within the warranty, Seller shall, at its option: (i) refund an equitable portion of the contract price, (ii) furnish replacement parts, as necessary, at the original shipping point, or (iii) in the case of service, re-perform the service. In no event will Seller at any time be responsible

for disassembling, and/or reassembling, uninstalling and/or reinstalling any equipment.

**B.** Seller shall not be liable for the cost of any repair, replacement, or adjustment to the parts made by Buyer or for labor performed by Buyer or others.

**C.** No parts furnished by Seller shall be deemed to be defective as a result of Buyer's failure to properly store, install, operate or maintain any equipment or parts in accordance with good industry practices or specific recommendations made by Seller and/or within the inherent operating limitations of any goods, all of which are Buyer's responsibilities.

#### **7. CHANGES & CANCELLATIONS**

**A.** Buyer may request changes in the Work. However, Buyer and Seller must first agree in writing upon the increase or decrease in the amount due under the Purchase Order or in the time required for performance, if any, prior to the Seller implementing the changes to the Work. However, with respect to time and material work, Buyer and Seller expressly agree that a signed time sheet (or other like document) for work that goes beyond the stated amount in any Purchase Order (or other work authorization/approval document) shall constitute a change order and Buyer's agreement to continue to pay Seller for such additional work at the agreed upon rates, all of which shall continue to be exclusively governed by the terms and conditions of this Agreement.

**B.** Buyer may cancel this Agreement in whole or any Purchase Order or any portion thereof associated with the Work, then Buyer agrees to pay Seller's incurred labor cost and material cost plus 15% of the stated value of the total incurred cost.

**C.** If Buyer at any time cancels engineering and/or on-site services, then Buyer agrees to immediately pay Seller's invoice in full for all engineering and/or on-site services completed as of the actual date that Seller receives Buyer's cancellation notice.

#### **8. LIMITATION OF LIABILITY**

##### **A. LIMITATION OF LIABILITY.**

**1. THE REMEDIES OF BUYER SET FORTH HEREIN ARE EXCLUSIVE AND, NOTWITHSTANDING ANYTHING HEREIN**



TO THE CONTRARY, THE TOTAL AGGREGATE LIABILITY OF SELLER WITH RESPECT TO ANY CLAIMS UNDER THIS AGREEMENT OR REGARDING THE WORK AS FURNISHED HEREUNDER, WHETHER BASED IN CONTRACT, INDEMNITY, TORT, STRICT LIABILITY, OR OTHERWISE, SHALL NOT EXCEED THE PRICE PAID FOR THE GOODS OR SERVICES UPON WHICH ANY SUCH CLAIM IS BASED.

2. SELLER SHALL NOT BE LIABLE TO BUYER OR TO ANY THIRD PARTY FOR (A) ANY CONSEQUENTIAL, INCIDENTAL, SPECIAL, PUNITIVE, OR ANY OTHER INDIRECT DAMAGES ARISING OUT OF THIS AGREEMENT OR OUT OF ANY BREACH THEREOF, OR (B) FOR ANY DAMAGES (DIRECT OR INDIRECT) RESULTING FROM LOSS OF USE, LOST PROFITS OR REVENUE, INTEREST, LOST GOODWILL, WORK STOPPAGE, IMPAIRMENT OF OTHER GOODS, LOSS BY REASON OF SHUTDOWN OR NON-OPERATION, INCREASED EXPENSES OF OPERATION, COST OF PURCHASE OF REPLACEMENT GOODS OR CLAIMS OF BUYER OR CUSTOMERS OF BUYER FOR SERVICE INTERRUPTION AND/OR ANY OTHER SIMILAR TYPES OF DAMAGES, WHETHER OR NOT SUCH LOSS OR DAMAGE IS BASED ON CONTRACT, INDEMNITY, TORT, STRICT LIABILITY, OR OTHERWISE, EVEN IF SELLER IS ADVISED OF THE POSSIBILITY OF THE SAME IN ADVANCE.

