

GENERAL TERMS AND CONDITIONS OF SALE (TAS-GTC-SG-001)

GENERAL

These terms and conditions ("GTC") together with sales orders confirmation (each a "Confirmation") shall apply to all sales and purchases of membranes, components, parts and any other products and services ("Products") which are concluded between Toray Asia Pte Ltd ("the Seller") and any person, firm or corporation ("the Buyer") who purchases Products from the Seller ("Contract").

No amendment or variation of these GTC and the Confirmation shall be effective unless in writing and signed by or on behalf of each of the parties and expressly stating that these GTC and the Confirmation shall be amended.

In the event of any conflict between the Confirmation and these GTC, the Confirmation will prevail to the extent of such conflict. For any conflicts between the GTC (including the Confirmation) and any terms and conditions issued by the Buyer, both the Seller and the Buyer shall agree in good faith to resolve any discrepancies.

I. OFFERS AND ORDERS

When the Buyer wishes to place an order for Products (an "Order") it shall send a written order form (a "Purchase Order") to the Seller, which shall contain a unique order reference number (the "Order Reference"). The parties shall use the relevant Order Reference in all correspondence to identify each Order.

Unless otherwise agreed in writing, all prices quoted are exclusive of GST and other taxes or charges, transport and insurance costs and all other costs, to be determined in accordance with these GTC. The Seller shall not be bound by any Purchase Order unless a Confirmation has been issued by the Seller along with these GTC to confirm the details in the Purchase Order. The Contract shall be deemed to have been concluded upon the Seller's issuance of a Confirmation in response to the Purchase Order in accordance with the terms set forth in this GTC and the Confirmation.

The Seller is only bound by those Confirmation sent to the Buyer. The Seller shall not be bound by any confirmation of order made orally. Any oral offers or commitments will bind the Seller only after and to the extent that the Seller has confirmed them in writing. All offers or quotations of the Seller, however they are made, will be free of obligation unless provisions to the contrary have been laid down in writing.

No variation to any confirmed order shall have effect unless signed in writing on behalf of the Seller by an authorized representative of the Seller.

Sales order negotiated via agents, or any other authorized representative on behalf of the Seller, shall only bind the Seller upon the Sellers' agent or other authorized representative sending the Confirmation in writing to the Buyer or the Buyer's agent as the case may be.

SUSPENSION

In case of suspension by the Buyer of a confirmed order, the reason for which is not attributable to the Seller, the Seller shall be entitled to reimbursement of any and all additional cost and expenses including but not limited to

freight charges, storage fees and production costs as a result of such suspension.

In case of such suspension continuing for a period of more than six (6) months, the Seller shall be entitled to terminate the Contract. In this case, the Seller shall be paid 10% of the total order price as well as of all reasonable costs incurred in connection with the termination, unless otherwise agreed by the parties in writing.

RETURNS

Any Products returned for reasons other than warranty issues, and which has notified and obtained the consent of the Seller to return the Products, are to be returned at the Buyer's expense and are subject to a 10% re-stocking fee. Products returned must still be sealed in the original vacuum bags and suitable for re-sale.

CANCELLATION FOR CONVENIENCE BY BUYER

In the event of full or partial cancellation of an order for convenience by the Buyer, the Seller will be entitled to compensation of not less than 10% of the contract amount as well as of all reasonable costs incurred in connection with the cancellation unless otherwise agreed by the parties in writing.

However, if the Products are customized product, a charge of an amount not less than the sum of any material and labour costs incurred by the Seller in connection with such order shall be paid to the Seller. No cancellation is allowed if the Products are customized.

II. DOCUMENTS

All documentation is by default in English.

All specifications, instructions and other documents furnished by the Seller in connection with Products shall remain the property of the Seller, and the Buyer warrants that no use will be made of such documents except to facilitate the Buyer's installation, use and maintenance of Components. Such documents shall be provided to the Buyer's employees only on a need-to-know basis and shall not be provided to third parties without the Seller's written consent.

III. PAYMENT

The indicated prices and payment term indicated in the Confirmation will be the final and not subject to change, unless the Parties have agreed in writing to state otherwise.

Payment shall be made in full without discount, deduction or set-off as directed by the Seller either at the Seller's address or by electronic or telegraphic transfer of funds to a bank account designated by the Seller. Until otherwise directed by the Seller, the Buyer shall pay the Seller in U.S. dollars for each transaction on invoice due date or otherwise agreed based on the payment date stated on the Confirmation.

In the event that the Buyer fails to make full payment of the Seller's invoices on the due date, the outstanding payment shall be subject to interest at the rate of 1% per month or the maximum rate allowed by applicable law, whichever is lesser, for the period from the due date to the date full payment is received by the Seller and shall be payable together with the outstanding payment. The Seller reserves

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the right to modify or terminate any credit arrangements with the Buyer by giving notice in writing to the Buyer.

