

# INNOVATIVE DESIGN TECHNOLOGIES SDN BHD TERMS AND CONDITIONS OF SALE

1. **Interpretation**
  - 1.1 In these Conditions:

"Buyer" means the person who accepts a quotation of the Seller for the sale of Goods or whose order for the Goods is accepted by the Seller.

"Goods" means every kind of movable property other than actionable claims and money; and includes stock and shares, growing crops, grass and things attached to or forming part of the land which are agreed to be served before sale or under the contract of sale (Section 2 of Sale of Goods Act 1957).

"Seller" means INNOVATIVE DESIGN TECHNOLOGIES SDN BHD (Company number 904828-V) and whose registered office is at 3-10 Medan Perniagaan Pauh Jaya, Jalan Baru, 13700 Perai, Penang, Malaysia.

"Conditions" means the standard terms and conditions of sale set out in this document and (unless the context otherwise requires) included any special terms and conditions agreed in Writing between the Buyer and the Seller.

"Contract" means the contract between the Buyer and the Seller for the purchase and sale of the Goods and/or the supply and acquisition of the Services.

"Working Day" means any day from Monday to Friday except for public holidays in the State gazetted in the Gazette.

"Writing" includes telex, cable, facsimile transmission and comparable means of communication.
  - 1.2 Any reference in these Conditions to any provision of a statute shall be construed as a reference to that provision as amended, re-enacted or extended at the relevant time.
  - 1.3 The headings in these Conditions are for convenience only and shall not affect the interpretation.
2. **Basis of the Sale**
  - 2.1 The Seller shall sell and the Buyer shall purchase the Goods in accordance with any written quotation of the Seller which is accepted by the Buyer, or any written order of the Buyer which is accepted by the Seller, subject in either case to these Conditions which shall govern the contract to the exclusion of any other terms and conditions subject to which any such quotation is accepted or purported to be accepted, or any such order is made or purported to be made, by the Buyer.
  - 2.2 No variation to these Conditions shall be binding unless agreed in Writing between the authorised representatives of the Buyer and the Seller.
  - 2.3 The Seller's employees or agents are not authorised to make any representations concerning the Goods unless confirmed by the Seller in Writing. In entering into the contract the Buyer acknowledges that it does not rely on, and waives any claim for breach of any such representations which are not so confirmed.
  - 2.4 Any advice or recommendation given by the Seller or its employees or agents to the Buyer or its employees or agents as to the storage, application or use of the Goods which is not confirmed in Writing by the seller is followed or acted upon entirely at the Buyer's own risk, and accordingly the seller shall not be liable for any such advice or recommendation which is not so confirmed.
  - 2.5 Any typographical, clerical or other error or omission in any sales literature, quotation, price list, acceptance or offer, invoice or other document or information issued by the Seller shall be subject to correction without any liability on the part of the Seller.
3. **Orders and Specifications**
  - 3.1 No order submitted by the Buyer shall be deemed to be accepted by the Seller unless and until acceptance thereof is confirmed in Writing by the Seller's authorised representative.
  - 3.2 The Buyer shall be responsible to the Seller for ensuring the accuracy of the terms of any order (including any applicable specification) submitted by the Buyer, and for giving the seller any necessary information relating to the Goods within a sufficient time to enable the Seller to perform the contract in accordance with the terms.
  - 3.3 The quantity and description of the Goods and any specification for them shall be set as out in the Seller's quotation (if accepted by the Buyer) or the Buyer's order (if accepted by the Seller).
  - 3.4 If the Goods are to be manufactured or any process is to be applied to the Goods by the Seller in accordance with a specification submitted by the Buyer, the Buyer shall indemnify the Seller against all losses, damages, costs and expenses awarded against or incurred by the Seller in connection with or paid or agreed to be paid by the seller in settlement of any claim for infringement of any patent, copyright, design, trade mark or other intellectual property rights of any other person which results from the Seller's use of the Buyer's specification.
  - 3.5 The Seller reserves the right to make any changes in the specification of the Goods which are required to conform with any applicable statutory or requirements or, where the Goods are to be supplied to the Seller's specification, which do not materially affect their quality or performance.
  - 3.6 No order which has been accepted by the Seller may be cancelled by the Buyer except with the agreement in Writing of the Seller and on terms that the Buyer shall indemnify the Seller in full against loss (including loss of profit), costs (including the cost of all labour and materials used), damages, charges incurred by the Seller as a result of cancellation.
