

# Terms & conditions of purchase

## XP Power Limited (the “Buyer”)

### 1. Acceptance:

- 1.1. Unless superseded by a previously executed Purchasing Agreement, in which event that agreement along with these terms and condition apply, the terms and conditions below together with those appearing on the face of this purchase order or on any attachments to this purchase order (collectively the “Purchase Order”) constitute the complete and exclusive agreement between Buyer and Seller.
- 1.2. The acceptance of this Purchase Order, by acknowledgement, shipment of products, performance of services, or commencement conditions set forth below and on the face of this Purchase Order. The delivery date stated in the Purchase Order shall be deemed accepted by Seller unless Seller objects in writing to Buyer within two (2) business days of its receipt of this Purchase Order.
- 1.3. Buyer shall not be bound by any acknowledgement or acceptance of this Purchase Order which modifies, supersedes, or otherwise alters these terms and conditions.
- 1.4. These terms and conditions may only be modified with Buyer’s express written consent.

### 2. Delivery and Quantity:

- 2.1. Time is of the essence for delivery and all other obligations arising herein. “Delivery Date” shall mean the date the Purchase Order item is required to arrive at Buyer’s nominated facility.
- 2.2. If Seller fails to meet the scheduled Delivery Dates, Buyer may, at its option, cancel this Purchase Order, or any part of this order, without incurring any liability. Buyer requests expedited shipment of any late deliveries; Seller shall pay any additional cost of expedited shipment.
- 2.3. Seller shall not ship ahead of the scheduled Delivery Date unless authorized by Buyer in writing. Buyer may return, at its option, all unauthorized early shipments to Seller at Seller’s expense. Payment for early shipments shall be postponed until normal maturity after the scheduled delivery date.
- 2.4. Seller, when it has reason to believe that deliveries will not be made as scheduled, shall provide immediate written notice to Buyer, setting out the cause of such anticipated delay. Seller shall be, in addition to any other remedy available to Buyer, liable for Buyer’s documented additional expenses due to its failure to deliver in the event that it fails to provide such notice.
- 2.5. Notwithstanding the above, neither Buyer nor Seller shall be liable for delays or defaults due to fires, floods, earthquakes, riots, storms or acts of civil or military authority and without their fault or negligence. In the event that any such condition exists as to Seller, Buyer may at its option, exercise its rights under section 2.2 of this Purchase Order.

### 3. Packing and Shipping:

- 3.1. Shipments must be preserved, packaged, handled and packed to permit efficient handling, provide protection from loss or damage, and comply with Buyer specifications, government regulations, industry standards and carrier requirements. Seller shall be liable for any loss or damage due to its failure to properly preserve, package, handle or pack any shipment.
- 3.2. All containers, packing lists, bill of lading and invoices must list the Purchase Order number.

### 4. Quality Inspection:

- 4.1. Unless otherwise specified and approved by the Buyer, the supplier shall comply to ISO9001 Quality Management System.
- 4.2. Seller shall deliver Products conforming to applicable specifications (i.e. drawings, specification sheets, etc.) and which are 100% free of any and all defects.
- 4.3. The supplier must review and confirm drawing and artwork revision.
- 4.4. Upon request, Seller shall make available to Buyer all Product test data relating to qualification as well as production yield as evidence of conformance to specifications and

quality control. For all custom-made parts, if the material/finishes used to manufacture the product specified on the drawing, please provide a COC for that material and / or finishes used.