Payment shall be deemed to have been made in the case of an electronic or telegraphic transfer, on the date the payment is credited to the bank account designated by the Seller for payment. If payment falls due on a non-business day, including weekends, public holidays or any other day on which the Seller's bank is closed, then payment shall be made on the preceding business day. Time is of the essence in respect of the Buyer's obligation to make payment for Products supplied by the Seller to the Buyer.

Partial payments shall be applied in order of priority (i) firstly towards payment of any costs and expenses incurred in respect of any Contract due from the Buyer to the Seller, (ii) towards interest incurred in respect of any outstanding amount due from the Buyer to the Seller under Section X (Default and Termination) and (iii) towards the purchase price of the Products.

If at any time the reputation, standing, creditworthiness, liquidity or solvency of the Buyer should give the Seller reasonable cause for concern, the Seller may, without prejudice to all other rights and remedies which it may have, give 7 days' notice to the Buyer that all sums outstanding but not as yet payable due to any credit terms agreed shall thereupon fall due for immediate payment and/or require that payment for Products be made prior to or upon delivery notwithstanding any credit terms agreed, until which time the Seller is entitled to withhold delivery of any Products. A failure by the Buyer to make payment shall constitute an Event of Default and the Seller shall be entitled to the rights and remedies set out in Section X (Default and Termination).

IV. DELIVERY

The Seller shall make every effort to effect delivery as early as possible.

Unless otherwise agreed in writing by the Seller, delivery is to the Buyer's specified location. If a delivery date is specified, that date is an estimation only and subject to change. The Seller shall not be liable for any delay in delivery. The Buyer and the Seller may agree on a delivery date, however; should there be delay caused by the Seller, the Buyer shall be informed in a timely manner, specifying the new delivery date. If any delay is caused by causes originated by the Buyer, the payment date will remain unchanged as per the original delivery date.

Delivery costs (otherwise called freight) do not include offloading and positioning of Products. This is the responsibility of the Buyer and depending on the size and weight of Products purchased, may require additional resources such as manpower and/or a forklift. Any additional costs incurred for offloading and positioning of Products upon delivery must be negotiated directly between the Buyer and freight delivery supplier.

V. SHIPMENT

In case of shipment in installments, each lot shall be regarded as separate and independent Contract. Dates of bills of lading are to be taken as date of shipment.

Unless otherwise stated, insurance on CIF sales shall be affected for the amount of the Seller's invoice plus ten percent (10%); any additional insurance required by Buyer to be at his own expense; unless otherwise stated, insurance to be covered for marine insurance only. The Seller may, if he deems it necessary, insure against war risk at Buyer's expense.

Any new or increased customs duties, taxes, import surcharges, or other governmental charges which become effective after the date of the Contract and any additional freight, insurance and other charges relating to the sale, loading, unloading, delivery, storage and transportation of the Products which could not have been reasonably foreseen on the date of the Contract shall be for the account of Buyer, even if the Products are sold on terms such as Duty Paid terms.

If shipment is delayed by Buyer for any reason, payment shall become due as of the date the Seller is prepared to make shipment, and storage shall be at Buyer's risk and expense.

VI. TITLE AND RISK

The Products shall be supplied in accordance with the trade terms laid down in the Confirmation, whose interpretation shall be subject to the most recent version of the Incoterms of the International Chamber of Commerce in Paris at the time the Contract was concluded.

Products supplied by the Seller to the Buyer are at the Buyer's risk immediately upon dispatch of the Products to the Buyer or into the Buyer's custody, including its carrier or forwarder. This applies irrespective of the delivery terms (Incoterms) agreed upon between the parties. The Buyer must insure the Products at its cost from delivery of the Products until they are paid for in full against such risks as are usual or common to insure against in a business of a similar nature to the Buyer irrespective of the delivery terms (Incoterms) agreed upon between the parties.

The Seller shall retain the title of all items comprising the Products delivered to Buyer until Buyer has paid all outstanding amounts due to the Seller, regardless of whether the amounts relate to the goods or arise from any other obligation. In the meantime, the Buyer takes custody of the goods and retains them only as fiduciary agent and bailee of the Seller until goods have been paid for in full.

The Seller's property also includes ready made goods which are processed further. The Seller is now producer of the further amended goods. During a link or mixture with the goods that does not belong to the Seller, the Seller acquires a partial property appropriate to the value of the invoices of his "goods under reserve" and the other materials warranted. The Buyer shall settle all debts to the Seller upon the sale of the "amended goods" and payment for such debts must be made immediately from the proceeds of the sale by the agreed payment methods between the parties, including by bills of exchange or cheques. If the Buyer uses a bill of exchange or cheque to settle debts, the instrument must be payable on or before the due date specified by the Seller. Any delay in payment or dishonor of the bills of exchange or cheques will be considered as a breach.

