

GENERAL TERMS AND CONDITIONS

These General Terms and Conditions ("Terms") hereinafter set forth shall be applied to and incorporated in all "Contract(s)" to be negotiated and concluded between the Bridgestone entity in Thailand issuing the purchase order sheet referencing these Terms (hereinafter called "Bridgestone") and the company to which Bridgestone shall issue the purchase order sheet for the procurement and supply of goods and/or services called the "Product" (hereinafter called the "Company").

ARTICLE 1. CONCLUSION, CONTENTS AND ALTERATION OF THE CONTRACT

- 1) The Contract shall be deemed to have been concluded and executed when Bridgestone has issued to the Company a purchase order sheet prepared in Bridgestone's form and the drawings, specifications and other related documents as may be required (hereinafter called the "Specifications") and the Company has completed any of the following procedures:
 - (1) When the Company has returned to Bridgestone one of the copies of the order sheet duly signed by its authorized representative.
 - (2) When the Company has delivered to Bridgestone any of the Products ordered.
 - (3) When the Company has informed Bridgestone of the commencement of execution of the order, regardless of the method of notification.
 - (4) When the Company has submitted to Bridgestone a statement acknowledging the receipt of the order prepared in the Company's prescribed form.
- 2) The descriptions of the Product including but not limited to the name of the Product ordered, the unit price, quantity, purchase price, method of payment, place of delivery and time of delivery thereof shall be entered in the order sheet or the Specifications.
- 3) Any and all conditions offered by the Company at the time of presenting a prior estimate of a statement acknowledging the receipt of the order or otherwise expressing its intention to accept the order shall have no effect unless accepted and agreed by Bridgestone in a duly signed written consent.
- 4) In case there arises the need for changing the contents of the Contract such as the Specifications and delivery time, Bridgestone and the Company shall consult with each other to make such change.

ARTICLE 2. BRIDGESTONE'S SPECIFICATION AND DIRECTIONS

- 1) Where required by Bridgestone, the Company shall execute the order in accordance with the Specifications presented by Bridgestone and by observing Bridgestone's directions. In case of any ambiguity or doubt in any part of the Specifications the Company shall so inform Bridgestone and follow its directions.
- 2) Bridgestone may, whenever need arises, demand the presentation of data and materials for confirming the contents of the Company's business operations (including the plant locations and operation plans).
- 3) The Company shall make no changes, additions or deletions in respect of the manufacture of the Product, as described in the Specifications, without Bridgestone's prior written approval.

ARTICLE 3. COMPLIANCE WITH LAWS AND STANDARDS

- 1) In the course of performance of the Contract, the Company shall faithfully comply with all applicable laws, regulations, standards and formalities of relevant governments.
- 2) When Bridgestone makes a request for a report or materials pertaining to the compliance with laws and standards mentioned

in the preceding clause, the Company shall promptly comply with such request.

ARTICLE 4. INSPECTION

Prior to the shipment of the Product, the Company shall conduct a delivery inspection of the same in accordance with the inspection standard specified by Bridgestone (if any) and generally accepted industry standards to ensure the quality of the Product to be delivered.

ARTICLE 5. DELIVERY

- 1) The Company guarantees to deliver the Product to such place and at such time as is specified in the purchase order or other agreed documents. The Company shall at all times perform its works in accordance with the agreed schedule.
- 2) In case of any delays to the agreed schedule, the Company shall use all reasonable endeavors to correct or mitigate the effects of such delays in a manner satisfactory to Bridgestone.
- 3) When making delivery of the Product, the Company shall send the invoice and the drawings, test data, instruction manuals and so forth which the Company is required to submit by attaching to the delivered Product.

ARTICLE 6. ACCEPTANCE INSPECTION

Upon receipt of the Product from the Company, Bridgestone shall conduct an acceptance inspection of the same without delay according to the inspection method established by Bridgestone for judgment of the Product acceptance/rejection and shall inform the Company in writing if the Product is rejected in the inspection.

ARTICLE 7. TRANSFER OF OWNERSHIP AND RISK OF LOSS

- 1) The ownership of the Product shall pass from the Company to Bridgestone in the place stipulated in the Contract provided, however, that the Product is required to be subjected to the acceptance inspection as set forth in the Contract and the ownership shall be transferred at the time when the Product passes the acceptance inspection.
- 2) All risk of loss damage or deterioration of the Product occurring before the transfer of the ownership shall rest with the Company.

ARTICLE 8. PAYMENT

When the Company has performed its obligation herein set forth, Bridgestone shall make a payment according to the payment terms specified in the Contract after the Company has submitted the original invoice together with delivery documents required by Bridgestone.

ARTICLE 9. WARRANTY

- 1) In the event of any defect in the Product detected within one (1) year after completion of the acceptance inspection or after delivery of the Product to the designated place, Bridgestone may demand that the Company repair such defect by the method approved by Bridgestone or supply a conforming replacement product within the period specified by Bridgestone or reduce the purchase price.
- 2) Bridgestone may claim damages in addition to or in lieu of the actions mentioned in the preceding clause.
- 3) Even after the lapse of the period mentioned in Clause 1, if Bridgestone sustains any loss or damage resulting from any major defect in the Product which is attributable to the Company, Bridgestone and the Company shall consult with each other to determine the amount to be paid by the Company in compensation therefor.
- 4) The Company warrants and guarantees that the Product are new and meet all the Specifications and requirements, and are free

from faulty design, workmanship and material and are of sufficient size and capacity and/or proper materials so as to fulfill all aspects of requirements and performance of the Product specified in the Contract. If any defect originating with the design, materials, workmanship, operating characteristics, or any breach of the above warranty and guarantee arises at any time within twelve (12) months from the acceptance date, and the Company is notified thereof, the Company shall make any required repairs, replacements or alteration as may be necessary to permit the Product to function in accordance with the Specifications or requirements, in a timely manner satisfactory to Bridgestone, at Company's own expense including labour costs, export packing and transportation from/to the Bridgestone's premises, dismantling and re-installation of the Product, and dispatching the necessary qualified specialist(s) for rectification.