4. **Price of Goods**
  - 4.1 The price of the Goods shall be the Seller's quoted price or where no price has been quoted (or a quoted price is no longer valid) the price listed in the Seller's published price list current at the date of acceptance of the order. Where the Goods are supplied for export from Malaysia, the Seller's published export price list shall apply. All prices quoted are valid for 30 days only or until earlier acceptance by the Buyer, after which time they may be altered by the seller without giving notice to the Buyer.
  - 4.2 The Seller reserves the right, by giving notice to the Buyer at any time before delivery, to increase the price of the Goods to reflect any increase in the cost to the Seller which is due to any factor beyond the control of the Seller (such as, without limitation, any foreign exchange fluctuation, currency regulation, alteration of duties, significant increase in the costs of labour, materials or other costs of manufacture), any change in delivery dates, quantities or specifications for the Goods which is requested by the Buyer, or any delay caused by any instructions of the Buyer or failure of the Buyer to give the Seller adequate information or instructions.
  - 4.3 Except as otherwise stated under the terms of any quotations or in any price list of the Seller, and unless otherwise agreed in Writing between the Buyer and the Seller, all prices are given by the Seller on an ex-works basis, and where the Seller agrees to deliver the Goods otherwise than at the Seller's premises, the Buyer shall be liable to pay the Seller's charges for transport, packaging, storage and insurance in accordance with clause 5.1
  - 4.4 The price is exclusive of any applicable Goods and Services Tax (GST), which the Buyer shall be additionally liable to pay the seller.
  - 4.5 The cost of any returnable containers will be charged to the Buyer in additions to the price of the Goods, but full credit will be given to the Buyer provided they are returned undamaged to the Seller before the due payment date.
5. **Terms of Payment**
  - 5.1 Subject to any special terms agreed in Writing between the Buyer and the Seller, the Seller shall be entitled to invoice the Buyer for the price of the Goods on or at any time after delivery of the Goods, unless the Goods are to be collected by the Buyer or the Buyer wrongfully fails to take delivery of the Goods, in which event the Seller shall be entitled to invoice the Buyer for the price at any time after the Seller has notified the Buyer that the Goods are ready for collection or (as the case may be) the Seller has tendered delivery of the Goods.
  - 5.2 The Buyer shall pay the price of the Goods (less any discount to which the Buyer is entitled, but without any other deduction, set off or other withholding) within 30 days of the date of the Seller's invoice, and the Seller shall be entitled to recover the price, notwithstanding that delivery may not have taken place and the property in the Goods has not passed to the Buyer. The time of payment of the price shall be of the essence of the contract. Receipts for payment will be issued only upon request.
  - 5.3 If the Buyer fails to make any payment on the due date then, without prejudice to any other right or remedy available to the Seller, the Seller shall be entitled to:-
    - 5.3.1 cancel the Contract or suspend any further deliveries to the Buyer;
- 5.3.2 appropriate any payment made by the Buyer to such of the Goods (or the goods supplied under any other contract between the Buyer and the Seller) as the Seller may think fit (notwithstanding any purported appropriation by the Buyer); and
- 5.3.3 charge the Buyer interest (both before and after any judgement) on the amount unpaid, at the rate of 5 percent per annum above the Seller's bank base rate from time to time, until payment in full is made (a part of a month being treated as a full month for the purpose of calculating interest).
6. **Delivery**
  - 6.1 Delivery of the Goods shall be made by the Buyer collecting the Goods at the Seller's premises at any time after the Seller has notified the Buyer that the Goods are ready for collection, or if some other place for delivery is agreed by the Seller, by the Seller delivering the Goods to that place.
  - 6.2 Any dates quoted for delivery of the Goods are approximate only and the Seller shall not be liable for any delay in delivery of the Goods howsoever caused. Time for delivery shall not be of the essence unless previously agreed by the Seller in Writing. The Goods may be delivered by the Seller in advance of the quoted delivery date upon giving reasonable notice to the buyer.
  - 6.3 Where the delivery of the Goods is to be made by the Seller in bulk the Seller reserves the right to deliver up to 10 percent more or 10 percent less than the quantity ordered without and adjustment in the price and the quantity so delivered shall be deemed to be the quantity ordered.