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As long as the Buyer is capable to fulfil his duties against the Seller, he is allowed to dispose of the Seller's goods and to recover debts. In the event that the Buyer fails to fulfill their duties against the Seller, the Sellers may suspend the Buyer's authority to dispose the Seller's goods and reclaim possession of the Seller's goods in full or in part.

The Buyer shall not be entitled to sell, pledge or in any way charge by way of security for any indebtedness of any of the goods supplied. In the event of attachment or garnishment orders, confiscation of property or other administration orders in favour of third parties, the Buyer shall notify the Seller without delay.

VII. QUALITY, DEFECTS AND WARRANTY

Upon delivery of the Products, the Buyer shall inspect the goods for quantity variances and apparent defects. Any claim that the goods are not in accordance with these GTC (including if they are defective, damaged during delivery, are short delivered) must be made at the time of delivery provided or in writing to the Seller within 7 days after delivery of the goods to the Buyer together with supporting evidence, samples and packing slips, stating the invoice number and date, and the markings on the packaging.

Unless such notification reaches the Seller within said period, the goods delivered shall be deemed in the correct and free of apparent defects.

Buyer's submission of any claim does not relieve it of responsibility to make payment in full as required under Section III (Payment) and the Buyer shall not be entitled to set off or withhold any claim from payment due thereunder.

Products forming the subject of a complaint shall not be returned to the Seller except with the Seller's express consent.

The standard warranty period is Twelve (12) months after first use of the relevant product, but in any event, not more than 18 months after shipment. The Seller will honour its standard warranties provided the equipment shall have been properly installed, maintained and utilized during warranty period. It is at the sole discretion of the Seller whether the goods are repaired or replaced to obtain the specified data.

Except as specifically provided in the Confirmation, The Seller expressly disclaims any representation or warranty, whether express, implied or statutory, as to the Products or the use of it, including but not limited to, any warranty of merchantability or fitness for a particular purpose or of non-infringement of any third party's intellectual property.

VIII. COMPLIANCE AND EXPORT CONTROLS

The Seller and its employees are committed to professional and honest behavior, which includes compliance with legal requirements and ethical standards, the Seller expects similar behavior from the Buyer and other business partners. In the event of violations of statutory provisions by the Buyer, especially those involving corrupt or fraudulent acts, the Seller shall be entitled to terminate the Contract immediately at its sole discretion without notice. The right to claim damages is reserved by the Seller.

The Buyer agrees to comply with the relevant statutory regulations for dealing with employees, environmental protection and occupational health and safety, and when carrying out its activities to continuously reduce the adverse effects on human health and the environment.

The Buyer agrees to comply with all applicable export control regulations and embargoes. The Buyer shall immediately inform the Seller if the goods supplied are to be delivered for end use to a country or a natural person subject to export restrictions or embargoes. The same shall apply when such fact becomes known to the Buyer at a later date.

IX. INDEMNITY AND LIABILITY

The Seller shall not be liable to the Buyer or required to indemnify the Buyer for any loss or damage of any kind whatsoever and howsoever arising out of or in connection with the supply of Products, including (without limitation) any indirect or consequential loss (including without limitation loss of profit, loss of revenue, loss of contract, loss of goodwill or increased cost of workings), even if due to the negligence of the Seller or any of its employees or agents. The Seller shall not be liable for any claims arising from the improper use or handling of the Products by the Buyer.

It is being understood that the sole and exclusive remedy of the Buyer or any third party shall be the repair, correction or replacement of defective product at the Seller's sole discretion pursuant to the warranty provisions herein above contained.

In no event shall the Seller's total liability, whether arising from breach of contract, tort (including negligence), or otherwise, exceed the purchase price of the Products under each Contract that are the subject of any claims made by the Buyer.

The Buyer shall indemnify the Seller in the event that any third party brings a claim against the Seller related to the Buyer's actions whether arising from breach of contract, tort (including negligence), or otherwise. For example, if the Buyer uses the Products in an unintended or harmful way or if the Buyer has breached its representations or warranties on the use of the Products and those representations turn out to be false or misleading.

