

# SIDNEY INDUSTRIES SDN. BHD.196659-V

## STANDARD TERMS AND CONDITIONS OF SALE

By the terms and conditions set out below SIDNEY INDUSTRIES SDN BHD (hereinafter called "SISB"). SISB hereby agrees to manufacture and/or sell and deliver to the Customer whose name appears on the other side of this document upon the terms and conditions herein contained.

### 1. VARIATIONS

Any variation of the terms and conditions contained herein or to be contained in any documents of SISB referred to above, more particularly such variations contained in the Customer's terms and conditions is inapplicable by SISB in writing.

### 2. PRICE VARIATIONS

Any price quoted by SISB or comprised in the order or contract is provisional only subject to the delivery of the goods herein being accepted within 14 days of the date of the order or the contract or within such time as confirmed in writing by SISB from time to time.

### 3. SPECIFICATIONS

- a. Where artwork and specifications are to be supplied, the Customer shall supply such specifications in such time specified by SISB to enable SISB to complete delivery within the period named. All artwork and specifications to be supplied by the Customer must follow the specifications provided by SISB PROVIDED ALWAYS THAT SISB shall not be liable for the quality of print if the Customer's artwork deviates from such specifications provided by SISB.
- b. In the event SISB shall agree to produce or caused to be produced the artwork upon the request of the Customer or SISB shall be required to make or caused to be made any modifications and/or addition to the artwork supplied by the Customer, such artwork shall remain the property of the Customer and the Customer shall be liable to pay all costs and expenses incurred pertaining to the same and the Customer hereby agrees to pay for such costs and expenses within 14 days upon being notified of such costs and expenses payable in default of such payment within the stipulated time.

### 4. DESCRIPTION AND SAMPLES

- a. In the event of a new Customer who has no previous dealing with SISB or in the event an existing Customer shall require SISB to produce a product which has not been produced by SISB for such Customer previously, the Customer shall on a date agreed by both parties hereto be present at the premises of SISB to examine the samples produced by SISB.
- b. If the Customer shall have examined and approved the samples, the Customer shall be obliged to accept delivery of the goods if the goods are within the colour tolerance approved by the Customer.
- c. If the Customer shall fail to be present at the premises of SISB at the appointed date, SISB shall have the discretion not to produce and deliver the goods ordered by the Customer whereby the Customer shall have no claim against SISB of whatsoever nature for the non-production or non delivery of the goods so ordered OR if SISB shall proceed to produce the goods so ordered by the Customer based on the artwork and descriptions provided, the Customer hereby confirm waiver of its rights to examine the sample and the Customer hereby undertake to accept delivery of the goods so ordered however the goods so produced and delivered shall not constitute a sale by description.
- d. SISB binds itself only to deliver goods in accordance with the samples as approved by the Customer or if the Customer waives its right to examine within the reasonable colour tolerance.

### 5. DELIVERY

- a. Where a period is named for delivery and such period is not extended by mutual consent in writing time shall be of the essence.
- b. The goods shall be deemed to have been delivered by SISB (i) at the expiry of the time stipulated for delivery whether or not the Customer has actually taken delivery of the goods or (ii) if SISB has agreed to deliver the goods to a place designated by the Customer, upon the relevant delivery document being signed by the servant, agent or otherwise at the designated place whether or not such person is the servant, agent or otherwise of the Customer.
- c. Where delivery of the goods is accepted from SISB or from the forwarder concerned without being checked the delivery order of SISB or the delivery books of the forwarder concerned must be signed "not examined" failing which the goods so delivered shall be deemed to be in accordance with the contract and the Customer shall be liable to pay for the same.

### 6. CONDITIONS AND WARRANTIES

No conditions is made or to be implied nor is any warranty given or to be implied as to the quality, state, condition, fitness and/or suitability of the goods for any particular purpose or usage or for the use under any specific conditions, notwithstanding that such purpose or conditions may be known or made known to SISB.

### 7. PAYMENT

- a. Unless otherwise agreed by SISB, all goods sold to the Customer shall be paid for in cash upon delivery PROVIDED ALWAYS THAT if the Customer shall fail to take delivery at the period specified for delivery, the price of such goods ready for delivery shall nevertheless be due and payable by the Customer and all time stipulated for payment shall be of the essence of this contract. All payments to be made on due date is a condition precedent to future deliveries PROVIDED THAT any waiver hereof by SISB shall not constitute a waiver of SISB's rights and remedies to antecedent breach by the Customer.
- b. In the event the Customer shall fail to pay for the goods as aforesaid or within the term for payment as may be granted by SISB in writing, the Customer shall pay interest on such outstanding amount commencing immediately upon expiry of the agreed term for payment at the rate of 1.5% per month until full and final settlement of the outstanding amount.
- c. Payment by the Customer to SISB shall be made by crossed cheque(s) or Cashier Order(s) or Banker's Order(s) payable to SISB and if payment by cheque(s) such payment shall be subject to clearance of such cheque(s). In the event payment is made by such cheque(s) where commission is to be imposed by the Bank, the Customer shall be liable to pay such commission. If the Customer shall elect to make payment for the goods by cash, the Customer shall do so at his own risk and payment by cash is only valid if an Official Receipt thereof of SISB is issued and delivered to the Customer.