- 5) Should the Company fail to take such remedial work in a timely manner satisfactory to Bridgestone, Bridgestone may, at its option, take remedial action at the Company's expense or accept the Product not meeting the Specifications contained herein with an adjustment to the contract price.

ARTICLE 10. INTELLECTUAL PROPERTY RIGHTS

- 1) The Company hereby grants Bridgestone a perpetual, royalty-free, fully paid up, irrevocable, non-exclusive license (with a right to sub-license) to use all intellectual property rights in the materials created or developed by the Company pursuant to the Contract or these Terms and any intellectual property rights arising as a result of the Product.
- 2) When the Company wishes to apply for registration of any intellectual property rights with respect to the Product manufactured according to Bridgestone's Specifications or in relation to the manufacturing method of the Product, it shall forward a prior written notice to Bridgestone and obtain its consent in writing, and both parties shall then consult with each other to determine on the ownership of said intellectual property rights.
- 3) When Bridgestone makes a request for licensing of the intellectual property rights owned by the Company with respect to the Product, the Company shall comply with same by offering the most favorable conditions, and the details of the licensing agreement shall be determined upon consultation between Bridgestone and the Company.
- 4) In the event of any dispute with any third party arising in connection with infringement of any intellectual property rights pertaining to the Product and registered in Thailand or any other country, the Company shall be solely and fully responsible for settlement of such dispute at its own risk and expense, and Bridgestone shall provide the necessary assistance to the Company as need arises.
- 5) This Article 10 shall survive termination of the Contract or these Terms.

ARTICLE 11. SECRECY OBLIGATION

Any Specifications or any other information provided to the Company by Bridgestone including the information related to the Contract shall be treated as confidential, shall be used only for the purpose of the performance of the Contract and shall not be reproduced in whole or in part for any other purposes.

All such information shall be returnable upon demand of Bridgestone. The Company shall ensure that such information is not divulged to any third party except where necessary for the performance of the Company's obligations under the Contract and, in such cases, subject to the third parties in question undertaking a similar obligation of confidentiality.

The obligation does not apply to information which at the time of disclosure is in the public domain or is in the Company's lawful possession without restrictions on disclosure.

ARTICLE 12. SUBCONTRACTING

- 1) The Company shall not sublet the Contract or these Terms either in whole or in part to any third party without a prior written consent obtained from Bridgestone.
- 2) Even when the consent mentioned in the preceding clause is given by Bridgestone, the Company shall not be exempted from the obligations it has under the Contract.

ARTICLE 13. NON-ASSIGNABILITY

The Company shall not assign or delegate the rights and obligations it has under the Contract or these Terms to any third party whether in whole or in part or use same as security except when Bridgestone's written consent is obtained in advance.

ARTICLE 14. TERMINATION OF THESE TERMS

- 1) The parties may terminate these Terms by mutual agreement, evidenced in writing and signed by their authorized representatives.
- 2) The party will have the right to terminate these Terms: -
 - (1) for convenience, by giving three (3) months' prior written notice to the other party;
 - (2) immediately, if there is a material breach of these Terms by the other party which is not rectified within fourteen (14) days of written notice being given;
 - (3) immediately, if the other party files a voluntary petition of bankruptcy or corporate reorganization, makes an assignment for the benefit of a creditor or admits in writing that it is unable to pay its debts as they fall due or has an involuntary petition of bankruptcy or corporate reorganization filed against it,
 - (4) by giving ten (10) days' written notice, in the event that the other party delays and/or fails to perform these Terms due to force majeure subsisting for a period of sixty (60) days.
- 3) In the event of termination of these Terms: -
 - (1) All clauses relating to confidentiality obligations shall survive the termination of these Terms;
 - (2) In the event that there are individual transactions under the Contract(s) which have yet to be completed, these Terms shall continue to apply to such individual transactions as if there has been no termination; and
 - (3) This shall have no impact on any rights that have accrued to date, including any valid warranty claims made for the Products.

ARTICLE 15. VALIDITY OF THE CONTRACT

Even with the Contract losing effect owing to cancellation or termination, the contents thereof which are based on these Terms shall remain effective as stipulated herein unless Bridgestone expresses its intent to the contrary.

ARTICLE 16. NOTICE AND COMMUNICATION

Any and all notices and communications to Bridgestone or the Company in connection with the Contract shall be sent to the address specified in the purchase order and made in English or Thai, in writing by a registered mail, postage prepaid, fax, or e-mail.

ARTICLE 17. SEVERABILITY

If any provision of these Terms and/or the Contract shall be determined to be illegal or invalid by a court of competent jurisdiction, all other provisions of these Terms and/or the Contract shall nevertheless remain in effect. Both parties shall substitute for such illegal or invalid provision a new provision which shall most closely achieve the purpose of the illegal or invalid provision.

ARTICLE 18. GOVERNING LAWS

- 1) The interpretation of trade terms in the Contract shall be in accordance with INCOTERMS 2010 and any supplements thereto in existence at the date of issuance of purchase order, unless specifically defined in the Contract.
 - 2) Notwithstanding anything to the contrary contained herein, the execution, interpretation and performance of the Contract shall be governed by the laws of the kingdom of Thailand and shall fall within the jurisdiction of the Court of Thailand to the exclusion of all other laws and powers of jurisdiction.
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