X. DEFAULT AND TERMINATION

There shall be an Event of Default if any of the following events occur:

- (i) when the Buyer, for whatever reason, fails to accept the Products in part or in full at the place and time designated for delivery,
- (ii) when the Buyer fails in part or in full to comply with its obligations to pay any amount due to the Seller,
- (iii) when the Buyer fails to comply with any of its obligations under the Contract,
- (iv) when, before the date of delivery, it is in the sole opinion of the Seller that the financial position of the Buyer entails a risk of non-payment by the Buyer under any Confirmation,
- (v) the Buyer enters into any voluntarily arrangement with its creditors or becomes subject to an administration order or (being

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- (vi) an individual or firm) becomes bankrupt or (being a company) goes into liquidation (otherwise than for the purposes of amalgamation or reconstruction),
- (vii) an encumbrancer takes possession of, or a receiver is appointed over, any of the property or assets of the Buyer,
- (viii) the Buyer ceases, or threatens to cease, to carry on business,
- (ix) liquidation, bankruptcy or any other changed financial or legal position of the parent company, sister companies or affiliated companies to the Buyer which in the sole discretion of the Seller is deemed to adversely affect the financial position of the Buyer,
- (x) the Seller reasonably apprehends that any of the events mentioned above is about to occur or that the Buyer is unlikely to perform its obligations under the Contract or
- (x) in case of any other situation, which is the sole discretion of the Seller is deemed to adversely affect the financial position of the Buyer.

Upon the occurrence of a Default, the Seller may in its absolute discretion and without prejudice to any other available right or remedy, be entitled to do any or a combination of the following:

- (i) terminate the Contract,
- (ii) suspend any further deliveries under the Contract without any liability to the Buyer,
- (iii) if the Products has been delivered but not paid for, the price shall become immediately due and payable notwithstanding any previous agreement or arrangement to the contrary,
- (iv) alter any of the terms of this GTC relating to the Buyer's obligation to pay,
- (v) demand payment in cash in advance of delivery,
- (vi) provide security satisfactory to the Seller, and
- (vii) sell the Products contracted for at the prevailing market price and the Buyer shall be liable for any loss suffered by the Seller resulting from a difference between the price agreed by the parties and the market price.

XI. TRADEMARKS

The Toray company name used on the site is a trade name. "TORAY" and the names of products manufactured by Toray are also trademarks or registered trademarks. Toray's trade names and trademarks are protected under Japan's Trademarks Law, the Unfair Competition Prevention Law and other legislation. They may not be used or reproduced without express permission from Toray.

XII. FORCE MAJEURE

The Seller is not liable for nonperformance or delay in performance caused by circumstances beyond the Seller's control ("Force Majeure Event"). A Force Majeure Event includes, without limitation: -

- (a) acts of God, war, riots, fire, explosions, floods, strikes, lockouts, injunctions, accidents, Product short supply, unforeseen shutdown of major sources of supply, breakage of machinery or apparatus, or national emergency,

- (b) the Seller's inability to obtain at prices that the Seller deems in its discretion to be commercially reasonable, the Product, fuel, power, raw materials, labour, containers or transportation facilities,

- (c) the occurrence of any unforeseeable contingency making performance impracticable, or

- (d) compliance in good faith with any applicable governmental statute, regulation, or order.

Delivery times shall be reasonably extended if delivery is delayed for reasons of force majeure, labour disputes or any other events or circumstances beyond the reasonable control of the Seller. If the events delaying the delivery persist for more than [60] days, the Buyer and the Seller, each of them individually shall have the right to withdraw from the Contract. The Seller shall not be liable to the Buyer for damages as a result of the Seller's or the Buyer's withdrawal from the Contract.

For the avoidance of doubt, no Force Majeure Event shall excuse the Buyer from making payment to the Seller in respect of any Confirmation.

XIII. ADDITIONAL PROVISIONS

Any notice required to be given to the Seller hereunder shall be mailed to the Seller at the address stated in the Confirmation or email to enquiry.tas.mb@mail.toray. Unless otherwise indicated by Buyer, notices hereunder to be given to the Buyer shall be e-mailed to Buyer at the e-mail address designated by Buyer for invoicing. Either party may change its address by giving fifteen (15) days prior written notice of its new address to the other party.

No waiver by either party of any breach of any of the covenants or conditions herein contained to be performed by the other party shall be construed as a waiver of any succeeding breach of the same or any other covenant or condition.

Assignment of any right or delegation of any obligation here under by Buyer without Seller's prior written consent shall be null or void.

XIV. GOVERNING LAW AND JURISDICTION

The GTC shall be governed by and construed in all respect in accordance with the laws of the Republic of Singapore upon exclusion of conflict of law principles and upon exclusion of The United Nations Convention on Contracts for the International Sale of Goods.

Any and all disputes arising out of or in connection with this Contract shall be referred to arbitration in Singapore in accordance with the arbitration rules (Commercial Arbitration Rules of SIAC) for the time being in force at the Singapore International Arbitration Centre ("SIAC"). The tribunal shall comprise of 3 arbitrators, one to be appointed by the Seller and one to be appointed by the Buyer. The two appointed arbitrators shall forthwith thereafter mutually appoint a third arbitrator. The language of arbitration shall be English, and the award of the arbitration shall be final and binding on the parties.