  - 6.4 Where the Goods are to be delivered in instalments, each delivery shall constitute a separate contract and failure by the Seller to deliver any one or more of the instalments in accordance with these Conditions or any claim by the Buyer in respect of any one or more instalments shall not entitle the Buyer to treat the Contract as a whole as repudiated.
  - 6.5 If the Seller fails to deliver the Goods (or any instalments) for any reason other than any cause beyond the Seller's reasonable control or the Buyer's fault, and the Seller is accordingly liable to the buyer, the Seller's liability shall be limited to the excess (if any) of the cost to the Buyer (in the cheapest available market) of similar goods to replace those not delivered over the price of the Goods.
  - 6.6 If the Buyer fails to take delivery of the Goods or fails to give the Seller adequate delivery instructions at the time stated for delivery (otherwise than by reason of any cause beyond the Buyer's reasonable control or by reason of the Seller's fault) then, without prejudice to any other right or remedy available to the Seller, the Seller may:
    - 6.6.1 store the Goods until actual delivery and charge the Buyer for the reasonable costs (including insurance) of storage; and/or
    - 6.6.2 sell the Goods at the best price readily obtainable and (after deducting all reasonable storage and selling expenses) account to the Buyer for the excess over the price under the Contract or charge the Buyer for any shortfall below the price under the Contract.
7. **Risk and property**
  - 7.1 Risk of damage to or loss of the Goods shall pass to the Buyer:
    - 7.1.1 in the case of Goods to be delivered at the Seller's premises, at the time when the Seller notifies the Buyer that the Goods are available for collection; or
    - 7.1.2 in the case of Goods to be delivered otherwise than at the Seller's premises, at the time of delivery of if the Buyer wrongfully fails to take delivery of the Goods, the time when the Seller has tendered delivery of the Goods.
  - 7.2 Notwithstanding delivery and the passing of risk in the Goods, or any other provision of these Conditions, the property in the Goods shall not pass to the Buyer until the Seller has received in cash or cleared funds payment in full of the price of the Goods and all other Goods agreed to be sold by the Seller to the Buyer for which payment is then due.
  - 7.3 Until such time as the property in the Goods passes to the Buyer, the Buyer shall hold the Goods as the Seller's fiduciary agent and bailee, and shall keep the Goods separate from those of the Buyer and third parties and properly stored, protected and insured and identified as the Seller's property. Until that time the Buyer shall be entitled to resell or use the Goods in the ordinary course of its business, but shall account to the Seller for the proceeds of sale or otherwise of the Goods, whether tangible or intangible, including insurance proceeds, and shall keep all such proceeds separate from any monies or property of the Buyer and third parties and, in the case of tangible proceeds, property stored, protected and insured.
  - 7.4 Until such time as the property in the Goods passes to the Buyer (and provided the Goods are still in existence and have not been resold) the Seller shall be entitled at any time to require the Buyer to deliver up the Goods to the Seller, and if the Buyer fails to do so forthwith, to enter upon any premises of the Buyer or any third party where the Goods are stored and repossess the Goods.
  - 7.5 The Buyer shall not be entitled to pledge or in any way charge by way of security for any indebtedness any of the Goods which remain the property of the Seller, or if the Buyer does so all the monies owing by the Buyer to the Seller shall (without prejudice to any other right or remedy of the Seller) forthwith become due and payable.
8. **Warranties and liability**
  - 8.1 Subject to the conditions set out below the Seller warrants that the Goods will correspond with their specification at the time of delivery and will be free from material defects in materials and workmanship for a period of 3 years from the date of their initial use of 3 years from delivery, whichever is the first to expire and that the Goods and Buyer's use or resale of the Goods shall not infringe the patent, copyright, design rights, trademarks or any other intellectual property rights of any other person ("Intellectual Property Infringement").
  - 8.2 The above warranties are given by the Seller subject to the following conditions:
    - 8.2.1 the seller shall be under no liability in respect of any defect in or an Intellectual Property Infringement in respect of the Goods arising from any drawing or specification supplied by the Buyer;
    - 8.2.2 the Seller shall be under no liability on respect of any defect arising from fair wear and tear, wilful damage, negligence, abnormal working conditions, failure to follow the Seller's instruction (whether oral or in writing), misuse or alteration or repair of the Goods without the Seller's approval;