- 4.5. Seller will inform Buyer of all lot and/or date code information for all shipments.
- 4.6. Suppliers shall maintain records such that all parts are traceable to the raw materials and manufacturing history and all relevant records must be made available upon request.
- 4.7. All products will be subject to inspection and approval by Buyer. Buyer shall have the right to inspect the products at any time during the manufacturing process at Seller's facilities or elsewhere provided Buyer gives reasonable advance notice of each visit, and such visit does not disrupt the manufacturing capability of Seller or violate Seller's safety or clean room procedures.
- 4.8. Seller will promptly notify Buyer in writing of any known non-conformance to the product requirements and/or specifications and SHALL not ship without prior written approval from Buyer SQE.
- 4.9. Buyer may, at its option, reject and return any products which contain defective material or workmanship, or which do not conform to this Purchase Order, applicable drawings, specifications, or sample. Rejected products which Buyer returns to Seller and replacement or repaired products which are returned to Buyer shall be returned at Seller's risk and expense.
- 4.10. Payment for any products or services shall not constitute final acceptance. If product is rejected, Seller agrees to supply Buyer with a Return Material Authorization Number (including replacement product if requested by Buyer) and a containment plan within twenty-four (24) hours of Seller's receipt of notification. Seller further agrees to provide Buyer with an initial failure analysis and corrective action response within seven (7) days of notification. Seller agrees to provide failure analysis and corrective action in XP Power requested format. If replacement product is found to be non-conforming or delivery of replacement product is not fulfilled as required, Buyer may, at its option, cancel the related Purchase Order in whole or part, without penalty or liability whatsoever to Buyer may avail of any remedy set forth herein or pursuant to applicable law.
- 4.11. The Supplier/seller acknowledges that counterfeit goods pose significant risks to the organization and its stakeholders. Therefore, the Supplier/Seller shall ensure that all goods purchased are genuine, authentic, and free from any form of counterfeiting. The Supplier/Seller shall obtain sufficient evidence of the authenticity of the goods from the manufacturer, such as certificates of authenticity, manufacturer's warranties, CoC or other relevant documentation. Supplier/seller shall be liable for all costs relating to the removal and replacement of Counterfeit Goods, including without limitation the Purchaser's costs of removing Counterfeit Goods, of installing replacement Work and of any testing necessitated by the reinstallation of Work after Counterfeit Goods have been exchanged. The Supplier shall support the Purchaser in any investigation to support resolution of any such suspect or affected Work.

**5. Pricing, Invoices and Payment:**

- 5.1. Seller shall sell to Buyer the products or services shown on the face of this Purchase Order at the price specified. All prices are exclusive of applicable freight charges and duties unless otherwise agreed to by Buyer.
- 5.2. Seller warrants that the prices charged for the products or services are not higher than those charged to any other customer or Buyer site for products of like grade and quality in similar quantities pricing. Buyer may, in addition to any other remedies available at law or equity, invoice Seller for the difference between Buyer's price and such lower price for all products already received and immediately change the price on this Purchase Order to reflect such lower price. Seller shall pay such invoice within thirty (30) days from the date of the invoice.
- 5.3. An invoice must be issued by Seller for each separate shipment made against this Purchase Order. Each invoice shall reference this Purchase Order number.
- 5.4. All invoices shall be issued, and payment shall be made in the currency stated on the face of this Purchase Order.
- 5.5. XP Power payment terms are sixty (60) days end of month (EOM) , unless otherwise agreed upon in writing by the parties.

**6. Warranties:**

- 6.1. Seller warrants that it has title to the products, and that the product is free of all liens. These warranties shall be perpetual.

