

## **Terms and Conditions of Purchase**

If this order is placed pursuant to a quotation submitted by your company earlier, acknowledgement of this shall be made within 7 working days of its date and shall be treated as an acceptance of these Conditions notwithstanding anything which may be stated or implied to the contrary in the supplier's Conditions of Sales or in correspondence or in the acknowledgement of the order and in any other case acceptance of the order is to be made within 7 working days of the date stated in AMC Cincaria SDN BHD's Purchase Order and will be treated as acceptance of these conditions notwithstanding anything which may be stated or implied to the contrary in the suppliers Conditions of Sale or in Correspondences.

1. Placing of Orders

AMC Cincaria SDN BHD shall not be liable for any purchase orders except those stated on AMC Cincaria SDN BHD's printed Purchase Order Form, which must be signed by an authorized officer of AMC Cincaria SDN BHD<del>.</del>

- 2. Delivery
  - a. If the goods are not delivered by the date and at the place specified in the purchase order or as varied by agreement upon acceptance thereof, we reserve the right to cancel the order in whole or in part.
  - b. The risk of the subject of any order while in transit shall remain with the supplier.
  - c. If the supplier fails to make any delivery at the time stated in the Delivery Schedule or any agreed variations thereto, the supplier shall pay to AMC Cincaria SDN BHD for such a failure, the higher of 1% of the contract value of such a delivery for each week of delay and up to a maximum of 10% of the value of such a delivery, or the losses, including lost profit, suffered by the AMC Cincaria SDN BHD.
  - d. If the failure to deliver is due to the non-availability of free issue parts, the supplier will not be held responsible and a new date will be mutually agreed.
  - e. Ownership of the goods shall pass to AMC Cincaria SDN BHD on payment of said invoices, subject to the right of rejection contained in Conditions 3a.
- 3. Inspection Rejection and Indemnities
  - a. AMC Cincaria SDN BHD reserves the right to reject any goods, which do not comply with plans, drawings or specifications furnished by or approved by AMC Cincaria SDN BHD or are not in accordance with quotation or which are defective in workmanship or are otherwise unsatisfactory or unsuitable for the purpose specified by AMC Cincaria SDN BHD and also goods delivered in excess of the quantities ordered. Notification of the rejection of goods shall be given to the supplier within seven working days of delivery. Rejected goods will be at the supplier's risk and will be returnable at supplier's expense.



- b. The supplier will indemnify AMC Cincaria SDN BHD against all losses, claims, damages, costs and expenses arising out of or in connection with the supply of the goods, unless any such losses is due to the inclusion of agreed faulty free issue parts, including:
- c. Any damages to property or injury to any person arising from any defect in the goods.
- d. Any alleged infringement by the goods of any letters patent, registered designs, trademark or trade name protected in the world, unless the goods are manufactured to AMC Cincaria SDN BHD's design.
- e. In case of strikes, lock-outs, fire, force majeure or any other circumstances beyond AMC Cincaria SDN BHD's control causing stoppage or partial stoppage in AMC Cincaria SDN BHD's production, AMC Cincaria may, by written notice, suspend or cancel deliveries, or amend delivery schedules, against a purchase order during the continuance of such stoppage, without prejudice to the terms of the order.
- f. If, within a reasonable time after AMC Cincaria's acceptance of the goods, AMC Cincaria is to give notice in writing of any defects in the goods arising in proper use, AMC Cincaria will invoice supplier for the defective goods or material. Supplier is responsible to arrange for the return of goods or material within 7 working days, if failed to do so, AMC Cincaria have the rights to return or dispose it without notifying the supplier. All the costs and risks of returning the defective goods and replacing the goods to AMC Cincaria SDN BHD's customer will also be borne by the supplier.
- 4. If there are any deliveries, with the rejects exceeding Acceptable Quality Level (AQL) General Inspection Level III with Acceptable Quality Level at 1.0 and the table provided below, we will proceed with the 100% rescreening process at our side by our Incoming Quality Assurance (IQA) team and we will charge your organisation the time taken to do so at either USD6 or at RM25 per hour.

Total quantity of parts delivered	Sampling quantity	Max reject quantity
2-8	3	0
9-15	5	0
16-25	8	0
26 - 50	13	1
51 - 90	20	2
91 - 150	32	2
151 - 280	50	2
281-500	80	3
501 - 1200	125	4
1201 - 3200	200	6
3201 - 10000	315	8



Total quantity of parts delivered	Sampling quantity	Max reject quantity
10001 - 35000	500	11
35001 - 150000	800	15
150001 - 500000	1250	22
500001 and above	2000	22

## 5. Accounts and Prices

- a. Invoice and Delivery Order must be sent to AMC Cincaria SDN BHD by post or delivered by hands on the same day that the goods are dispatched, with an additional copy to the recipient when the goods are delivered to any address other than AMC Cincaria's current address at Block 2, Wisma Bluemetal, 106 & 108 Lintang Kampung Jawa, 11900 Bayan Lepas, Penang, Malaysia.
- b. The payment terms will start when the Invoice is received by AMC Cincaria, not the Delivery Order.
- c. Packing List and Delivery Order must accompany all goods. All documents related to goods delivered to AMC Cincaria must bear AMC Cincaria's Purchase Order number and AMC Cincaria's part numbers.
- d. If any order is placed on the understanding that in respect of goods other than those quoted on a fixed price basis, any increases in price must be agreed upon by AMC Cincaria SDN BHD prior to actual delivery. Otherwise, AMC Cincaria SDN BHD reserves the right to reject the goods and all costs and risks involved will be borne by suppliers.
- e. The price of the goods shall include packaging, delivery and insurance in transit unless authority for such a charge is expressly incorporated in the purchase order. No additional charge shall be made for these costs, or if made shall not be accepted.
- 6. General
  - a. Price or other terms of AMC Cincaria's purchase order may only be altered upon written authority of an authorized officer of AMC Cincaria SDN BHD.
  - b. These conditions shall be in addition to and not in lieu of the statutory and common law rights and any contract arising from this purchase order shall be construed in accordance with Malaysia Law.



Please contact the Human Resources Personnel should you have any queries:

AMC Cincaria Sdn. Bhd. Block 1 & 2, Wisma Bluemetal, 106 & 108, Lintang Kampung Jawa, 11900 Bayan Lepas, Penang **Tel: 04-2221222** 

Thank you.

AMC CINCARIA SDN BHD Marco Wong Chief Executive Officer