**B. INDEMNITY.**

BUYER AND SELLER EACH (AS APPLICABLE, THE "INDEMNITOR") AGREE TO DEFEND, INDEMNIFY AND HOLD THE OTHER, THE OTHER'S AFFILIATES, AND THE OFFICERS, DIRECTORS AND EMPLOYEES OF THE SAME (THE "INDEMNIFIED PARTIES") HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS OR CAUSES OF ACTION:

1. EXCEPT AS PROVIDED IN SECTION 8.B.2 BELOW, FOR ANY SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES OR FOR, LOST PROFITS OR REVENUE (WHETHER DIRECT OR

INDIRECT LOSSES), AND LOST OR DELAYED PRODUCTION LOSSES OR ANY OTHER LOSSES REFERRED TO IN SECTION 8.A.2 ABOVE INCURRED BY THE INDEMNITOR, WHETHER DIRECTLY, INDIRECTLY OR OTHERWISE, INCLUDING BY VIRTUE OF ANY SUCH CLAIMS OR CAUSES OF ACTION ASSERTED BY ANY THIRD PARTY AGAINST THE INDEMNITOR, WHETHER BASED ON CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR ON ANY OTHER THEORY OF LAW AND REGARDLESS OF THE NEGLIGENCE OF THE INDEMNIFIED PARTIES AND EVEN IF INDEMNITOR IS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES IN ADVANCE, AND

2. FOR ANY THIRD PARTY PERSONAL INJURY AND/OR PHYSICAL PROPERTY DAMAGES, BUT SOLELY TO THE EXTENT CAUSED BY THE INDEMNITOR'S NEGLIGENT ACTS.

**9. GOVERNING LAW**

The construction, validity and performance of this Agreement and all non-contractual obligations arising from or connected with this Agreement shall be interpreted in accordance with the laws of Singapore.

**10. ARBITRATION**

Whenever a dispute arises between the parties, relating to or arising out of this Agreement, the parties agree to attempt to have their senior management amicably settle the matter. The parties agree that any dispute that is not settled in a timely manner shall be resolved by binding arbitration before a panel of three arbiters under the Commercial Dispute Resolution Procedures of the Singapore International Arbitration Centre (SIAC). Each party shall appoint one arbiter. The two appointed arbiters shall then select the third arbiter. A majority vote of the three arbiters shall be considered a final decision by the panel. The arbitration award shall be a speaking award setting out the reasons for the same in writing. In no event shall said panel of arbiters expand nor restrict any of the Party's respective rights or obligations beyond those as provided for in this Agreement. In addition, to the extent that each party prevails, said party shall be



awarded that proportion of its reasonable costs and expense (including attorney's fees) that it actually incurred in arbitrating the matter. Judgment upon the award may be entered in any court having jurisdiction. The parties shall cooperate in providing reasonable disclosure of relevant documents.

#### **11. SURVIVAL OF TERMS**

The provisions of Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12 and 14 shall survive the termination, expiration or cancellation of this Agreement.

#### **12. MUTUAL OBLIGATION TO SAFEGUARD CONFIDENTIAL INFORMATION**

Before Seller or Buyer discloses their and/or any third party's confidential information to the other, the parties agree to first execute a mutually agreed upon confidentiality agreement.

#### **13. CREDIT WORTHINESS**

If Seller finds Buyer's credit worthiness to be unacceptable, then Seller may suspend its performance unless Seller receives timely written adequate assurances from Buyer that are acceptable to Seller.

#### **14. BUYER'S SUSPENSION OF WORK**

If Buyer suspends, delays or otherwise encumbers (a "Suspension") Seller's performance under this Agreement for a period of time that in the aggregate exceeds sixty (60) days, then unless otherwise agreed to in writing by Seller, Seller may, at its option, either: **1)** treat such Suspension as though Buyer cancelled this Agreement for convenience and as such Buyer agrees to pay Seller for such deemed cancellation pursuant to Section 7 and such other charges as specifically provided for in this Agreement; or **2)** if Buyer requests in writing, and Seller accepts such request, resume performance provided that Buyer also agrees in such request to pay Seller for all reasonable costs and expenses incurred related to the Suspension and the resumption of performance and to reschedule all delivery and milestone dates as required by Seller. If Seller treats a Suspension as though Buyer cancelled this

Agreement for convenience, Seller may make arrangements to deliver the affected goods or services in accordance with Section 7. Buyer shall also reimburse Seller for reasonable costs and expenses incurred as a result of any Suspension by Buyer that does not in the aggregate exceed sixty (60) days.

#### **END OF TERMS**