

GENERAL CONDITIONS OF PURCHASE OF GOODS AND/OR SERVICES

1 - GENERAL PROVISIONS

These general conditions of purchase cover orders for goods and/or services placed by the Purchaser with the Supplier. The Purchaser's order must be made in writing and acknowledged in writing by the Supplier and shall imply full acceptance of these general conditions of purchase by the Supplier. In any case, commencement of the performance of the order shall imply full acceptance by the Supplier of the order in all its provisions. These general conditions of purchase take precedence over the general sales conditions of the Supplier and are based on Incoterms 2010, in the DDP (Delivered Duty Paid) or Incoterm where agreed in final quotation formulation thereof.

2 - SUBCONTRACTING

The Supplier undertakes not to subcontract the orders, in whole or in part, to a third party without the prior written consent of the Purchaser. In any case, authorized subcontractors will remain under the Supplier's authority and Supplier shall be liable for acts, omissions and defaults of such subcontractors. To ensure compliance with relevant laws of sub-contract, any request for authorization by the Supplier shall be submitted with a copy of the subcontracting contracts, the subcontractors' payment terms and a copy of the guarantee to the benefit of the subcontractors.

3 - PROVISION OF SERVICES

The Supplier undertakes to provide the services ordered in accordance with the present conditions of purchase, with good industry practices and with the applicable laws and regulations, particularly in the areas of environment, hygiene, health, safety and working conditions. To ensure proper performance of the services, the Supplier will allocate the necessary means and material and will designate qualified staff whose skills are guaranteed and who will remain under the Supplier's authority at all times. All goods entrusted to the Supplier for the performance of the Supplier's task will remain in Supplier's custody, physically and legally, throughout the duration of that task. The Supplier will therefore be held liable for any deficiency, deterioration or breakage and, more generally, for any damage caused to the goods entrusted to the Supplier for whatever reason, and will also be liable for any damage caused not only to its own employees but to the Purchaser's employees or to any relevant third party.

4 - MODIFICATION OF THE ORDER

Prior to delivery, the Purchaser reserves the right to modify the order in any way whatsoever, without any compensation being due to the Supplier in this respect. Any modification to the order must be notified to the Supplier by the Purchaser. Immediately upon receipt of the notification, the Supplier shall notify the Purchaser in writing of the consequences arising from the modification and, in particular, in terms of financial costs and delivery deadlines. Should the parties fail to agree on the consequences of the order modification, the Purchaser may either request the Supplier to fulfil the order under the initial conditions or terminate the relevant order by letter with acknowledgement of receipt, without incurring any liability whatsoever therefore and without any compensation being due on account of this termination.

5 - DELIVERY

- Delivery deadlines

The place and dates for delivery of the goods and performance of the services specified in the order are binding. Any delay in delivery of the goods and performance of the services will automatically give rise without prior official notification to the application of a late delivery penalty - which will not release the Supplier - equivalent to 0.5% of the value of the order (tax excluded) per calendar day of delay, up to the limit of 10% of the amount of the order (tax excluded), without prejudice to the application of the provisions of Article 12 below.

- Documents

All deliveries must be accompanied by a delivery note including, in particular, the number of the order slip, the total quantity delivered, the number of parcels delivered, the number and the type of articles per parcel, and also any documentation relating to the goods and/or the services rendered by the Supplier, such as: safety notices, technical notices and plans, safety instructions and directions for use, certificates of conformity, etc.

- Packaging

Goods are delivered marked and labelled with their packaging, in accordance with the applicable law and regulations. Product packaging must be designed so as to guarantee optimum preservation, safety of the goods, persons and property, taking account of the nature of the goods, under normally foreseeable transportation and handling conditions.

6 - CONFORMITY - INSPECTION - ACCEPTANCE

- Conformity

The goods and services must comply with the contractual specifications and with their intended use. They must also satisfy customary quality criteria and comply with norms and legislation in force in the country of delivery as well as in the country of the Purchaser's registered office. In the event of conflict between the provisions applicable in the country of delivery and the country of the Purchaser's registered office, the most stringent provision will apply. Furthermore, all equipment regulated by either the country of delivery or the country of Purchasers registered office in respect of preventing safety or health risk must be designed and constructed so that their installation, use, adjustment and maintenance, under conditions in accordance with their purpose, do not expose people to a safety or health risk.

- Inspection

The Supplier shall set up a quality-assurance plan that includes, in particular, continuous internal inspection of the design and performance of all its goods and services, in order to guarantee conformity. The Supplier must implement measures to ensure that all goods and services supplied are fully traceable.

- Acceptance

For services, final acceptance is subject to the issuance by Purchaser of an acceptance certificate without reservation.

