

# Sales Terms & Conditions

Hong Hock Hardware Pte Ltd Terms & Conditions of Sales and Services

There are the terms and conditions upon which Hong Hock Hardware Pte Ltd (“Company”) sells and quotes for the supply of goods or services to another party (“Customer”)

## 1. Governing terms and conditions

These terms and conditions supersede all previous terms and conditions. These are the only terms and conditions which are binding upon the Company with the exception of those otherwise agreed in writing between the Company and the Customer or which are mandatory by law. If any provision or part of a provision of these terms and conditions is or becomes invalid or unenforceable, the same shall be severed from these terms and conditions but the remainder of these terms and conditions shall be unaffected by such severance and will continue in full force and effect.

## 2. Payment

- 2.1. Payment for the Goods and Services supplied and all fees and expenses relating to the order shall be made on the agreed payment terms and conditions.
- 2.2. In event the Customer fails to make payment in accordance to the payment terms and conditions, the outstanding amounts shall bear interest at the rate of 1.5% per month until the full amount is received.
- 2.3. In the event a letter of credit shall be required, the customer shall establish in favor of the Company an irrevocable letter of credit through a prime bank of good international reputation immediately after finalizing of all terms and conditions satisfactory to the Company.
- 2.4. In the event of Customer’s failure to make payment after adequate reminders, the Customer shall be liable for legal or other costs incurred by the Company in the recovery or attempted recovery of any amounts due and payable by the Customer with such legal costs being payable upon a solicitor/client basis.
- 2.5. Further to Clause 2.4, where payment is not received by the Company by the due date or in the event of a receiver being appointed to the Customer, or a petition being presented for the winding up of the Customer or the Customer being declared insolvent or bankrupt, the Customer shall, should the Company so require, deliver up the goods to the Company failing which the Company by its servants or agents is hereby irrevocably authorized to enter any premises of the Customer where the goods may be situated and take possession thereof. The Company shall not be liable for any costs, losses, damages expenses or any other moneys or losses suffered by the Customer as a result of the Company taking repossession of the goods. The Customer further agrees to indemnify the Company against all claims resulting from the Company taking repossession of the goods.

## 3. Quotation

- 3.1. A quotation is valid for 5 days as stated therein unless previously changed or withdrawn by the Company, notwithstanding that every quotation given by the Company is subjected to goods unsold at time of order placement.
- 3.2. Any Customer’s order requiring any form of processing of goods must be accompanied by a written agreement, failing which, the Company reserves the right to not process the order.

- 3.3. The Company shall not be bound by any conditions attaching to the Customer's order or acceptance of a quotation and, unless such conditions are accepted by the Company in writing, the Customer hereby agrees and acknowledges that such conditions shall not apply.
- 3.4. Prices quoted shall exclude handling, delivery, agent charges, sales tax and any other levies unless stated otherwise in writing by the Company. Any additional cost which is not applicable or agreed at the date of the quotation or sales contract but which is subsequently levied upon the Company in relation to the quotation or sales contract as a result of legislation, regulation or governmental policy shall be paid for by the Customer.
- 3.5. A quotation contains commercially sensitive information and by receiving a quotation, the Customer shall not disclose such information, in total or part, to a third party.

#### **4. Delivery of Goods**

- 4.1. The sales contract shall specify whether the Company or Customer shall be responsible for the shipping and/or delivery of the goods.
- 4.2. Dates for delivery of goods are given for information purposes only. Any delay in the delivery of goods does not constitute a breach of sales and the customer is not entitled to cancel the sales or to any other redress or compensation unless guaranteed in writing in the contract documents by the Company.
- 4.3. The Company shall make all reasonable efforts to deliver goods on the date agreed between the parties, but shall not be responsible for any consequential, indirect or other loss arising as a result of any failure by the Company to deliver the goods at any agreed time or within a reasonable period.
- 4.4. If in the performance or observance of its obligations the Company is affected by reason of a force majeure including strike, lockout, industrial dispute, raw material shortage, breakdown of plant, transport or equipment, late receipt of customer's specifications, delay caused by any agent, subcontractor or supplier with the manufacture, processing or delivery of the goods or any other cause beyond the reasonable control of the Company, the Company may extend the time for the delivery for a reasonable period or may notify the customer that it is unable to fulfill all or part of the contract and may cancel the contract in whole or in part without incurring any liability whatsoever.
- 4.5. In event the Customer does not take delivery when the goods are ready, the Company shall be entitled to store the goods without liability and in the open, if necessary, at the Customer's cost and risk.
- 4.6. Unless otherwise agreed, goods supplied shall be of saleable quality and all standards including but not limited to tolerances of dimensions, strength and weight, shall be of such standard as the Company generally applies to such type of goods.
- 4.7. Unless otherwise specified by the company, the quantity supplied may vary by up to 10% over or under the quantity ordered.

