

## TYPE SB

### TERMS AND CONDITIONS of Showa Quotation to be incorporated into Contract

#### 1. **SPECIFICATIONS, DESCRIPTIONS AND DRAWINGS**

- 1.1 All drawings, designs, sketches and samples prepared by the Seller shall remain the property of the Seller.
- 1.2 If the Products are to be manufactured or processed by the Seller in accordance with a specification submitted by the Purchaser, the Purchaser shall be responsible for it.
- 1.3 The Seller reserves the right to make any changes to the specification of the Products which are required to conform with any applicable statutory requirements which do not materially affect their quality or performance.

#### 2. **PURCHASE PRICE**

- 2.1 Purchase Price shall be those as set forth in the Quotation".
- 2.2 Purchase Price has been fixed on the terms as set out on the Quotation. Where the Seller agrees to deliver the Products other than such terms as set out on the Quotation, the Purchaser shall be liable to pay the additional costs and expenses incurred by the Seller resulting from the change in the delivery terms.
- 2.3 The Purchase Price shall be exclusive of any applicable tax which the Purchaser shall be additionally liable to pay to the Seller.

#### 3. **PAYMENT**

To be proposed in the Quotation.

#### 4. **TITLE AND DELIVERY**

- 4.1 Lead time is proposed in the Quotation.
- The delivery of the Products shall be made on such terms as set out on the face hereof. Title to the Product shall pass upon receipt by the Seller of the full amount of the Purchase Price. Risk of any loss of or damage to the Product shall pass upon delivery.
- 4.2 Deliveries are scheduled only after receipt of an order and shipping date are estimates, made to the best of the Seller's ability based on conditions prevailing at the time of quotation, and are not guaranteed.
- 4.3 If the Seller fails to deliver the Products or any installment for any reason other than any cause beyond the Seller's reasonable control or the Purchaser's fault and the Seller is accordingly liable to the Purchaser, the Seller's liability shall be limited to the sum of the Purchaser's payments for the Products that are the subject of the claim.

#### 5. **INSPECTION AND ACCEPTANCE**

The Purchaser must immediately inspect or arrange for immediate inspections at its cost upon delivery. All claims for alleged shortages and/or defects are waived and the Purchaser shall be deemed to have accepted the Products, unless the Seller is notified of the claim within thirty (30) days after receipt of the Products.

#### 6. **WARRANTIES**

- 6.1 The Seller warrants that the Products delivered under the Contract will be free from defect in material and workmanship for a period of twelve (12) months from the date of delivery or six (6) months from the date of installation, whichever date is earlier.
- 6.2 This warranty shall not apply to the Products subjected to misuse, neglect or accident. The Seller shall not assume responsibility for reinstallation, repairing, etc. performed outside the Seller's plant by or at the request of the Purchaser.

#### 7. **LIMITATION OF LIABILITY**

- 7.1 Under no circumstances shall the Seller be liable to the Purchaser for any kind of indirect and consequential damage.
- 7.2 Notwithstanding anything herein contained to the contrary, the liability of the Seller for any and all claims for direct damages shall under no circumstances exceed the sum of the Purchaser's payments for the Products that are the subject of the claim.
- 7.3 The Purchaser may not bring any claim, suit or action against the Seller more than one (1) year after the events giving rise to the cause of action occur.

#### 8. **SUSPENSION and CANCELLATION**

No order which has been accepted by the Seller may be suspended or cancelled by the Purchaser except with the agreement in writing of the Seller and on terms that the Purchaser shall indemnify the Seller in full against all loss (including loss of profit), cost (including the cost of labor and materials used), damages, charges and expenses incurred by the Seller as a result of such suspension or cancellation.

#### 9. **FORCE MAJEURE**

The Seller shall not be liable to the Purchaser to the extent that any delay or failure in the performance of its obligations results from any cause beyond its reasonable control and without its fault or negligence. Upon any delay described in this Clause, the time for performance by the party affected by a Force Majeure event shall be extended for a period equal to the time lost by reason of the delay.

#### 10. **INDEMNITY**

The Purchaser shall indemnify and hold the Seller harmless from and against any and all damage, losses, costs, expenses, claims, demands and liabilities arising out of or in connection with the Products or the Purchaser's use thereof.

#### 11. **NON-ASSIGNMENT**

Neither party may assign, transfer or otherwise dispose of the Contract in whole or in part or any interest or obligation therein without the prior written consent of the other party, such consent not to be unreasonably withheld or delayed.

#### 12. **LAW AND JURISDICTION**

These Conditions shall be governed by and construed in accordance with the laws of Japan and the Purchaser has agreed to submit to the non-exclusive jurisdiction of the Tokyo district court by accepting the quotation.