All non-conforming goods or services may give rise to outright rejection on the part of the Purchaser.

The Purchaser reserves the right to notify the Supplier at any time and by any means (fax, email, etc.) of the defective performance or lack of performance by the Supplier, or of any loss, damage or non-conformity of goods observed upon removal of packaging or subsequent inspections, even if the corresponding invoices have been partially or fully paid.

At its sole discretion, the Purchaser may request replacement or repair of the goods at the Supplier's expense or termination of the order, without prejudice to any claim for damages.

The Supplier must, at its own expense, remove rejected goods within eight (8) calendar days of the notification of rejection.

After that period has elapsed, the Purchaser may remove the goods by any mean to its liking, at the expense and risk of the Supplier.

7 - WARRANTY

By way of legal warranty, the Supplier guarantees the Purchaser against any latent defect that may affect the goods or services delivered rendering them unsuitable for their use and purpose. By way of contractual warranty, and without prejudice to the application of the above-mentioned legal provisions and to the application of Article 12 "TERMINATION" below, the Supplier guarantees the goods and services delivered against all defects of design, manufacture or materials and against all failure to operate, for a period of twenty-four (24) months from delivery thereof. Consequently, the Supplier undertakes, particularly during this period, to repair or replace such defective goods or parts as may be necessary, at his own expense and with his own workforce. In the event that such warranty is called upon, it will start anew for the same period with respect to the repaired or replaced parts.

8 - TRANSFER OF OWNERSHIP

Transfer of ownership takes place upon delivery.

Unless the Purchaser so agrees in writing prior to delivery, the Supplier may not invoke against him any retention of title in respect of the goods delivered.

9 - FINANCIAL CONDITIONS

- Price

Unless agreed otherwise in writing by the Parties, prices are understood to be exclusive of taxes, firm and final. However, the Purchaser shall be entitled to withhold tax as required under Malaysian law and the net amount shall be remitted to the Supplier.

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- Invoicing

Each order will be invoiced separately. Invoices will be sent in two (2) copies to the Purchaser, once the order has been fully delivered. Invoices will set forth, in addition to the provisions legally required, the order number, the references of the delivery form as well as any assignment of debt made by the Supplier, irrespective of the form thereof. An assignment of debt may be asserted against the Purchaser provided that the Supplier has notified the Purchaser thereof prior to proceeding with said assignment. The Purchaser reserves the right to refuse the invoicing and delivery of any goods that have not been duly ordered.

- Payment terms - Late payments

Unless otherwise agreed in writing by the Parties, payment terms will be forty-five (45) days end of month, from invoice date.

10 - INTELLECTUAL PROPERTY

The Supplier warrants that it is the owner, or has obtained all rights by means of agreements duly concluded with third parties, of all intellectual property, know-how and processes relating to the manufacture and use of the goods and/or for the proper performance of services ordered by the Purchaser. Consequently, the Supplier indemnifies the Purchaser against any claims or actions instituted in this regard by a third party.

If a third party claims that the goods and/or services delivered by the Supplier under the terms of the order constitute an infringement of its intellectual property rights, the Purchaser will notify the Supplier thereof as soon as possible and, at its sole discretion, may choose to cooperate with the Supplier for the defence against this allegation or will require that the Supplier defend the claim. In either case, it is expressly agreed that this defence will be at the sole expense of the Supplier and that the latter shall indemnify and hold harmless Purchaser against, all damages as well as all costs and expenses the Purchaser might be ordered to pay on the basis of an allegation of this type. The Supplier will also bear all financial consequences resulting from the goods and/or services in question being unavailable or from the restrictions to which the goods and/or services might be subjected.

If such an allegation arises or seems probable, the Supplier must, as soon as possible, either negotiate and agree a settlement with the third party concerned so that the Purchaser may continue to use the goods and services in question, or modify or replace them with goods or services that are at least functionally equivalent, all the aforesaid being without charge to the Purchaser.

If none of the measures set forth above are reasonably achievable, the Supplier will then credit the Purchaser with a sum equivalent to the price paid for the goods and/or services in question, without prejudice to any damages which the Purchaser may claim from the Supplier.

Any invention transferred to the Purchaser by the Supplier is presumed to be free of any right held by third parties unless otherwise notified expressly by the Supplier. The supply of any good incorporating inventions includes assignment to the Purchaser of all intellectual property rights relating thereto. The price paid by the Purchaser to the Supplier is accepted by the latter as a lump-sum, global compensation for the rights assigned.

11 - LIABILITY - INSURANCE

The Supplier shall be fully and solely liable for the performance of the order.

The Supplier will be liable for all damage caused to the Purchaser or to any third party, whether such damage is caused by the Supplier or by persons and/or goods under his authority or in his custody.