    - 8.2.3 the Seller shall be under no liability under the above warranty (or any other warranty, condition or guarantee) if the total price for the Goods has not been paid by the due date for the payment;
    - 8.2.4 the above warranties do not extend to parts, materials or equipment not manufactured by the Seller, in respect of which the Buyer shall only be entitled to the benefit of any such warranty or guarantee as is given by the manufacturer to the Seller if and to the extent the Seller is entitled to pass on to the Buyer the benefit of such warranty or guarantee.
  - 8.3 Subject as expressly provided in these Conditions, and except where the Goods are sold to a person dealing as a consumer (Consumer Protection Act 1999), all warranties, conditions or other terms implied by statute or common law are excluded to the fullest extent permitted by law.
  - 8.4 Where the Goods are sold under a consumer transaction the statutory rights of the Buyer are not affected by these Conditions.
  - 8.5 Any claim by the Buyer which is based on any defect in the quality or conditions of the Goods or their failure to correspond with any applicable specification or shortages in the quantity of Goods delivered shall (whether or not delivery is refused by the buyer) be notified to the Seller within 7 days from the date of delivery or (where the defect or failure was not apparent on reasonable inspection) within a reasonable time after discovery of the defect or failure. If delivery is not refused, and the buyer does not notify the Seller accordingly, the Buyer shall not be entitled to reject the Goods and the Seller shall have no liability for such defect, failure or shortages, and the buyer shall be found to pay the price as if the Goods had been delivered in accordance with the Contract.
  - 8.6 Where any valid claim in respect of any of the Goods which is based on any defect in the quality or conditions of the Goods or their failure to meet any applicable specification is notified to the Seller in accordance with these Conditions, the Seller shall be entitled to replace the Goods (or the part in question) free of charge or, at the Seller's sole discretion, refund to the Buyer the price of the Goods (or a proportionate part of the price), but the Seller shall have no further liability to the Buyer.
- 8.7 Except in respect of death or personal injury caused by the Seller's negligence, the Seller shall not be liable to the Buyer by reason of any representation (unless fraudulent), or any implied warranty, condition or other term, or any duty at common law, or under express terms of the Contract or howsoever otherwise caused whether in contract, tort, negligence, misrepresentation, breach of statutory duty or otherwise for any consequential special or indirect loss or damage (whether for loss of profit, goodwill, use, contracts or otherwise), costs or other claims for consequential compensation whatsoever (and whether caused by the negligence of the Seller, its employees or agents or otherwise) which arises out of or in connection with the supply of the Goods or their use or resale by the Buyer, except as expressly provided in these Conditions and the Seller's overall liability under or in connection with the Contract shall not exceed the aggregate payments received by the Seller from the Buyer under the Contract.
- 8.8 The Seller shall not be liable to the Buyer or be deemed to be in breach of the Contract by reason of any delay in performing, or any failure to perform, any of the Seller's obligations in relation to the Goods. If the delay or failure was due to any cause beyond the Seller's reasonable control. Without prejudice to the generality of the foregoing, the following shall be regarded as causes beyond the Seller's reasonable control:
  - 8.8.1 act of God, explosion, flood, tempest, fire or accident;
  - 8.8.2 war or threat of war, sabotage, insurrection, civil disturbance or requisition;
  - 8.8.3 acts, restrictions, regulations, bye-laws, prohibitions or measures of any kind on the part of any governmental, parliamentary or local authority;
  - 8.8.4 import or export regulations or embargoes;
  - 8.8.5 strikes, lock-outs or other industrial actions or trade disputes (whether employees of the Seller or a third party);
  - 8.8.6 difficulties in obtaining raw materials, labour, fuel, parts or machinery;
  - 8.8.7 power failure or breakdown in machinery.
9. **Insolvency of the Buyer**
  - 9.1 This clause applies if;
    - 9.1.1 The Buyer makes any voluntary arrangement with its creditors or (being an individual or firm) becomes bankrupt or (being a company) goes into liquidation (otherwise than for the purposes of amalgamation or reconstruction) or becomes subject to an administration order; or
    - 9.1.2 an embarguer takes possession, or a receiver is appointed, over any of the property or assets of the Buyer; or
    - 9.1.3 the Buyer ceases, or threatens to cease, to carry on business; or
    - 9.1.4 the seller reasonably apprehends that any of the events mentioned above is to occur in relation to the buyer and notifies the Buyer accordingly.