### 8. DEFECTIVE GOODS

- a. In the event the Customer has accepted the goods on a "not examined" basis, the Customer shall inspect the goods immediately upon the arrival thereof and shall within seven (7) days from the date of receipt of the goods give notice in writing to SISB of any matter or thing by reason whereof the Customer alleges that the goods are not in accordance with the contract.
- b. If the Customer shall fail to give such notice the said goods shall be deemed to be in all respect in accordance with the contract and the Customer shall be bound to accept and pay for the same accordingly.
- c. In the event the Customer shall within seven (7) days after receipt of the said goods give notice in writing to SISB to reject the goods but subsequently deal with the goods as owner, or by reason by any other conduct on the part of the Customer in consisting with such rejection, such rejection shall become ineffectual and the Customer shall be bound to pay for such goods in full and shall have no claim to damages or compensation by reason of any disconformities of the goods with the contract.
- d. Goods represented by the Customer to be defective shall not form the subject of any claim for work done by the Customer or for any loss damage or expenses whatsoever arising directly or indirectly from such defects, but such goods if returned to SISB and accepted by SISB as defective, will at the request of the Customer and if practicable be replaced as originally ordered or if not practicable SISB shall only be liable to deduct such sum from the price of the goods proportionately.
- e. Defects in quality or dimension in any delivery shall not be a ground for cancellation of the remainder of the order or contract.

### 9. CLAIM FOR SHORTAGE OF DELIVERY

No claim in shortage of delivery will be entertained, unless a separate notice in writing is given to SISB within two days of the receipt of goods follow by a complete claim in writing within seven days of the receipt of the goods PROVIDED ALWAYS THAT the Customer hereby acknowledges that the goods delivered by SISB may be 10% more or less than the quantity ordered and the Customer further agree that the price of the goods delivered shall be adjusted accordingly and such variation of 10% more or less shall not be a ground of rejection of the goods or non-payment by the Customer.

### 10. SUSPENSION OF DELIVERIES

Deliveries may be wholly or partially suspended and the time for such suspension added to the original contract in the event of a stoppage, delay or interruption of works in the establishment of either seller or buyer during the delivery period as a result of strike, lockouts, trade disputes, breakdown, accidents or any cause whatsoever beyond the control of SISB or the Customer respectively.

### 11. NOTICE OF TERMINATION OR PARTIAL DELIVERY

In the event of an outbreak of hostilities (whether war is declared or not) in which Malaysia is involved, or in the event of national emergency, or if SISB works should become either directly or indirectly so engaged on government orders or orders under priority directions as to prevent or delay works on other orders, SISB shall be entitled at any time, on notice to the Customer, to make partial deliveries only or to determine the contract, without prejudice in any case to rights accrued in respect of deliveries already made.

### 12. TERMINATION OF CONTRACT

If the Customer shall make default in or commit a breach of the contract or of any other of its obligations to SISB, or if any distress or execution shall be levied upon the Customer's property or assets, or if the Customer shall make or offer to make any arrangement or composition with creditors, or commits any act of bankruptcy, or if any petition or receiving order in bankruptcy shall be presented or made against him, or if the Customer is a limited company and any resolution or petition to wind up such company's business (other than for the purpose of amalgamation or reconstruction) shall be passed or presented, or if a receiver of such company's undertaking, property or assets or any part thereof shall be appointed, SISB shall have the right forthwith to determine any contract then subsisting and upon written notice of such termination being posted to the Customer's last known address any subsisting contracts shall be deemed to have been determined without prejudice to any claim or right SISB may otherwise make or exercise PROVIDED ALWAYS THAT in the event SISB shall be required to purchase any raw material for the sole purpose of producing the order of the Customer or the packaging material thereof, the Customer hereby undertake to reimburse SISB in full of the purchase price of such material forthwith upon termination.

### 13. LIEN

- a. Notwithstanding that credit has hereinbefore been given for the payment of the price of the said goods SISB shall be entitled to retain possession thereof until payment.
- b. In addition to any right of lien to which SISB may by law be entitled, the SISB shall (in the event of Customer's insolvency) be entitled to a general lien on all goods of the Customer in SISB's possession (although such goods or some of them may have been paid for) for the unpaid price of any goods sold and delivered to the Customer by SISB under the same or any other contract.

### 14. INDEMNITY

- a. The Customer shall indemnify SISB against all damages penalties costs and expenses to which SISB may become liable as a result of work done in accordance with the Customer's specifications which involves the infringement of any letters pattern or registered design.
- b. SISB shall not be liable for any claim action loss and damages penalties and/or fines in respect of any infringement of trademark design copy right or any other intellectual property's right where the artwork design to be printed on the goods is supplied by the Customer or such artwork design has been approved by the Customer and the Customer shall indemnify SISB in full for all costs and expenses, loss and damages in respect of all such claims proceedings actions fines and penalties.

### 15. LAW APPLICABLE

These conditions and the contract shall be subject to and construed in accordance with the law of Malaysia.

### 16. NOTICE

All notices, requests or other communications to be served by either party hereto to the other under this Agreement shall be deemed sufficiently served if (i) it is sent by the party or its solicitors by registered post to the other party's address hereinbefore stated and shall be deemed to have been received upon expiry of 36 hours of such posting or (ii) it is given by the party or its solicitors by hand to the other party or its solicitors upon receipt is acknowledged or (iii) by telex or facsimile upon transmission and any change of address by either party shall be communicated to the other.