The Supplier will be liable for all direct or indirect consequences, prejudice and damage caused to the Purchaser for lack of performance or default in performance of the order. The Supplier will take out all insurance policies necessary to carry on his activity in respect, in particular, of the goods and/or services the Supplier provides, this being with a reputable, solvent insurance company, and the Supplier must maintain it throughout the duration of its obligations hereunder. The Supplier will, at first request from the Purchaser, provide the required insurance certificate.

12 - TERMINATION

Either party will be entitled to terminate the order in case of breach by the other party. However, the Purchaser and the Supplier shall make every effort, in a constructive spirit, to mitigate the damages resulting from such breach.

The Purchaser may forthwith terminate the agreement in the following cases:

- a) if the Supplier fails to remedy to the breach within eight (8) days of receipt of a formal notification to remedy sent by the Purchaser;
- b) upon mere written establishment of the lack or breach of performance provided that the lack or the breach be incapable of remedy or highly prejudicial to the Purchaser.

The Supplier will be required to indemnify the Purchaser for all damage caused by the Supplier's default or breach and shall, in particular, indemnify Purchaser for all additional costs incurred by Purchaser in completing the order or having third parties complete the order. Termination takes place without prejudice to any damages which the Purchaser reserves the right to claim.

13 - CONFIDENTIALITY

All documents, models, objects such as, in particular, plans, descriptions, notes, diagrams, drawings, samples, mock-ups, forwarded to the Supplier for the performance of the order are, even if they have no expressive marking of "confidential", confidential and may not be used for any purpose other than the order. At all times they will remain the sole property of the Purchaser and must be fully returned to the latter, at Supplier's costs, at the Purchaser's first request.

More generally, the Supplier undertakes to keep confidential any information forwarded to it or to which it has had access directly or indirectly, within the context of the order, until that information becomes generally known to the public.

For the performance of this confidentiality obligation, the Supplier agrees to disclose the above-mentioned confidential information only to those of its employees or subcontractors who need to know such information for the performance of the order, and provided such persons have been alerted to the strictly confidential nature of such information and have agreed to comply with the confidentiality obligations contained herein. The Supplier warrants the performance of this clause by all and any of its collaborators and subcontractors. This obligation of confidentiality is of an ongoing nature and shall survive notwithstanding the termination of any order.

14 - COMMERCIAL REFERENCES

The Supplier may be authorized to use the corporate name of the Purchaser or the latter's distinctive signs by way of reference only case-by-case basis, after presentation of the support for this reference and with indication of the scope of distribution.

15 - RESPONSIBLE DEVELOPMENT

The Supplier is aware that the Saint-Gobain Group (the "Group") adheres to the United Nations Global Compact and has notably adopted a policy of responsible purchasing, an integral part of the Group's Sustainable Development policy and that the Purchaser is one of affiliates of the Group and regulated by rules and policies of the Group.

The Group's objective is to have effective levers to secure its supplies under conditions which are compliant with its values particularly from a social, environmental and legal standpoint.

The Group notably expects its suppliers:

- to make sure that they have control of environmental risks related to both their processes and the products they use whether in their activity or when intervening on Group sites.
- to respect employee rights regardless of the country in which they operate.
- to refrain, even if permitted under applicable local legislation, from resorting to any forced or compulsory labor or to any child labor, either directly or indirectly or through sub-contractors, in the course of their production processes or when providing services or when intervening on any of the Group sites.
- to provide their employees with the best possible conditions of health and safety and to observe, during their interventions on any of the Group sites, all applicable health and safety rules. The approach and expectations of the Group with regard to its suppliers are formalized in the "Suppliers Charter". The Supplier declares that he has read this Charter.

16 - EMBARGO

The Supplier undertakes not to purchase the products or services from, either directly or indirectly, any country or region, which is subject to embargo or economic sanctions imposed by the United Nations, the European Union and/or the United States of America (jointly referred to as the "Target Countries").

The Supplier confirms that it has received the Purchaser's notification on prohibition of doing transactions with Target Countries as well as the corresponding obligations and the Supplier further confirms that it is aware of the aforesaid obligations and agreed to comply with this provision in the course of performing any transaction with the Purchaser.

17 - JURISDICTION - APPLICABLE LAW

ALL DISPUTES SHALL BE SUBMITTED TO THE COURTS OF THE PURCHASER'S REGISTERED OFFICE EVEN IF THERE IS A PLURALITY OF DEFENDANTS OR AN INTRODUCTION OF THIRD PARTIES, OR IN CASE OF URGENT PROCEEDINGS OR FOR PRECAUTIONARY MEASURES.

Malaysian law will apply to all disputes relating to an order placed by the Purchaser, without regards the principles of conflict of laws thereof.