#### **5. Inspection and Acceptance**

- 5.1. The Customer shall examine all goods immediately on delivery and shall be deemed to have accepted the goods delivered, unless any discrepancies are notified to the Company in writing within 3 working days after delivery, after which the Company shall not be liable for claims of this nature unless required by law.
- 5.2. Where inspection or testing is required by the Customer or its inspector before the delivery of goods from the premises of the Company or designated inspection premises, the Customer is to perform the inspection and test within the time period or date notified by the Company or as agreed with the Customer. If the Customer does not carry out the inspection or test

within the agreed time period or date and the Customer does not advise the Company in writing for any discrepancies, the Customer is deemed to have accepted the goods as having complied with the sales contract and shall not be entitled to reject the goods for reasons which the inspection or testing would have revealed.

- 5.3. Pursuant to Clause 5.2, if the goods are defective or claimed to be defective or not in compliance with the contract documents following the inspection and testing of the goods, the Customer must give the Company notice in writing within the stipulated time period or date. The Company reserves the right to seek the manufacturer's opinion and advice.

## **6. Warranty and Limitations**

- 6.1. Unless agreed by the Company in writing, the Customer makes no warranty or conditions as to the suitability of the goods for any particular or use or merchantability thereof.
- 6.2. Further to Clause 5.1, any advice, recommendation, information, assistance or service provided by the Company in relation to goods supplied or manufactured by it in respect of their uses or application is given in good faith and such advice, recommendation, information, assistance or service is given without liability on the part of the Company and it shall be the responsibility of the Customer to confirm the accuracy and reliability of the same in light of the uses to which the Customer makes or intends to make of the goods.
- 6.3. Goods supplied are subject to the chemical and mechanical composition, physical properties and product standards of the original manufacturer and are covered by such warranty as specified by the original manufacturer. The Company does not give any warranty beyond such warranty.
- 6.4. The Company shall not be responsible under any cause of action in contract law, tort law or on any other basis, to the Customer for loss of profit, loss of revenue, loss of use or loss of good will, or for the cost or damage of downtime or substitution of goods, or for any third-party claims against the Customer, in relation to the sales contract or for any special, incidental, consequential, indirect or exemplary damages whatsoever. The Customer indemnifies the Company against any such third-party claim against it.
- 6.5. In the event of non-conformance or a breach by the Company, the Customer shall only be entitled to seek the repair or replacement of goods, or the monetary equivalent (and not more) of the same. The Company's total liability under the sales contract shall not exceed the price of goods in total.

## **7. Passing of property and risk**

- 7.1. The goods supplied by the Company to the Customer shall be at the Customer's risk immediately upon the goods being loaded on to the vehicle effecting delivery to the Customer or upon the goods being placed in the Customer's custody provided that where the goods are being delivered by the Company or any agent, employee, sub-contractor, invitee or servant of the Company, the goods shall be at the Customer's risk from the time where unloading commences at the Customer's premises or where unloading commences at a place designated by the Customer.
- 7.2. Legal ownership of the goods shall only be passed to the Customer when those goods supplied by the Company to the Customer have been paid for in full.
- 7.3. Until such payment referred to in clause 6.2 hereof has been made, the Customer holds the goods as bailee for the Company and shall store the goods in a safe and secure manner. The Customer must keep the goods free from any charge, lien or encumbrance until legal ownership has been passed to the Customer from the Company.

7.4. In event the Company is unable to recover the goods pursuant to Clause 2.5 hereof, the Company shall be entitled to maintain an action for the sale price of the goods notwithstanding it retains legal ownership of the goods pursuant to Clause 6.2 hereof and all legal costs and expenses incurred by the Company in the recovery of unpaid moneys shall be paid by the Customer with such legal fees to be charged on a solicitor/client basis.

## **8. Returns and Cancellation**

8.1. Goods processed to the Customer's specifications are not returnable. Other goods that have been delivered may be returned if returned within 7 days of their delivery in their original and undamaged condition and if authorized in writing by the Company, with freight and other costs charged to the Customer. The Company reserves the right to charge a handling and restocking fee of up to 20% of the sale price of goods returned.

8.2. In event of cancellation of order prior to delivery, if the goods have already been processed and packed for delivery within one week of receiving the purchase order from Customer, the Company reserves the right to charge a cancellation fee of up to 10% depending on the extent of work done. Otherwise, the Company reserves the right to charge a cancellation fee of up to 20% of the sale price of goods cancelled.

## **9. Right to Terminate Contract**

The Company shall be entitled, without prejudice to its other rights and remedies, to terminate or suspend the whole or any part of this contract and any other contract between the Company and the Customer, if the Customer fails to adhere to any of the terms and conditions of sales and service or if the Customer obtains an unfavorable report on financial standing; or if the Customer becomes insolvent, enters into any composition or arrangement with its creditors, or a manager, receiver or provisional liquidator or liquidator or administrator is appointed to the Customer's business.

## **10. General**

Any sales between the Company and Customer is governed by the laws of Singapore and parties submit to the exclusive jurisdiction of the courts of Singapore.