

## Terms and Conditions of Sale of PT Q-SpicIng PMA

Version: I (03/03/2007)

**Controlling provisions:** No terms and conditions other than the terms and conditions contained herein shall be binding upon the Buyer unless accepted by it in a writing signed by the Seller. All terms and conditions contained in any prior oral or written communication, including, without limitation, the Buyer's purchase order, which are different from or in addition to the terms and conditions herein are hereby rejected and shall not be binding on the Seller, whether or not they would materially alter this document, and the Seller hereby objects thereto. All prior proposals, negotiations and representations, if any, are merged herein. The Buyer will be deemed to have assented to all terms and conditions contained herein if any part of the goods and/or services described herein are shipped or an invoice is presented in connection with the said goods and/or services.

**Terms:** The Buyer agrees to pay for the products according to the Seller's payment terms. In the event the Buyer fails to make any payment to the Seller when due, the Buyer's entire account(s) with the Seller shall become immediately due and payable without notice or demand. The Buyer does hereby grant the Seller a purchase money security interest in the products until such time as the Seller is fully paid. The Buyer will assist the Seller in taking the necessary action to perfect and protect the Seller's security interest.

**Remedies of the Seller:** Upon default by the Buyer, the Buyer agrees to reimburse the Seller all attorney fees and court costs incurred by the Seller in connection therewith. The Buyer agrees that any of the following shall constitute an event of default which shall enable the Seller, at its option, to cancel any unexecuted portion of this order or to exercise any right or remedy which it may have by law: (a) the failure of the Buyer to perform any term or condition contained herein; (b) any failure of the Buyer to give required notice; (c) the insolvency of the Buyer or its failure to pay debts as they mature, an assignment by the Buyer for benefit of its creditors, the appointment of receiver for the Buyer or for the materials covered by this order or the filing of any petition to adjudicate the Buyer bankrupt; (d) the death, incompetence, dissolution or the termination of existence of the Buyer; (e) a failure by the Buyer to provide adequate assurance of performance within ten (10) days after a justified demand by the Seller or (f) if the Seller, in good faith, believes that the Buyer's prospect of performance under this Agreement is impaired. All rights and remedies of the Seller herein are in addition to, and shall not exclude, any rights or remedies that the Seller may have by law. In the event it becomes necessary to incur any expense for collection of any overdue account, reasonable collection charges, including reasonable attorneys' fees, will be added to the balance due and the Buyer shall pay all such charges.

**Governing Law:** This transaction shall be governed in all respects by the laws of the Republic of Indonesia. All actions, regardless of form, arising out of or related to this transaction or the products sold hereunder must be brought against the Seller within the applicable statutory period, but in no event more than SIX (6) MONTHS after the date of invoice.

**Delivery:** The Seller will make a good faith effort to complete delivery of the products as indicated by the Seller in writing, but the Seller assumes no responsibility or liability and will accept no back charge for loss or damage due to delay or inability to deliver, whether or not such loss or damage was made known to the Seller, including, but not limited to, liability for the Seller's non-performance caused by acts of God, war, labor difficulties, accidents, inability to obtain materials, delays of carriers, contractors or suppliers or any other causes of any kind whatever beyond the control of the Seller. Under no circumstances shall the Seller be liable for any special, consequential, incidental, indirect, or liquidated damages, losses, or expense (whether or not based on negligence) arising directly or indirectly from delays or failure to give notice of delay.

**Indemnification:** The Buyer shall at its own expense apply for and obtain any permits and inspection documents required for the import and/or use of the products. The Seller makes no promise or representation that the products or services will conform to any country, state or local laws ordinances, regulations, codes or standards, except as particularly specified and agreed upon in writing by an authorized representative of the Seller.

The Seller shall not be responsible for any losses or damages sustained by the Buyer or any other person as a result of improper use, storage or processing of the products. The Buyer shall defend, indemnify and hold harmless the Seller and its agents and employees against any loss, damage, claim, suit, liability judgment or expense (including, without limitation, attorney's fees) arising out of or in connection with any injury, disease or death of persons (including, without limitation, the Buyer's employees and agents) or damage to any semi finished product, or violation of any applicable laws or regulations resulting from or in connection with the sale, transportation, processing, or storing of the products by the Buyer, whether caused by the concurrent and/or contributory negligence of the Buyer, the Seller, or any or their agents, employees or suppliers. The obligations, indemnities and covenants contained in this paragraph shall survive the consummation or termination of this transaction.