- 6.2. Seller further warrants all products furnished under this Purchase Order are free from defects in material and workmanship and conform to applicable specifications, drawings, samples or other descriptions provided by Buyer; will fit the purpose intended; will be new and of merchantable quality and all services will be rendered in a good and workmanlike manner.
  - 6.3. These warranties (except for title) shall extend for 3 years after delivery of products or completion of services.
  - 6.4. Warranty failures may be returned to Seller for replacement or credit at Buyer's option and at Seller's risk and expense. Replacement products shall be in "like new condition" and subject to full original warranty.
  - 6.5. If Seller breached any warranty specified in this order or afforded by law, Buyer shall be entitled to avail itself cumulatively of all remedies in law or in equity.
  - 6.6. All Goods cumulatively received by Buyer experience a failure rate of more than 3% from the same defect or more than 5% from cumulative defects, Seller shall prepare a plan for diagnosing and addressing the problem and will be responsible for all costs incurred by Buyer and its customers in rectifying such failures, including, without limitation, for engineering changes, testing and field-recovery costs, as well as for all damages.
7. **Changes:**
- 7.1. Buyer reserves the right, at any time, to make changes in the specifications, drawings, samples or other description to which the products or services are to conform, the quantity and method of shipment and packaging, or in the time or place of delivery.
  - 7.2. If any such changes directly affect the price of delivery schedule of products or services, a reasonable adjustment will be made, provided that, Seller must make a written claim within thirty (30) days following seller's receipt of such changes. If the parties are unable to agree upon the amount of the adjustment, acting reasonably and in good faith, Buyer may without any liability cancel this Purchase Order as to all products and services affected.
  - 7.3. Unless otherwise stated on the face of this Purchase Order or in an attachment to this Purchase Order, Buyer may reschedule any delivery due at Buyer's facility more than seven calendar (7) days from the date such rescheduling without incurring any rescheduling charges or other expense.
  - 7.4. Seller shall confirm, within 2 days, any changes or reschedules in writing, via mail, facsimile or electronic data transmission.
  - 7.5. Seller shall not without the prior written consent of Buyer, make any process, design or other changes to the products.
  - 7.6. This Purchase Order shall not be deemed or construed to be modified, amended, rescinded, cancelled or waived in whole or in part, except in writing by Buyer.
8. **Intellectual Property Indemnity:**
- 8.1. Seller shall defend, indemnify, and hold harmless Buyer and its affiliates, subsidiaries, and its customers against all claims, losses, demands, damages or liability incurred of any kind of nature arising from any actual or claimed infringement of any patents, trademarks, service trade secrets, or copyrights with respect to any products or services furnished under this Purchase Order.
  - 8.2. If the use by Buyer or its affiliates, subsidiaries, assigns or customers of any product or service furnished under this Purchase Order is enjoined ("infringing Product"), Seller shall, at its own expense, procure for Buyer the right to continue using the infringing Product. If seller is unable to do so, Seller shall at its own expense, either replace the infringing Product with a non-infringing product or modify the infringing Product so that it becomes non-infringing. If Seller is unable to replace or modify the infringing Product, Seller shall promptly refund in full all costs paid by Buyer for the infringing Product.
  - 8.3. If the use of such products is enjoined, temporarily or permanently, Buyer may return such products to Seller for full credit and cancel any remaining portion of the Purchase order.

**9. Cancellation:**

- 9.1.** Buyer may cancel this Purchase Order in whole or in part at any time in the manner specified in Section 9.8, upon the occurrence of certain events, including but not limited to:
  - 9.1.1.** Default by Seller with respect to delivery, quality, or other obligation under this Purchase Order, or
  - 9.1.2.** Insolvency of Seller, filing by Seller of a voluntary petition in bankruptcy, filing of an involuntary petition to have Seller declared bankrupt or the execution by Seller of any assignment for the benefit of creditors.
- 9.2.** In the case of (I) or (II) in Section 9.1, Buyer shall incur no liability after giving written notice of the cancellation.
- 9.3.** Buyer shall have the option to cancel this order, without cause, at its discretion. In such event, Buyer's liability shall not exceed the full price of products already manufactured to meet scheduled delivery dates. Such liability is limited to deliveries that Buyer has ordered with delivery dates of no more than thirty (30) calendar days from the date of notification of such cancellation.
- 9.4.** In the event of buyer's cancellation, other than pursuant to section 9.1, Buyer shall only be liable for cancellation related expense:
  - 9.4.1.** If Seller provides a complete cost analysis for Buyer's inspection, and
  - 9.4.2.** Seller is otherwise unable to sell components or material to another source within a reasonable timeframe.
- 9.5.** Upon cancellation of software or services orders, Buyer shall only be liable for the price of the work that has been completed as of the date of cancellation notice.
- 9.6.** Under no circumstances shall Buyer pay cancellation charges exceeding the value of the unpaid balance of this Purchase Order.
- 9.7.** If Buyer notifies Seller of the cancellation of this Purchase Order, Seller shall immediately stop all work on this Purchase Order. Buyer shall not be liable for Seller's excess material ordered or manufactured that is attributable to Seller's poor material management practices.
- 9.8.** Buyer may cancel this Purchase Order orally or in writing. If Buyer provides oral notice of cancellation, Buyer will confirm such oral cancellation in writing within 24 hours.
- 9.9.** Upon notification of cancellation, Seller shall provide a complete cancellation cost analysis and shall immediately notify Buyer of any anticipated cancellation costs.