  - 9.2 If this clause applies then, without prejudice to any right or remedy available to the Seller, the Seller shall be entitled to cancel the Contract or suspend any further deliveries under the Contract without any liability to the Buyer, and if the Goods have been delivered but not paid for the price shall become immediately due and payable notwithstanding any previous agreement or arrangement to the contrary.
10. **Export terms**
  - 10.1 In these conditions "Incoterms" means the international rules for the interpretation of trade terms of the International Chamber of Commerce as in force at the date when the Contract is made. Unless the context otherwise requires, any term or expression which is defined in or given a particular meaning by the provision of Incoterms shall have the same meaning in these Conditions, but if there is any conflict between the provisions of Incoterms and these Conditions, the latter shall prevail.
  - 10.2 Where the Goods are supplied for export from Malaysia, the provisions of this clause 10 shall (subject to any special terms agreed in Writing between the Buyer and the Seller) apply notwithstanding any other provisions of these Conditions.
  - 10.3 The Buyer shall be responsible for complying with any legislation or regulations governing the importation of the Goods into the country of destination and for the payment of any duties thereon.
  - 10.4 Unless otherwise agreed in Writing between the Buyer and the seller, the Goods shall be delivered F.O.B. the air or sea port of shipment and the Seller shall be under no obligation to give notice under Section 39(3) Sale of Goods Act 1957.
  - 10.5 The Buyer shall be responsible for arranging for testing and inspection of the Goods at the Seller's premises before shipment. The Seller shall have no liability for any claim in respect of any defect in the Goods which would be apparent on inspection and which is made after shipment, or in respect of any damages during transit.
  - 10.6 Payment of all amounts due to the Seller shall be made immediately on receipt of the Seller's invoice unless otherwise agreed between the Buyer and the Seller in Writing that payment shall be made within 30 days of the Seller's invoice date or by means of a Bill of Exchange drawn on the Buyer payable at sight to the order of the Seller at his branch of the Seller's bank as may be specified in the Bill of Exchange or by means of an irrevocable letter of credit opened by the Buyer in favour of the Seller and confirmed by a bank in Malaysia acceptable to the Seller.
  - 10.7 The Buyer undertakes not to offer the Goods for resale in any other country notified by the Seller to the Buyer at or before the time the Buyer's order is placed, or to sell the Goods to any person if the Buyer knows or has reason to believe that the person intends to resell the Goods in any such country.
11. **General**
  - 11.1 The Seller is a member of the group of companies whose holding company is Trumeter Technologies Limited and accordingly the Seller may perform any of its obligations or exercise any of its rights hereunder by itself or through any other member of its group, provided that any act or omission of any such other member shall be deemed to be the act or omission of the Seller.
  - 11.2 Any notice required or permitted to be given by either party to the other under these Conditions shall be in Writing addressed to that other party at its registered office or principle place of business or such other address as may at the relevant time have been notified pursuant to this provision to the party giving the notice. Provided that the party sending a notice has complied in full with this provision such notice shall be deemed to have been received by the addressee thereof 5 Working Days after the date on which it was sent by first class post or on the same Working Day on which it was sent by facsimile provided that the sender has a confirmed facsimile transmission report in respect thereof (as appropriate).
  - 11.3 No waiver by the Seller of any breach of the Contract by the Buyer shall be considered as a waiver of any subsequent breach of the same or any other provision. No waiver shall be effective unless it is made by the Seller in Writing.
  - 11.4 If any provision of these Conditions is held by any competent authority to be invalid or unenforceable in whole or in part the validity of the other provisions of these Conditions and the remainder of the provision in question shall not be affected thereby.
  - 11.5 The Buyer shall not assign or transfer or purport to assign or transfer to any other person any of its rights or sub-contract any of its obligations under the Contract without first obtaining the Seller's consent in Writing.
  - 11.6 The Contract shall be governed by the laws of Malaysia and the Buyer agrees to submit to the non-exclusive jurisdiction of the Malaysia Courts.
  - 11.7 The parties to the Contract do not intend any term of the Contract to be enforceable by any third party pursuant to the Contracts Act 1950.