**Inspection and Acceptance:** The inspection results provided by the Seller are final and will serve as benchmark for any dispute. Damages as a result of shipment are for account of the Buyer. The Buyer shall have seven (7) days from the date the Buyer receives any products to inspect such products and services for defects and nonconformance which are not due to damage, shortage or errors in shipping and notify the Seller, in writing, of any defects, nonconformance or rejection of such products. After such seven (7) day period, the Buyer shall be deemed to have irrevocably accepted the products, if not previously accepted. After such acceptance, the Buyer shall have no right to reject the products for any reason or to revoke acceptance. The Buyer hereby agrees that such seven (7) day period is a reasonable amount of time for such inspection and revocation. The Buyer shall have no right to order any change or modification to any product or service previously ordered by the Buyer or its representatives or cancel any order without the Seller's written consent and payment to the Seller of all charges, expenses, commissions and reasonable profits owed to or incurred by the Seller. Specially fabricated or ordered items may not be canceled or returned, and no refund will be made. The sole and exclusive remedy for merchandise alleged to be defective in workmanship or material will be

the replacement of the merchandise subject to the manufacturer's inspection and warranty.

**Returns:** The Buyer may return any product which the Seller stocks with no restocking charge if: (i) it is in new condition, suitable for resale in its undamaged original packaging (ii) it has not been used, modified, reconditioned, processed, altered or damaged. The Buyer's surplus job returns, and those not meeting (i) and (ii), above, will be evaluated on an individual basis after the Buyer has contacted the Seller's authorized representative for prior written permission. Special orders or non-stock items may be returned if the manufacturer will accept the return. Excepts for the items the Seller stocks which meet (i) and (ii), above, credit memoranda issued for authorized returns shall be subject to the following deductions: (a) cost of putting items in salable conditions; (b) transportation charges, if not prepaid; and (c) handling and restocking charges.

**Shipments:** All products are shipped F.O.B. (Free on Board), point of shipment. Risk of loss shall transfer to the Buyer upon tender of goods to the Buyer, the Buyer's representative, or common carrier. The cost of any special packing or special handling caused by the Buyer's requirements or requests shall be added to the amount of the order. If the Buyer causes or requests a shipment delay, or if the Seller ships or delivers the products erroneously as a result of inaccurate, incomplete or misleading information supplied by the Buyer or its agents or employees, storage and all other additional costs and risks shall be borne solely by the Buyer. Claims for products damaged or lost in transit should be made by the Buyer to the carrier, as the Seller's responsibility ceases upon tender of goods to the Buyer, the Buyer's representative or common carrier. Insurance costs as from the point of loading are for account of the buyer.

**Taxes:** The amount of any sales, excise or other taxes, if any applicable to the products shall be added to the purchase price and shall be paid by the Buyer unless the Buyer provides the Seller with an exemption certificate acceptable to the taxing authorities. Any taxes which the Seller may be required to pay or collect under any existing or future law, upon or with respect to the sale, purchase, delivery, storage, processing, use or consumption of any of the products, including taxes upon or measured by the receipts from the sale thereof, shall be for the account of the Buyer, who shall promptly pay the amount thereof to the Seller upon demand.

**Severability:** These terms and conditions of sale shall not be construed against the party preparing them, but shall be construed as if all parties jointly prepared these terms and conditions of sale and any uncertainty or ambiguity shall not be interpreted against any one party. If any provision hereof is held to be illegal, invalid or unenforceable under any present or further laws, such provision shall be fully severable and the terms and conditions herein shall be construed and enforced as if such illegal, invalid or unenforceable provision had never been made a part hereof. The remaining provisions herein shall remain in full force and effect and shall not be affected by such illegal, invalid or unenforceable provisions or by their severance herefrom.

**Set-off:** Buyer shall not be entitled to set-off any amounts due by Buyer against any amount due by Seller in connection with this transaction.

**Non-Waiver:** The Seller's failure to insist upon the strict performance of any term or condition herein shall not be deemed a waiver of any of the Seller's rights or remedies hereunder, nor of its right to insist upon the strict performance of the same or any other term herein in the future. No waiver of any term or condition hereunder shall be valid unless in writing and signed by the Seller.

**Entire Agreement:** This document constitutes the entire, complete, and exclusive agreement between the parties with respect to the subject matter hereof and contains all the agreements and conditions of sale; no course of dealing or usage of the trade shall be applicable unless expressly incorporated herein. The terms and conditions contained herein may not be added to, modified, superseded or otherwise altered except by a written modification signed by an authorized representative of the Seller. All transactions shall be governed solely by the terms and conditions herein.

Revised 03/03/2007