**10. Liability:**

- 10.1.** Buyer's maximum liability for breach of this Purchase Order shall be limited to the remaining unpaid balance of the total cost of the outstanding balance of products or services on the face of the Purchase Order.
- 10.2.** Seller shall be liable for the cost of manufactured or partially manufactured assemblies where Buyer has incorporated Seller's defective products provided that:
  - 10.2.1** Buyer did not cease the defect in the products;
  - 10.2.2** Buyer used reasonable efforts to inspect the products for defects; and
  - 10.2.3** Buyer stopped production with the suspect products after becoming aware of the problem.
- 10.3** Notwithstanding the above, Buyer shall retain the right to avail itself of any remedy available at law or in equity.

**11. Confidentiality:**

- 11.1.** Seller agrees to keep confidential from any third party all information obtained from Buyer while performing obligations pursuant to this Purchase Order, including but not limited to Buyer's specification, drawings, pricing, usage/schedules, verbal understandings, or site observations. Sellers shall use at least the same care in protecting Buyer's confidential information as Seller

uses in protecting its own confidential information.

**11.2.** Seller further agrees that such information shall be distributed internally on a need to know basis and shall not be used, except to perform obligations pursuant to this Purchase Order, without prior written permission of Buyer.

**11.3.** Seller shall not disclose the existence of this Purchase Order to any third party, including the products or services supplied prices, pictures, descriptions, or samples without any prior written approval from Buyer.

**12. Compliance with Applicable Laws:**

**12.1.** Seller certifies that all the products or services to be furnished to Buyer to fulfil this Purchase Order will be manufactured or supplied by Seller in accordance with all currently applicable federal, state, and local laws, rules, regulations and orders, including without limitation environment laws, rules, regulations, orders and permits. Upon request, Seller shall furnish Buyer with specific certifications of legal compliances.

**13. Toxic Substances:**

**13.1.** Unless otherwise stated on the face of this Purchase Order, Seller hereby warrants to Buyer that all products provided to Buyer are safe for their foreseeable use, are not defined as hazardous or toxic substances under applicable Federal, State or local law and present no hazard to persons or the environment. Seller agrees to defend, indemnify and hold Buyer harmless for any expense incurred by reason of Seller's delivery to Buyer of hazardous or toxic substances.

**14. Notices:**

**14.1.** Any notice to Buyer shall be directed to Buyers authorized representative whose signature appears on the face of this Purchase Order.

**14.2.** Any notice required pursuant to this Purchase Order shall be in writing and shall be deemed received as of the date of actual receipt of writing notice.

**15. Miscellaneous:**

**15.1.** Seller shall not delegate any duties or assign any rights under this Purchase Order. Any attempted delegation of assignment shall be void.

**15.2.** Failure by Buyer to insist upon strict compliance to the terms and conditions of this Purchase Order is not a waiver of the terms or condition. The waiver of any terms or condition of this Purchase Order must be in writing. No such waiver shall be construed as a waiver of any other terms or condition nor as a waiver of any subsequent breach of the same terms or condition.

**15.3.** If any provisions herein shall be held to be invalid or unenforceable for any reason, such provision shall, to the extent of such invalidity or unenforceability, be reformed or, if necessary, severed to the minimum extent necessary to render the remainder of this Purchase Order to be valid or enforceable, but without in any way affecting the remainder of such provision or any other provision contained herein, all of which shall continue in full force and effect.

**15.4.** This Purchase Order shall be construed in accordance with, and governed by, the laws of Singapore. Seller hereby consents to submit any dispute arising hereunder to Singapore courts.

**15.5.** Unless otherwise specified by Buyer in writing, all designs, tools, patterns, drawings, data, materials, and equipment supplied to Seller or paid for by Buyer shall remain the property of Buyer, shall be used only for making the Goods for Buyer, shall be insured by Seller at replacement value, and shall be returned to Buyer in good condition upon completion of this Order. Seller assumes all responsibility for the accuracy of tooling used in the production of the Goods, whether such tooling is fabricated by Seller or furnished by Buyer.

**16. Compliance With Responsible Business Alliance Code of Conduct**

**16.1.** The Responsible Business Alliance (RBA) Code of Conduct establishes standards and processes in place to ensure that working conditions in the electronics industry and supply chain are safe.

- 16.2. Suppliers are required to comply with the Responsible Business Alliance Code of Conduct.
- 16.3. For details of RBA Code of Conduct, please refer to the website <https://www.responsiblebusiness.org/code-of-conduct/>

**Approved by the XP Power on 1 Mar 2025**

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